

# HONG FOK CORPORATION LIMITED

(Co. Reg. No. 196700468N)

## Half Year Financial Statement Announcement for the Period Ended 30 June 2020

### PART I INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

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

Half year financial statement on consolidated results for the period ended 30 June 2020.  
These figures have not been audited.

	The Group		
	\$'000		%
	Half Year 2020	Half Year 2019	Increase/ (Decrease)
<b>Revenue</b> (Note 1)	43,558	47,235	(8)
Other income	1,876	62	2,926
	45,434	47,297	(4)
Commitment fee on unutilised bank facilities	(714)	(799)	(11)
Cost of sales of development properties	(5,067)	(4,889)	4
Depreciation of property, plant and equipment	(466)	(380)	23
Depreciation of right-of-use assets	(525)	(472)	11
Employee benefit expenses	(9,265)	(9,176)	1
Exchange gain/(loss), net	1,070	(199)	NM
Loss on disposal of investment properties	-	(18)	NM
Changes in fair value of other investments at fair value through profit or loss	(1,640)	3,698	NM
Impairment loss on trade receivables, net	(43)	(66)	(35)
Impairment loss written back/(Impairment loss) on other assets	5	(3)	NM
Maintenance expenses	(4,167)	(5,224)	(20)
Lease expenses	(94)	(140)	(33)
Professional fees	(622)	(736)	(15)
Property tax	(3,147)	(3,146)	-
Rental commission	(456)	(386)	18
Other expenses	(2,513)	(1,679)	50
	17,790	23,682	(25)
Finance income	398	557	(29)
Finance expense	(12,953)	(15,549)	(17)
Net finance expense	(12,555)	(14,992)	(16)
<b>Profit before tax</b> (Note 2)	5,235	8,690	(40)
Tax expense	(2,379)	(2,065)	15
<b>Profit for the period</b>	2,856	6,625	(57)
<b>Profit attributable to:</b>			
Owners of the Company	4,296	7,807	(45)
Non-controlling interests	(1,440)	(1,182)	22
<b>Profit for the period</b>	2,856	6,625	(57)
<b>Other comprehensive income, net of tax</b>			
<b>Items that are or may be reclassified subsequently to profit or loss:</b>			
Exchange differences on translation of financial statements of foreign subsidiaries	20,428	(2,721)	NM
Exchange differences on monetary items forming part of net investments in foreign subsidiaries	1,126	(150)	NM
<b>Other comprehensive income for the period, net of tax</b>	21,554	(2,871)	NM
<b>Total comprehensive income for the period</b>	24,410	3,754	550
<b>Total comprehensive income attributable to:</b>			
Owners of the Company	12,772	6,717	90
Non-controlling interests	11,638	(2,963)	NM
<b>Total comprehensive income for the period</b>	24,410	3,754	550

**Notes:**

- (1) Included in Revenue is investment income of approximately \$298,000 (2019 : \$279,000).
- (2) Included in Profit before tax is net profit on sale of development properties of approximately \$2,704,000 (2019 : \$2,458,000) and gain/(loss) on disposal of property, plant and equipment of approximately \$Nil (2019 : loss of \$70,000).
- (3) NM – Not Meaningful.
- (4) NA – Not Applicable.

**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.**

	The Group		The Company	
	\$'000		\$'000	
	30.06.2020	31.12.2019	30.06.2020	31.12.2019
<b>Non-current Assets</b>				
Property, plant and equipment	3,733	4,009	-	-
Right-of-use assets	984	1,448	-	-
Subsidiaries	-	-	853,402	853,402
Associate and joint venture	#	#	-	-
Investment properties	3,216,171	3,193,538	-	-
Other assets	221	214	-	-
Other investments	#	#	-	-
Trade and other receivables	-	5	-	-
Pledged bank deposits	12,240	9,954	-	-
Deferred tax assets	685	970	-	-
	<b>3,234,034</b>	<b>3,210,138</b>	<b>853,402</b>	<b>853,402</b>
<b>Current Assets</b>				
Other investments	24,344	33,628	-	-
Current tax assets	475	445	-	-
Development properties	176,357	181,000	-	-
Trade and other receivables	6,423	4,049	72	30
Amounts due from subsidiaries	-	-	335,347	350,664
Cash and cash equivalents	69,278	40,405	1,784	1,085
	<b>276,877</b>	<b>259,527</b>	<b>337,203</b>	<b>351,779</b>
<b>Total Assets</b>	<b>3,510,911</b>	<b>3,469,665</b>	<b>1,190,605</b>	<b>1,205,181</b>
<b>Equity Attributable to Owners of the Company</b>				
Share capital	186,688	186,688	186,688	186,688
Treasury shares	(118,295)	(111,183)	(17,245)	(10,133)
Reserves	1,923,521	1,917,437	646,352	654,405
	<b>1,991,914</b>	<b>1,992,942</b>	<b>815,795</b>	<b>830,960</b>
Non-controlling interests	634,307	622,519	-	-
<b>Total Equity</b>	<b>2,626,221</b>	<b>2,615,461</b>	<b>815,795</b>	<b>830,960</b>
<b>Non-current Liabilities</b>				
Loans and borrowings	780,029	780,887	99,476	99,325
Trade and other payables	11,585	11,585	-	-
Lease liabilities	17	454	-	-
Deferred tax liabilities	317	257	-	-
	<b>791,948</b>	<b>793,183</b>	<b>99,476</b>	<b>99,325</b>
<b>Current Liabilities</b>				
Loans and borrowings	42,894	781	-	-
Trade and other payables	38,051	49,762	2,324	2,385
Lease liabilities	989	1,018	-	-
Contract liabilities	40	80	-	-
Amounts due to subsidiaries	-	-	273,010	272,511
Current tax liabilities	10,768	9,380	-	-
	<b>92,742</b>	<b>61,021</b>	<b>275,334</b>	<b>274,896</b>
<b>Total Liabilities</b>	<b>884,690</b>	<b>854,204</b>	<b>374,810</b>	<b>374,221</b>
<b>Total Equity and Liabilities</b>	<b>3,510,911</b>	<b>3,469,665</b>	<b>1,190,605</b>	<b>1,205,181</b>

