

PAN-UNITED CORPORATION LTD

(Company Reg No: 199106524G)

THIRD QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018
PART I – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS
1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED INCOME STATEMENT						
	3Q 2018	3Q 2017	+ / (-)	YTD 2018	YTD 2017	+ / (-)
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	219,112	145,445	51	652,405	416,616	57
Other income	826	687	20	2,060	2,333	(12)
Raw materials, subcontract cost and other direct costs	(190,158)	(120,394)	58	(573,401)	(349,652)	64
Staff costs	(9,996)	(9,492)	5	(28,611)	(24,694)	16
Depreciation and amortisation expenses	(4,428)	(3,513)	26	(13,196)	(10,391)	27
Other expenses	(10,744)	(11,233)	(4)	(32,787)	(31,171)	5
Finance costs	(1,105)	(874)	26	(3,147)	(2,907)	8
	3,507	626	nm	3,323	134	nm
Share of results of associates	682	835	(18)	2,363	2,339	1
Profit before income tax from continuing operations	4,189	1,461	nm	5,686	2,473	130
Income tax (expense)/credit	(547)	(411)	33	(1,355)	104	nm
Profit from continuing operations, net of tax	3,642	1,050	nm	4,331	2,577	68
Discontinued operations						
Profit from discontinued operations, net of tax	-	5,716	nm	1,007	14,246	(93)
Profit for the period, net of tax	3,642	6,766	(46)	5,338	16,823	(68)
Attributable to:						
Equity holders of the Company						
Profit from continuing operations, net of tax	3,471	993	nm	4,039	2,408	68
Profit from discontinued operations, net of tax	-	4,663	nm	878	11,724	(93)
	3,471	5,656	(39)	4,917	14,132	(65)
Non-controlling interests						
Profit from continuing operations, net of tax	171	57	nm	292	169	73
Profit from discontinued operations, net of tax	-	1,053	nm	129	2,522	(95)
	171	1,110	(85)	421	2,691	(84)
	3,642	6,766	(46)	5,338	16,823	(68)

nm: Not meaningful

The discontinued operations comprised the results from the Ports business, under Xinghua Port Holdings Ltd (Xinghua), which was de-merged on 7 February 2018, as a separate entity. The de-merger was effected through a capital reduction of the Company and a distribution in specie of all the shares in Xinghua, held by the Company, to its shareholders.

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year. (continued)

A. Profit before income tax is arrived at after crediting/(charging) the following:	3Q 2018	3Q 2017	+ / (-)	YTD 2018	YTD 2017	+ / (-)
	\$'000	\$'000	%	\$'000	\$'000	%
Interest income	95	108	(12)	240	308	(22)
Interest expense	(1,050)	(834)	26	(2,971)	(2,670)	11
(Impairment loss)/reversal of impairment loss on trade receivables	(326)	(46)	609	(2,383)	149	nm
Foreign exchange gain/(loss)	92	(164)	(156)	413	(246)	nm
Gain on disposal of property, plant and equipment	15	1	nm	35	52	(33)
Write-off of property, plant and equipment	-	(452)	nm	(327)	(760)	(57)

B. The Group's tax charge for YTD 2017 included a reversal of tax provision of \$728,000 related to previous periods.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME						
	3Q 2018	3Q 2017	+ / (-)	YTD 2018	YTD 2017	+ / (-)
	\$'000	\$'000	%	\$'000	\$'000	%
Profit for the period, net of tax	3,642	6,766	(46)	5,338	16,823	(68)
Other comprehensive income:						
Foreign currency translation	(1,965)	(14)	nm	906	(5,038)	118
Fair value changes of derivatives	(46)	286	(116)	2,220	(4,116)	154
Other comprehensive income for the period, net of tax	(2,011)	272	nm	3,126	(9,154)	134
Total comprehensive income for the period	1,631	7,038	(77)	8,464	7,669	(10)
Attributable to:						
Equity holders of the Company	1,561	5,920	(74)	7,775	5,849	33
Non-controlling interests	70	1,118	(94)	689	1,820	(62)
Total comprehensive income for the period	1,631	7,038	(77)	8,464	7,669	10
Attributable to equity holders of the Company:						
Total comprehensive income from continuing operations, net of tax	1,561	625	nm	4,790	(3,301)	nm
Total comprehensive income from discontinued operations, net of tax	-	5,295	nm	2,985	9,150	(67)
Total comprehensive income for the period attributable to equity holders of the Company	1,561	5,920	(74)	7,775	5,849	33

