TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

PART I - UNAUDITED RESULTS FOR THE HALF YEAR ENDED 30 JUNE 2020

1(a)(i) INCOME STATEMENT FOR THE HALF YEAR ENDED 30 JUNE 2020

In S$'000	1H2020	1H2019	+/- %
Revenue (Note 1)	100,644	153,540	-34.5%
Cost of sales (Note 1)	(92,559)	(138,146)	-33.0%
Gross profit (Note 2a)	**8,085**	**15,394**	-47.5%
Gross margin % (Note 2b)	*8.0%*	*10.0%*	*-2.0 ppt*
Other income (Note 3)	2,751	210	1,210.0%
Selling and marketing expenses	(3,668)	(3,807)	-3.7%
Administrative expenses (Note 4)	(7,872)	(8,578)	-8.2%
Other expenses (Note 5)	(142)	(348)	-59.2%
Net finance costs	(798)	(765)	4.3%
Operating (loss)/profit before income tax	**(1,644)**	**2,106**	nm
% of revenue	*-1.6%*	*1.4%*	*-3.0 ppt*
Share of (loss)/profit of associate (net of tax) (Note 6)	(135)	114	nm
(Loss)/Profit before income tax	**(1,779)**	**2,220**	nm
% of revenue	*-1.8%*	*1.4%*	*-3.2 ppt*
Income tax expense (Note 7)	(255)	(891)	-71.4%
(Loss)/Profit for the period	(2,034)	1,329	nm
Attributable to:			
Equity holders of the Company	**(2,034)**	**1,315**	nm
% of revenue	*-2.0%*	*0.9%*	*-2.9 ppt*
Non-controlling interests	-*	14	-100.0%
	(2,034)	1,329	nm
Weighted average number of shares (in S$'000)	452,807	454,271	
(Losses)/Earnings per share (in cents)			
Basic	(0.45)	0.29	
Diluted	(0.44)	0.29	

nm - not meaningful
* - less than S$1,000

TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 30 JUNE 2020

In S$'000	1H2020	1H2019	+/- %
(Loss)/Profit for the period	(2,034)	1,329	nm
Items that may be reclassified subsequently to profit or loss:			
Translation differences relating to financial statements of foreign subsidiaries	388	140	177.1
Share of foreign currency translation differences of associate	26	(1)	nm
Foreign currency translation differences on disposal of a foreign subsidiary reclassified to profit or loss	-	56	-100.0%
Exchange differences on monetary items forming part of net investment in a foreign operations	30	61	-50.8%
Total comprehensive (loss)/income for the period	(1,590)	1,585	nm
Attributable to:			
Equity holders of the Company	(1,590)	1,571	nm
Non-controlling interests	-*	14	-100.0%
Total comprehensive (loss)/income for the period	(1,590)	1,585	nm

1(a)(ii) (LOSS)/PROFIT AFTER TAXATION HAS BEEN ARRIVED AT AFTER CHARGING/(CREDITING):

In S$'000	1H2020	1H2019	+/- %
Staff costs (Note 8)	24,659	26,271	-6.1%
Provision of directors' remuneration, included in staff costs	236	236	-
Depreciation of plant and equipment (Note 9)	414	617	-32.9%
Depreciation of right-of-use assets (Note 10)	2,511	1,802	39.3%
Amortisation of intangible assets (Note 11)	185	246	-24.8%
Bad debts written back (Note 12)	(24)	(4)	500%
Net exchange gain (Note 13)	(180)	(1)	17,900%
Write down of inventories to net realisable value (Note 14)	77	887	-91.3%
Finance costs	853	812	5.0%
Finance income (Note 15)	(55)	(47)	17.0%
Adjustments for (over)/under provision of tax in respect of prior years (Note 16)	(130)	103	nm

nm - not meaningful
* - less than S$1,000

Notes:

(1) Group revenue was lower mainly attributed to the lower revenue from PCS division. Refer to paragraph 8A for additional information. Correspondingly, cost of sales was lower.

(2a) In 1H2020, all three business divisions reported lower gross profit against previous period.

(2b) In 1H2020, only ICT division reported higher gross margin against the previous period mainly due to the increase in service revenue which had a higher margin.

(3) In 1H2020, other income was higher due to higher government grants received from the job support and wage credit schemes.

