

**RESPONSE TO QUERIES FROM THE SINGAPORE STOCK EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”) ON ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019 (“FY2019”)**

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The Board of Directors of Forise International Limited (the “**Company**”), and together with its subsidiaries, the “**Group**”) would like to respond to the queries raised by the Singapore Stock Exchange Securities Trading Limited (“**SGX-ST**”) on 28 April 2020 in relation to the Annual Report for the financial year ended 31 December 2019 as follows:

**SGX-ST’s Query 1**

The Audit Committee has not commented on whether the internal audit function is independent, effective and adequately resourced. Listing Rule 1207(10C) requires the Audit Committee’s comments on whether the internal audit function is independent, effective and adequately resourced. Please also provide information on whether the head of the internal audit function team has the relevant experience and qualifications and whether the head of the team is a member of IIA Singapore in your disclosure. Where the internal audit function is outsourced, please provide information on the relevant experience of accounting firm and the engagement team.

**Company’s Response**

The Audit Committee confirms that the internal audit function is independent, effective and adequately resourced. The Company has engaged BDO LLP as the internal auditors, an established international auditing firm. BDO’s global organisation extends across 167 countries and territories, with 88,120 people working out of 1,809 offices. The outsourced internal audit team is headed by Mr. Koh Chin Beng (“**Mr. Koh**”), who is the head of BDO Risk Advisory and has more than 20 years of experience in audit and advisory services. Mr. Koh holds Bachelor of Accountancy Degree (Honours) from Nanyang Technological University, Singapore and is a Chartered Accountant of Institute of Singapore Chartered Accountants (“**ISCA**”) and Certified Internal Auditor of the Institute of Internal Auditors (“**IIA**”). The Audit Committee is also of the view that the outsourced internal audit function is adequately staffed by suitably qualified and experienced professionals and adheres to the International Professional Practices Framework established by the IIA.

**SGX-ST’s Query 2**

Listing Rule 210(5)(a) requires directors who has no prior experience as a director of an issuer listed on the Exchange to undergo training in the roles and responsibilities of director of a listed issuer as prescribed by the Exchange. We note that Mr Chin Sin Beng had been appointed to your Board on 19 November 2019 and the Company has disclosed that he does not hold directorships in other listed companies currently and for at least the past 3 years. Please disclose if Mr Chin Sin Beng has prior experience as a director of an issuer listed on the Exchange. If not, please disclose if Mr Chin Sin Beng had attended trainings as required, the date of the training(s) attended, and if no trainings have been attended, the reason why.

**Company’s Response**

As disclosed on Page 108 (Additional Information on Directors Seeking Re-Election Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST), Mr. Chin Sin Beng was previously an Independent Director of Communication Design International Limited until 29 October 2014.

Notwithstanding of the above, the Company plans to send its Directors to attend trainings regularly.

### **SGX-ST's Query 3**

Listing Rule 1207(19)(c) states that a listed issuer and its officers should not deal in the listed issuer's securities during the period commencing two weeks before the announcement of the company financial statements for each of the first three quarters of its financial year and one month before the announcement of the company's full year financial statements (if the issuer announces its quarterly financial statements, whether required by the Exchange or otherwise), or one month before the announcement of the company's half year and full year financial statements (if the issuer does not announce its quarterly financial statements). We noted the following in the Company's disclosure of dealings in securities paragraph in the Corporate Governance Report:

- a. There is no mention that the listed issuer is prohibited from dealing in the listed issuer's securities during the black-out periods. Please provide a confirmation that the listed issuer is prohibited from dealing in the listed issuer's securities during the black-out periods.

#### **Company's Response**

The Company confirms that the Company and its officers are prohibited from dealing in the Company's securities during the black-out periods stipulated under the Listing Manual. The Company confirms that it and its officers have complied with Listing Rule 1207(19)(c) in FY2019, with the applicable black-out period being the periods commencing two weeks before the announcement of the Company's financial statements or each of the first three quarters of its financial year and one month before the announcement of the Company's full year financial statements.

- b. The black-out period has been disclosed by the Company to be "one (1) month and two (2) weeks before the date of the announcement of the full year and quarterly results respectively and ending on the date of the announcement of the relevant results". Please confirm if the Company will be announcing quarterly financial statements. If not, please confirm the black-out period of one month before the announcement of the Company's half year and full year financial statements

#### **Company's Response**

Pursuant to the regulatory announcement released by the SGX-ST on 9 January 2020, the Company is no longer required to report its financial results on a quarterly basis for FY2020 and need only do semi-annual reporting. The Company thus confirms that in accordance with Listing Rule 1207(19)(c), the relevant black-out period applicable to the Company for FY2020 will be one month before the announcement of the Company's half year and full year financial statements.

#### **BY ORDER OF THE BOARD**

Peng Weile  
Executive Director  
30 April 2020