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

BALANCE SHEETS	Group		Company	
	30-Sep-18 \$'000	31-Dec-17 \$'000	30-Sep-18 \$'000	31-Dec-17 \$'000
Non-current assets				
Property, plant and equipment	181,715	185,851	261	271
Intangible assets	4,630	4,324	370	1,001
Subsidiaries	-	-	92,628	81,049
Associates	4,100	3,728	-	-
Other investments	407	407	404	404
Other receivables	394	633	-	-
Deferred tax assets	636	475	-	-
	<u>191,882</u>	<u>195,418</u>	<u>93,663</u>	<u>82,725</u>
Current assets				
Inventories	21,009	34,362	-	-
Prepayments	3,180	2,652	776	566
Trade and other receivables	144,997	139,007	3,751	3,081
Derivatives	710	-	710	-
Other assets	9,416	4,631	-	-
Cash and short-term deposits	37,342	63,133	21,698	38,637
	<u>216,654</u>	<u>243,785</u>	<u>26,935</u>	<u>42,284</u>
Assets of disposal group classified as held for sale	-	341,434	-	102,000
	<u>216,654</u>	<u>585,219</u>	<u>26,935</u>	<u>144,284</u>
Current liabilities				
Loans and borrowings	61,645	41,559	-	-
Payables and accruals	75,640	98,925	1,446	1,366
Deferred income	-	5,361	-	-
Provisions	976	1,284	-	-
Income tax payable	1,723	1,408	-	33
Derivatives	-	1,627	-	1,627
	<u>139,984</u>	<u>150,164</u>	<u>1,446</u>	<u>3,026</u>
Liabilities directly associated with disposal group classified as held for sale	-	170,545	-	-
	<u>139,984</u>	<u>320,709</u>	<u>1,446</u>	<u>3,026</u>
Net current assets	<u>76,670</u>	<u>264,510</u>	<u>25,489</u>	<u>141,258</u>
Non-current liabilities				
Loans and borrowings	60,846	81,342	20,000	20,000
Deferred tax liabilities	7,270	6,991	-	-
Other liabilities	534	537	-	-
Provisions	4,082	3,149	-	-
	<u>72,732</u>	<u>92,019</u>	<u>20,000</u>	<u>20,000</u>
Net assets	<u>195,820</u>	<u>367,909</u>	<u>99,152</u>	<u>203,983</u>
Equity attributable to equity holders of the Company				
Share capital	12,645	151,799	12,645	151,799
Treasury shares	(957)	(957)	(957)	(957)
Reserves	177,608	141,138	87,464	53,141
Reserves of disposal group classified as held for sale	-	36,914	-	-
	<u>189,296</u>	<u>328,894</u>	<u>99,152</u>	<u>203,983</u>
Non-controlling interests	6,524	39,015	-	-
Total equity	<u>195,820</u>	<u>367,909</u>	<u>99,152</u>	<u>203,983</u>

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year. (continued)

Explanatory Notes to Balance Sheets

The Ports business, under Xinghua Port Holdings Ltd. (Xinghua) was de-merged as a separate entity on 7 February 2018 and was listed on The Stock Exchange of Hong Kong Limited on 12 February 2018. The de-merger was effected through a capital reduction of the Company and a distribution in specie of all the shares in Xinghua held by the Company to its shareholders. Following the capital reduction of \$139.2 million, the share capital of the Company was reduced to \$12.6 million. The assets and liabilities of the de-merged Ports business were de-recognised accordingly.

The higher trade and other receivables is due to the increase in revenue.

The reduction in cash and short-term deposits is largely due to the settlement of trade and other payables, and payment of dividends to shareholders.

1(b)(ii) In relation to the aggregate amount of group's borrowings and debts securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.

	As of 30 Sep 2018		As of 31 Dec 2017	
	<u>Secured</u> \$'000	<u>Unsecured</u> \$'000	<u>Secured</u> \$'000	<u>Unsecured</u> \$'000
Amount repayable in one year or less, or on demand	16,368	45,277	14,289	27,270
Amount repayable after one year	15,846	45,000	16,342	65,000

Details of any collateral

Certain short and long-term bank loans are secured by mortgages over certain assets of foreign subsidiaries.