(4) In 1H2020, administrative expenses were lower mainly due to lower staff costs from ICT division during the period.

(5) Other expenses comprised of withholding taxes. In 1H2019, other expenses were higher due to prior year tax corrections and a loss on disposal of a dormant subsidiary recognised.

(6) Share of profit/(loss) of associate was from MVI Systems Limited. The share of loss in 1H2020 was attributed to lower revenue impacted by the COVID-19 outbreak.

(7) In 1H2020, income tax expense was lower due to lower taxable profit and an adjustment for over provision of tax in respect of prior years.

(8) In 1H2020, staff costs were lower due to lower sales activities against the previous period resulting in lower commission paid.

(9) In 1H2020, depreciation of plant and equipment was lower due to certain assets being fully depreciated.

(10) Higher depreciation of right-of-use assets due to new additions of right-of-use assets in 2H2019.

(11) In 1H2020, amortisation of intangible assets was lower due to certain assets being fully amortised.

(12) In 1H2020, higher write back of bad debts was attributed to an Engineering division customer.

(13) In 1H2020, net exchange gain arose mainly from USD bank balances due to strengthening of USD against SGD.

(14) In 1H2020, there was lower inventory provision due to lower inventory balances. In 1H2019, inventory provision was higher due to slow moving inventory balances held.

(15) In 1H2020, higher finance income was from higher interest income.

(16) Adjustments for the under/(over) provision of taxes were due to the differences in final tax assessment and tax estimates made in the prior years.

TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

1(b)(i) STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Group		Company	
In S$'000	**30/06/2020**	**31/12/2019**	**30/06/2020**	**31/12/2019**
Non-current assets				
Subsidiaries	-	-	35,353	35,236
Associate	2,074	2,294	-	-
Plant and equipment	1,288	1,023	106	114
Right-of-use assets	9,116	11,616	4,914	5,565
Intangible assets	12,423	12,526	126	164
Deferred tax assets	639	508	28	28
Trade and other receivables	1,265	1,212	-	-
	26,805	**29,179**	**40,527**	**41,107**
Current assets (Note 1)				
Inventories	10,273	17,093	7,462	14,060
Contract assets	36,827	42,016	-	-
Trade and other receivables	33,057	48,797	4,281	10,130
Cash and cash equivalents	30,916	23,090	8,587	5,697
	111,073	**130,996**	**20,330**	**29,887**
Total assets	**137,878**	**160,175**	**60,857**	**70,994**
Equity				
Share capital	21,987	21,987	21,987	21,987
Other reserves	7,797	7,324	13,437	13,408
Accumulated profits	36,107	42,666	7,745	12,143
Equity attributable to equity holders of the Company	**65,891**	**71,977**	**43,169**	**47,538**
Non-controlling interests	11	11	-	-
Total equity	**65,902**	**71,988**	**43,169**	**47,538**
Non-current liabilities				
Lease liabilities	4,558	6,712	3,593	4,196
Provisions	514	535	294	294
Contract liabilities	299	364	-	-
	5,371	**7,611**	**3,887**	**4,490**
Current liabilities (Note 1)				
Trade and other payables	37,486	49,213	5,595	10,753
Contract liabilities	4,580	4,215	-	-
Provision	234	220	-	-
Current tax payable	195	87	-	-
Loans and borrowings	19,755	22,160	7,000	7,000
Lease liabilities	4,355	4,681	1,206	1,213
	66,605	**80,576**	**13,801**	**18,966**
Total liabilities	**71,976**	**88,187**	**17,688**	**23,456**
Total equity and liabilities	**137,878**	**160,175**	**60,857**	**70,994**

(1) Lower sales activities in 1H2020 resulted in lower net current assets and liabilities. Higher net cash balance as at 30 June 2020 as compared to 31 December 2019 was due to positive changes in working capital.