1(c) **A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

CONSOLIDATED CASH FLOW STATEMENTS	3Q 2018	3Q 2017	YTD 2018	YTD 2017
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities				
Profit before income tax from continuing operations	4,189	1,461	5,686	2,473
Profit from discontinued operations	-	8,134	1,485	19,414
Adjustments for				
Depreciation expenses	4,366	6,044	13,872	18,017
Amortisation of intangible assets	62	-	169	-
Interest income	(95)	(137)	(240)	(448)
Interest expense	1,050	2,580	2,971	8,344
Gain on disposal of property, plant and equipment	(15)	(1)	(35)	(27)
Impairment loss/(reversal of impairment loss) on trade receivables	326	46	2,383	(149)
Write-down of inventories	-	-	62	-
Gain on disposal of other investments	(29)	-	(29)	(24)
Provision/(reversal of provisions)	35	(141)	(198)	(162)
Write-off of property, plant and equipment	-	452	327	760
Fair value changes of derivatives	(9)	-	(117)	-
Share-based payment expenses	39	24	133	95
Share of results of associates	(682)	(1,248)	(2,548)	(4,020)
Foreign exchange differences	(574)	(568)	(1,416)	(952)
Operating cash flows before working capital changes	8,663	16,646	22,505	43,321
Decrease/(Increase) in				
Trade and other receivables	(6,339)	(9,485)	(8,478)	(8,923)
Prepayments	(25)	1,106	(466)	(92)
Inventories and work-in-progress	(2,336)	(3,286)	13,283	1,259
Other assets	(2,778)	(2,212)	(4,785)	(860)
Increase/(Decrease) in				
Payables, accruals and provisions	(7,948)	8,731	(17,111)	(2,207)
Deferred income	-	(37)	(5,364)	(192)
Cash flows(used in)/from operations	(10,763)	11,463	(416)	32,306
Interest paid	(1,050)	(2,580)	(2,971)	(8,344)
Income tax paid	(280)	(1,804)	(2,368)	(5,713)
Interest received	95	137	240	448
Net cash flows (used in)/from operating activities	(11,998)	7,216	(5,515)	18,697
Cash flows from investing activities				
Purchase of property, plant and equipment	(1,698)	(10,953)	(10,167)	(26,489)
Additions to intangible assets	(205)	-	(488)	-
Proceeds from disposal of property, plant and equipment	15	1	37	672
Net cash outflow on de-merger of subsidiaries	-	-	(3,820)	-
Proceeds from disposal of other investments	42	-	42	63
Dividend income from associates	680	808	1,991	4,712
Capital redemption from other investments	-	-	-	156
Net cash flows used in investing activities	(1,166)	(10,144)	(12,405)	(20,886)
Cash flows from financing activities				
Proceeds from bank borrowings	20,750	10,693	44,767	72,184
Repayment of bank borrowings	(3,966)	(71,628)	(47,077)	(142,249)
Net proceeds from rights issue	-	59,747	-	59,747
Proceeds from reissuance of treasury shares	-	-	-	573
Dividends paid to shareholders	-	(3,505)	(5,607)	(18,919)
Dividend paid to non-controlling interests	(667)	(807)	(667)	(938)
Net cash flows from/(used in) financing activities	16,117	(5,500)	(8,584)	(29,602)
Net increase/(decrease) in cash and cash equivalents	2,953	(8,428)	(26,504)	(31,791)
Cash and cash equivalents as at beginning of period	34,448	48,766	63,133	72,662
Effects of exchange rate changes on opening cash and cash equivalents	(59)	(11)	713	(544)
Cash and cash equivalents as at end of period	37,342	40,327	37,342	40,327

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.

STATEMENTS OF CHANGES IN EQUITY	Attributable to equity holders of the Company								Non-controlling interests	Total Equity
	Share capital	Treasury shares	Statutory reserve	Foreign currency translation reserve	Retained earnings	Other reserves	Reserves of disposal group classified as held for sale	Total reserves		
GROUP	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2018, as previously reported	151,799	(957)	-	(6,925)	148,242	(179)	36,914	178,052	39,015	367,909
Effect on adoption of SFRS (I)	-	-	-	6,228	(6,228)	-	-	-	-	-
Total comprehensive income for the period	-	-	-	395	568	2,266	2,985	6,214	619	6,833
Cost of share-based payment (share options)	-	-	-	-	-	94	-	94	-	94
Dividends on ordinary shares	-	-	-	-	(5,607)	-	-	(5,607)	-	(5,607)
Distribution in specie	-	-	-	-	-	37,154	(39,899)	(2,745)	(32,513)	(35,258)
Capital reduction	(139,154)	-	-	-	-	-	-	-	-	(139,154)
Balance at 30 June 2018	12,645	(957)	-	(302)	136,975	39,335	-	176,008	7,121	194,817
Total comprehensive income for the period	-	-	-	(1,864)	3,471	(46)	-	1,561	70	1,631
Cost of share-based payment (share options)	-	-	-	-	-	39	-	39	-	39
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(667)	(667)
Balance at 30 September 2018	12,645	(957)	-	(2,166)	140,446	39,328	-	177,608	6,524	195,820
Balance at 1 January 2017, as previously reported	92,052	(1,759)	3,000	(6,766)	254,045	(66,885)	-	183,394	36,959	310,646
Effect on adoption of SFRS (I)	-	-	-	6,766	(6,766)	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(4,145)	8,476	(4,402)	-	(71)	702	631
Cost of share-based payment (share options)	-	-	-	-	-	71	-	71	-	71
Reissuance of treasury shares	-	802	-	-	-	(229)	-	(229)	-	573
Dividends on ordinary shares	-	-	-	-	(15,414)	-	-	(15,414)	-	(15,414)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(406)	(406)
Balance at 30 June 2017	92,052	(957)	3,000	(4,145)	240,341	(71,445)	-	167,751	37,255	296,101
Total comprehensive income for the period	-	-	-	(22)	5,656	286	-	5,920	1,118	7,038
Cost of share-based payment (share options)	-	-	-	-	-	24	-	24	-	24
Shares issued pursuant to right issue	59,747	-	-	-	-	-	-	-	-	59,747
Dividends on ordinary shares	-	-	-	-	(3,505)	-	-	(3,505)	-	(3,505)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(665)	(665)
Balance at 30 September 2017	151,799	(957)	3,000	(4,167)	242,492	(71,135)	-	170,190	37,708	358,740

(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. (continued)

COMPANY	Share capital	Treasury shares	Retained earnings	Other reserves	Total reserves	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2018	151,799	(957)	53,320	(179)	53,141	203,983
Total comprehensive income for the period	-	-	(359)	2,266	1,907	1,907
Cost of share-based payment (share options)	-	-	-	94	94	94
Dividends on ordinary shares	-	-	(5,607)	-	(5,607)	(5,607)
Distribution in specie	-	-	-	37,154	37,154	37,154
Capital reduction	(139,154)	-	-	-	-	(139,154)
Balance at 30 June 2018	12,645	(957)	47,354	39,335	86,689	98,377
Total comprehensive income for the period	-	-	782	(46)	736	736
Cost of share-based payment (share options)	-	-	-	39	39	39
Balance at 30 September 2018	12,645	(957)	48,136	39,328	87,464	99,152
Balance at 1 January 2017	92,052	(1,759)	54,289	4,003	58,292	148,585
Total comprehensive income for the period	-	-	(988)	(4,402)	(5,390)	(5,390)
Cost of share-based payment (share options)	-	-	-	71	71	71
Reissuance of treasury shares	-	802	-	(229)	(229)	573
Dividends on ordinary shares	-	-	(15,414)	-	(15,414)	(15,414)
Balance at 30 June 2017	92,052	(957)	37,887	(557)	37,330	128,425
Total comprehensive income for the period	-	-	19,410	286	19,696	19,696
Cost of share-based payment (share options)	-	-	-	24	24	24
Shares issued pursuant to rights issue	59,747	-	-	-	-	59,747
Dividends on ordinary shares	-	-	(3,505)	-	(3,505)	(3,505)
Balance at 30 September 2017	151,799	(957)	53,792	(247)	53,545	204,387

1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, shares buy-backs, exercise of shares 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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the corresponding period of the immediately preceding financial year.

	3Q 2018 ended 30-Sep-18	3Q 2017 ended 30-Sep-17
Issued share capital		
Issued and fully paid ordinary shares:		
As at beginning of period	701,995,825	561,818,660
Shares issued pursuant to rights issue	-	140,177,165
As at end of period	701,995,825	701,995,825
Treasury shares		
As at beginning and end of period	1,110,000	1,110,000
Total number of issued shares excluding treasury shares	700,885,825	700,885,825

There were no share buyback and no new shares issued during the quarter ended 30 September 2018.

	As at 30-Sep-18	As at 30-Sep-17
The number of shares that may be issued on exercise of share options outstanding at the end of the period	12,049,000	10,647,800

1(d)(iii) To show the total number of issued shares excluding treasury shares as at end of the current financial period and as at the end of the immediately preceding year.

	As at 30-Sep-18	As at 31-Dec-17
Total number of issued shares	701,995,825	701,995,825
Treasury shares	1,110,000	1,110,000
Total number of issued shares excluding treasury shares	700,885,825	700,885,825

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at end of the current financial period reported on.

There were no sales, transfers, disposals, cancellations and/or use of treasury shares for the quarter ended 30 September 2018.