1(b)(ii) GROUP BORROWINGS*

In S$'000	As at 30/06/2020	As at 31/12/2019
Amount repayable in one year or less		
Bank loan – unsecured	19,755	22,160
Amount repayable after one year		
Bank loan – unsecured	-	-
Total	19,755	22,160

Details of any collateral

Nil

*Group borrowings exclude the lease liabilities recognised following the adoption of SFRS(I) 16 *Leases.*

TELECHOICE INTERNATIONAL LIMITED
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1(c) CONSOLIDATED CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 30 JUNE 2020

In S$'000	1H2020	1H2019
Operating Activities		
(Loss)/Profit before income tax	(1,779)	2,220
Adjustments for:		
Amortisation of intangible assets	185	246
Depreciation of plant and equipment	414	617
Depreciation of right-of-use assets	2,511	1,802
Finance costs	853	812
Finance income	(55)	(47)
(Gain)/loss on disposal of plant and equipment and intangible assets	(4)	39
Loss on disposal of a subsidiary	-	56
(Write back)/provision for warranties	(2)	1
Share-based payments expenses	386	357
Share of loss/(profit) of an associate	135	(114)
Cash from operating profit before working capital changes	2,644	5,989
Changes in working capital	16,502	(13,822)
Cash generated from operations	19,146	(7,833)
Income tax paid	(272)	(450)
Net cash inflow/(outflow) from operating activities	**18,874**	**(8,283)**
Investing Activities		
Acquisition of non-controlling interests	-	(685)
Dividend received from associate	111	-
Purchase of intangible assets	(82)	(52)
Purchase of plant and equipment	(680)	(234)
Proceeds from disposal of plant and equipment	9	3
Interest received	24	6
Net cash outflow from investing activities	**(618)**	**(962)**
Financing Activities		
Dividend paid	(4,525)	(4,544)
Interest paid	(852)	(779)
Purchase of treasury shares	(357)	(574)
Proceeds from bank loans	19,735	25,072
Repayment of short term bank loans	(22,140)	(16,779)
Payment of lease liabilities	(2,378)	(1,776)
Net cash (outflow)/inflow from financing activities	**(10,517)**	**620**
Net increase/(decrease) in cash and cash equivalents	7,739	(8,625)
Cash and cash equivalents at beginning of period	23,090	28,759
Effect of exchange rate changes on balances held in foreign currencies	87	(6)
Cash and cash equivalents at end of period	**30,916**	**20,128**

Cash flows from operating activities

Net cash inflow in 1H2020 was positive from cash from operations and positive changes in working capital due to lower inventories, contract assets and trade and other receivables.

Cash flows from investing activities

Net cash outflow in 1H2020 was lower than 1H2019. In 1H2020, there were motor vehicles and specialised tools purchased for the Indonesian operation. In 1H2019, there was a consideration paid to acquire the remaining shares of a subsidiary from a non-controlling shareholder.

Cash flows from financing activities

Net cash outflow in 1H2020 was due to higher net repayment of bank loans.

TELECHOICE INTERNATIONAL LIMITED
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1(d)(i) STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30 JUNE 2020

In S$'000	Share capital	Accumulated profits	Other reserves	Total attributable to equity holders of the Company	Non-controlling interests	Total equity
GROUP						
At 1 January 2019	**21,987**	**41,994**	**6,789**	**70,770**	**685**	**71,455**
Effect of adoption of SFRS(I) 16	-	(177)	-	(177)	-	(177)
	21,987	**41,817**	**6,789**	**70,593**	**685**	**71,278**
Total comprehensive income for the period	-	1,315	256	1,571	14	1,585
Acquisition of non-controlling interest	-	-	-	-	(687)	(687)
Purchase of treasury shares	-	-	(574)	(574)	-	(574)
Issue of treasury shares	-	-	129	129	-	129
Share-based payments expenses	-	-	357	357	-	357
FY2018 final dividend of 1.0 cents per share (one-tier tax exempt)	-	(4,544)	-	(4,544)	-	(4,544)
At 30 June 2019	**21,987**	**38,588**	**6,957**	**67,532**	**12**	**67,544**
At 1 January 2020	**21,987**	**42,666**	**7,324**	**71,977**	**11**	**71,988**
Total comprehensive income for the period	-	(2,034)	444	(1,590)	-*	(1,590)
Purchase of treasury shares	-	-	(357)	(357)	-	(357)
Share-based payments expenses	-	-	386	386	-	386
FY2019 final dividend of 1.0 cents per share (one-tier tax exempt)	-	(4,525)	-	(4,525)	-	(4,525)
At 30 June 2020	**21,987**	**36,107**	**7,797**	**65,891**	**11**	**65,902**

* - less than S$1,000

TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

1(d)(i) STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30 JUNE 2020

In S$'000	Share capital	Accumulated profits	Other reserves	Total equity
COMPANY				
At 1 January 2019	**21,987**	**11,301**	**13,349**	**46,637**
Effect of adoption of SFRS(I) 16	-	(110)	-	(110)
Adjusted balance at 1 January 2019	**21,987**	**11,191**	**13,349**	**46,527**
Total comprehensive income for the period	-	180	-	180
Purchase of treasury shares	-	-	(574)	(574)
Issue of treasury shares	-	-	129	129
Share-based payments to employees of Company's subsidiaries	-	-	105	105
Share-based payments expenses	-	-	252	252
FY2018 final dividend of 1.0 cents per share (one-tier tax exempt)	-	(4,544)	-	(4,544)
At 30 June 2019	**21,987**	**6,827**	**13,261**	**42,075**
At 1 January 2020	**21,987**	**12,143**	**13,408**	**47,538**
Total comprehensive income for the period	-	127	-	127
Purchase of treasury shares	-	-	(357)	(357)
Share-based payments to employees of Company's subsidiaries	-	-	117	117
Share-based payments expenses	-	-	269	269
FY2019 final dividend of 1.0 cents per share (one-tier tax exempt)	-	(4,525)	-	(4,525)
At 30 June 2020	**21,987**	**7,745**	**13,437**	**43,169**

1(d)(ii) CHANGES IN COMPANY'S SHARE CAPITAL

A) Share Capital

As at 30 June 2020, the share capital of the Company amounted to S$21.987 million comprising 451,553,525 issued ordinary shares excluding treasury shares. (30 June 2019: 454,383,525 ordinary shares excluding treasury shares; 31 December 2019: 453,383,525 ordinary shares excluding treasury shares).

During the half year ended 30 June 2020, there was no issuance of new ordinary shares.

B) Restricted Share Plan ("RSP") and Performance Share Plan ("PSP")

As at 30 June 2020, the number of outstanding shares granted under the Company's RSP and PSP were 9,609,545 (30 June 2019: 5,649,545) and 4,296,200 (30 June 2019: 3,660,000) respectively.

C) Treasury Shares

During the half year ended 30 June 2020, a total of 1,830,000 ordinary shares were repurchased from the market at a total consideration of S$357,044. As at 30 June 2020, there were 2,868,975 (30 June 2019: 38,975) treasury shares representing approximately 0.6354% of the total issued share capital of the Company.

D) Subsidiary Holdings

As at 30 June 2020, none of the Company's subsidiaries held any shares in the Company (30 June 2019: Nil).

2. AUDIT

The results have not been audited nor reviewed by the Company's auditor.

3. AUDITORS' REPORT

Not applicable.

4. ACCOUNTING POLICIES

The Group has applied the same accounting policies and method of computation in the preparation of the current period financial statements compared to those used in the annual report for the financial year ended 31 December 2019, except for the adoption of new or revised Singapore Financial Reporting Standards (International) ("**SFRS(I)**") and Interpretations to FRS ("**INT FRS**") which became effective from this financial year as follows:

- Amendments to References to Conceptual Framework in SFRS(I) Standards
- Amendments to SFRS(I) 1-1 and SFRS(I) 1-8 Definition of Material
- Amendments to SFRS(I) 3 Definition of a Business
- Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7 Interest Rate Benchmark Reform

5. CHANGES IN ACCOUNTING POLICIES

In the current financial year, the Group and the Company have adopted all the new and revised SFRS(I)s that are relevant to its operations and effective for annual periods beginning on 1 January 2020. The adoption of these new/revised SFRS(I)s does not result in substantial changes to the Group's and the Company's accounting policies and had no material effect on the amounts reported for the current or prior periods.