1(d)(v) **Subsidiary holdings.**

There were no subsidiary holdings as at the end of the current financial period reported on.

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 by our auditors, Messrs Ernst & Young LLP.

3 Where the figures have been audited or reviewed, the auditor's report (including any qualification of emphasis of matter).

Not applicable.

4 Where the same accounting policies and methods of computation as in the issuers' most recently audited annual financial statements have been applied.

Except as disclosed in item 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those of the audited financial statements for the year ended 31 December 2017.

5 If there are any changes in 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.

On 1 January 2018, the Group adopted the Singapore Financial Reporting Framework (International) (SFRS(I)), a new financial reporting framework identical to the International Financial Reporting Standards. As a first-time adopter of SFRS(I), the Group elected the option to deem cumulative translation differences for foreign operations to be zero on 1 January 2017 (date of transition), and accordingly, the gain or loss that will be recognised on a subsequent disposal of the foreign operations will exclude cumulative translation differences that arose before 1 January 2017. The foreign currency translation reserve of \$6.8 million, as previously reported was reclassified to the opening retained earnings as at 1 January 2017.

Other than the effects of the matter as described above, the Group expects that the adoption of the new standards that are effective on 1 January 2018 will have no material impact on the financial position and financial performance of the Group.

6 Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for the preference dividends.

	Quarter ended 30 September			Year to date September		
	<u>2018</u>	<u>2017</u>	<u>Change</u>	<u>2018</u>	<u>2017</u>	<u>Change</u>
Earnings per share from continuing operations attributable to equity holders of the Company						
Based on weighted average number of ordinary shares in issue (in cents)	0.50	0.14	257%	0.58	0.34	71%
On a fully diluted basis (in cents)	0.50	0.14	257%	0.58	0.34	71%

- 7 **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on (b) immediately preceding financial year.**

	<u>Group</u>	<u>Company</u>
Net asset value per ordinary share based on Issued share capital at 30 September 2018 (in cents)	27.0	14.1
Net asset value per ordinary share based on Issued share capital at 31 December 2017 (in cents)	46.9	29.1

- 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.**

Review of Year to date 2018 Performance

The Ports business, under Xinghua Port Holdings Ltd, was de-merged as a separate entity on 7 February 2018. The results of the Ports business and its comparatives are presented separately on the income statement under "Discontinued Operations".

The revenue and EBITDA from continuing businesses of Concrete & Cement (C&C) and Trading recorded a year-on-year (yoy) increase of 57% and 49% respectively. The increase in revenue to \$652 million was primarily due to the higher volume registered from the Trading business. Notwithstanding, the EBITDA to \$19 million were attributable to both the stable selling prices of ready mixed concrete in Singapore as well as the higher contribution from the Trading business.

The Group registered a net attributable profit of \$4 million from continuing operations, which was 68% higher yoy. The higher depreciation expenses came mainly from the new slag grinding plant in Malaysia that commenced operations beginning of this year.

- 9 **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

- 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 construction sector was weighed down by weakness in public sector construction activities in the third quarter, as the sector shrank 3.1 per cent year-on-year, according to estimates from the Ministry of Trade and Industry. Growth momentum in new private residential projects and en bloc projects were also dampened by the property cooling measures introduced in July this year.

Major public infrastructure projects, such as Changi Terminal 5, Cross Island and Jurong Region MRT lines as well as the Jurong Lake District and Punggol Digital District developments, are still on track and expected to strengthen the pipeline of projects in the longer term.

In Vietnam, the construction sector grew by 8.46% during the first three quarters of 2018, and growth in the country's overall economy is expected to remain steady.

The Ministry of Finance Malaysia, in the Budget for 2019, has set up a GDP growth of 4.8% in 2018 and 4.9% in 2019, as it juggles fiscal constraints against downside risks to economic expansion.

11 If a decision regarding dividend has been made:

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable:

Not applicable.

(d) Books closure date

Not applicable.

12 If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared for the quarter ended 30 September 2018.

13 If the Group has obtained a general mandate from shareholders for interested person transactions ('IPT), 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 Group does not have a general mandate from shareholders for interested person transactions.

14 Negative confirmation pursuant to Rule 705(5).

CONFIRMATION PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial results for the quarter ended 30 September 2018 to be false or misleading.

15 Confirmation that the issuer has procured undertakings from all its directors and executive officers pursuant to Rule 720(1) of the SGX Listing Manual.

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) pursuant to Rule 720 (1) of the SGX Listing Manual.

BY ORDER OF THE BOARD

Cho Form Po
Company Secretary
8 November 2018