6. (LOSSES)/EARNINGS PER ORDINARY SHARE ("EPS")

Group	1H2020	1H2019	FY2019
Basic	(0.45)	0.29	1.18
Diluted	(0.44)	0.29	1.17

7. NET ASSET VALUE PER ORDINARY SHARE

	GROUP		COMPANY	
	30/06/2020	31/12/2019	30/06/2020	31/12/2019
Net asset value per ordinary share based on issued share capital at the end of the financial period/year (in cents):	14.59	15.88	9.56	10.49

8. REVIEW OF GROUP PERFORMANCE

A) Revenue

S$M	1Q2020	2Q2020	1H2020	1H2019	Growth	
					S$	%
Personal Communications Solutions Services ("**PCS**")	29.3	17.2	46.5	87.3	(40.8)	-47%
Info-Communications Technology Services ("**ICT**")	10.5	11.3	21.8	30.9	(9.1)	-29%
Network Engineering Services ("**Engineering**")	17.1	15.2	32.3	35.3	(3.0)	-8%
Group Revenue	56.9	43.7	100.6	153.5	(52.9)	-34%

The COVID-19 outbreak has brought challenging times to many countries. In Singapore, to stem the escalation of COVID-19 transmissions, the government has introduced various measures to restrict business and social activities from 7 April 2020 ("**Circuit Breaker**"). Most of our business activities were unable to operate during the Circuit Breaker period. Some of our business activities have resumed since the commencement of Phase 2 ("**Safe Transition**") on 19 June 2020. Similarly, the Group's other operations overseas in Indonesia, Malaysia, Philippines and Vietnam were impacted by varying degrees from the various measures implemented to curb the spread of COVID-19. The lockdown and movement controls imposed in all the countries that we operated in have resulted in lower revenue across all our three business divisions.

- **PCS** – Revenue was significantly impacted in 2Q2020 with lower channel, prepaid and retail sales. Retail sales in 1Q2020 were also affected by the lower traffic at shopping malls and the temporary shop closures prior to the implementation of the Circuit Breaker Measures in Singapore, as well as the Movement Control Order in Malaysia. These were partially mitigated by an increase in on-line delivery sales.

- **ICT** – Lower revenue in 1H2020 was due to lower equipment sales, lower maintenance revenue, and delay in project completion. These were partially mitigated by higher revenue from sales of software. Majority of the customers postponed their non-critical spending. Although there were new projects relating to mobile telecommunicating, these have not been able to compensate for the shortfall in the major projects.

- **Engineering –** Lower project revenue recognition in 1H2020 was due to delays in project completion arising from movement control imposed by the various governments. However, power supply, transmission equipment and product sales were higher. Except for the Malaysian operation, all other operations reported a decrease in revenue.

8. REVIEW OF GROUP PERFORMANCE

B) PBT

S$M	1Q2020	2Q2020	1H2020	1H2019	Growth	
					S$	%
PCS	(0.9)	0.2	(0.7)	2.4	(3.1)	nm
ICT	(0.6)	0.1	(0.5)	(0.6)	0.1	17%
Engineering	(0.3)	(0.3)	(0.6)	0.4	(1.0)	nm
Group PBT	(1.8)	0	(1.8)	2.2	(4.0)	nm

With lower revenue contribution registered, the Group's overall operating profit reduced substantially for the half year ended 30 June 2020 as compared to the corresponding period in 2019. In spite of the reduction in revenue during the COVID-19 pandemic period, certain fixed costs such as salaries and overheads, still have to be paid, resulting in the Group reporting a loss of S$1.8 million in 1Q2020. The various government grants and rental supports received in 2Q2020 had partially alleviated these fixed expenses to aid the Group to breakeven in 2Q2020.

- **PCS** – Losses in 1H2020 were from the Singapore operations which were significantly impacted in 1Q2020 without the government grants and rental support. In addition, in 1H2019, there were also higher commissions received from a major customer due to the migration of the end customers from cable to fibre network. These were partially mitigated by lower marketing and finance expenses in 1H2020 arising from the lower sales activities. Profit from the Malaysia operations was also lower due to lower variable commission recognised with lesser walk-in customers.
- **ICT** – Despite the lower revenue in 1H2020 against 1H2019, lower losses were reported in 1H2020. The lower revenue was partially mitigated by a higher gross margin and lower operating expenses. This was partially offset by a share of loss recognised from an associate.
- **Engineering** – Losses in 1H2020 were mainly attributed to unforeseeable losses recognised as a result of cancellation of orders and logistic disruptions in the Philippines. Profit from the Indonesian operation was lower due to higher manpower and financing costs incurred as a result of delay in project completion. These were partially mitigated by lower losses in the Singapore and Malaysian operations due to improvement in margins.

9. VARIANCE FROM PROSPECT STATEMENT

A profit guidance for the unaudited financial results of the Group for the half year ended 30 June 2020 was released via the SGXNET on 30 July 2020. Please refer to paragraph 10 below for the updated and revised prospect statement.

10. PROSPECTS

The COVID-19 pandemic continues to disrupt trade and impact global economies on the back of resurgence of infections and renewed escalation of the outbreak. Even though countries have begun to re-open their economies, consumer spending and business confidence are unlikely to improve significantly in the near future. The International Monetary Fund has projected that recovery is expected to be more gradual than previously anticipated. Against the weak economic outlook and difficult operating environment, the Group's businesses will continue to be challenged for the rest of the year.

For the Consumer Business, PCS Division's 12 retail touchpoints and its 10 U Mobile outlets have resumed operations since 19 June 2020 under the Phase 2 re-opening in Singapore, and the lifting of the Movement Control Order from 8 May 2020 in Malaysia, respectively. This has resulted in some recovery in sales although the PCS Division's prepaid and channel sales continued to be impacted as a result of substantial decline in tourists and foreign workers due to travel restrictions, which collectively constituted the bulk of its market. It remains uncertain if the recovery momentum would be sustained for the rest of the year given the tremendous challenges the retail sector is facing with anticipated rising unemployment and threats of new wave of infections. Nevertheless, the Group is hopeful that the launch of new mobile handsets in 2H2020 may help to stimulate demand and drive sales.

For the Enterprise Business, while ICT Division has experienced an increase in demand for telecommuting and unified communication solutions, this has not been sufficient to mitigate the shortfall in major contracts as government organisations and companies delay business investments and cut non-critical spending. Additionally, ongoing projects and new contract awards continue to progress very slowly with the resultant delays in project deliveries and weak sales pipeline which will affect our revenue recognition in 2H2020. For Engineering Division, while there are overseas network upgrading and infrastructure projects to be undertaken, it continues to face logistical and manpower obstacles amidst tightened social restrictions and workplace controls in markets such as Indonesia, Malaysia and the Philippines, which are still grappling with the containment of the COVID-19 virus. In Singapore, any projects arising from the potential roll-out of the 5G network will likely be available for tender only towards the end of 2020. Overall, the operating environment for the Enterprise Business is likely to remain challenging for the rest of the year.

Given the prevailing economic and business conditions, the Group maintains a cautious outlook for FY2020. Going forward, the Group will continue to seek new business opportunities despite the difficult operating environment while simultaneously exercise financial prudence and keep a tight rein on costs. The Group's balance sheet, working capital position and order book remain healthy. The Group does not foresee liquidity issues since it is in a net cash position as at 30 June 2020 and has adequate banking facilities for any short-term funding needs to weather this downturn.

The longer-term prospects for the telecommunications industry remain robust. The roll-out of the 5G network in Singapore and network upgrading in the region will necessitate continued infrastructure spending, potentially benefiting the Engineering and ICT Divisions. Furthermore, the rapid adoption of digitalisation and telecommuting services will afford increased business prospects for the ICT Division. The ongoing smart phone and other smart devices evolutions is expected to offer retail management and fulfilment opportunities for the PCS Division. The Group will look to widen its competencies and improve its operational efficiencies to be well-positioned for future upturn.

The Group will closely monitor the evolving situation amidst the ongoing COVID-19 pandemic and will keep shareholders apprised of any material developments via relevant announcements as and when necessary.

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

11. DIVIDEND

(a) Any dividend declared 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.

Not applicable.

13. Interested Person Transactions - DISCLOSURE PURSUANT TO RULE 920(1)(a)(ii)

In S$M	Aggregate value of all interested person transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual	
	1H2020	**1H2019**
Transactions for the sales of goods and services Temasek Holdings (Private) Limited and its Associates	16.6	36.7
Transactions for the purchases of goods and services Temasek Holdings (Private) Limited and its Associates	9.0	19.0
Total Interested Person Transactions	**25.6**	**55.7**

There were no interested person transactions during the period under review (excluding transactions less than S$100,000 and transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual).

14. Statement pursuant to Rule 705(5) of the SGX-ST Listing Manual

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the above unaudited financial statements for the half year ended 30 June 2020 to be false or misleading in any material aspect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the SGX-ST 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) of the SGX-ST Listing Manual.

BY ORDER OF THE BOARD

Lim Shuh Moh Vincent
President and CEO

Date: 7 August 2020