# Amount less than \$1,000

**1(b)(ii) Aggregate amount of the group's borrowings and debt securities.**

**Amount repayable in one year or less, or on demand**

As at 30.06.2020		As at 31.12.2019	
Secured	Unsecured	Secured	Unsecured
\$541,000	\$42,353,000	\$781,000	-

**Amount repayable after one year**

As at 30.06.2020		As at 31.12.2019	
Secured	Unsecured	Secured	Unsecured
\$680,553,000	\$99,476,000	\$642,346,000	\$138,541,000

## Details of any collaterals

The borrowings by the subsidiaries are generally secured by the Group's certain investment properties, certain development properties, pledged bank deposits and are guaranteed by the Company and/or its 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.

	The Group	
	\$'000	
	Half Year 2020	Half Year 2019
<b>Cash Flows from Operating Activities</b>		
Profit before tax	5,235	8,690
Adjustments for:		
Depreciation of property, plant and equipment	466	380
Depreciation of right-of-use assets	525	472
Loss on disposal of investment properties	-	18
(Gain)/Loss on disposal of property, plant and equipment	#	70
Impairment loss on trade receivables, net	43	66
(Impairment loss written back)/Impairment loss on other assets	(5)	3
Changes in fair value of other investments at fair value through profit or loss	1,640	(3,698)
Unrealised currency translation (gain)/loss	(1,185)	448
Finance income	(398)	(557)
Finance expense	12,953	15,549
	19,274	21,441
Changes in working capital:		
Development properties	4,643	3,332
Trade and other receivables	(2,173)	194
Trade and other payables	(11,199)	(8,934)
Contract liabilities	(40)	17
Cash generated from operations	10,505	16,050
Tax paid	(629)	(2,542)
<b>Net Cash from Operating Activities</b>	9,876	13,508
<b>Cash Flows from Investing Activities</b>		
Capital expenditure on investment properties	(233)	(1,696)
Decrease in restricted cash	95	95
Proceeds from disposal of investment properties	-	1,702
Proceeds from disposal of property, plant and equipment	2	182
Proceeds from disposal of other investments	26,381	5,579
Purchase of property, plant and equipment	(151)	(1,181)
Purchase of other investments	(17,464)	(14,972)
Interest received	351	779
<b>Net Cash from/(used in) Investing Activities</b>	8,981	(9,512)
<b>Cash Flows from Financing Activities</b>		
Increase in pledged bank deposits	(2,005)	(1,151)
Interest paid	(10,762)	(13,874)
Dividend paid	(6,703)	(8,890)
Payment of lease liabilities	(527)	(467)
Payment of transaction costs on loans and borrowings	-	(865)
Payment of acquisition of interests in subsidiaries	-	(5,140)
Repayments of loans and borrowings	(4,125)	(125,313)
Proceeds from loans and borrowings	40,200	160,986
Purchase of treasury shares	(7,112)	(8,141)
<b>Net Cash from/(used in) Financing Activities</b>	8,966	(2,855)
<b>Net Increase in Cash and Cash Equivalents</b>	27,823	1,141
Cash and cash equivalents at beginning of the period	40,264	50,058
Effect of exchange rate fluctuations on cash and cash equivalents held	1,145	(208)
<b>Cash and Cash Equivalents at end of the period</b>	69,232	50,991
<b>Cash and Cash Equivalents at 30 June is represented by:</b>		
Cash at banks and in hand	11,790	17,058
Deposits	69,728	44,142
Cash and cash equivalents	81,518	61,200
Less: Pledged bank deposits (non-current)	(12,240)	(10,133)
	69,278	51,067
Less: Restricted cash	(46)	(76)
	69,232	50,991

# Amount less than \$1,000

**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.**

\$'000								
Attributable to Owners of the Company						Non-Controlling Interests	Total Equity	
Share Capital	Capital and Other Reserves	Treasury Shares	Translation Reserves	Retained Profit	Total			
<b>The Group</b>								
At 1 January 2019	186,688	2,284	(101,050)	(10,923)	1,818,715	1,895,714	632,751	2,528,465
Adjustment on initial application of SFRS(I) 16 (net of tax)	-	-	-	-	(6)	(6)	(7)	(13)
Adjusted balance at 1 January 2019	186,688	2,284	(101,050)	(10,923)	1,818,709	1,895,708	632,744	2,528,452
<b>Total comprehensive income for the period</b>								
Profit/(Loss) for the period	-	-	-	-	7,807	7,807	(1,182)	6,625
<b>Other comprehensive income</b>								
Exchange differences on translation of financial statements of foreign subsidiaries	-	1	-	(941)	-	(940)	(1,781)	(2,721)
Exchange differences on monetary items forming part of net investments in foreign subsidiaries	-	-	-	(150)	-	(150)	-	(150)
Total other comprehensive income, net of tax	-	1	-	(1,091)	-	(1,090)	(1,781)	(2,871)
<b>Total comprehensive income for the period</b>	-	1	-	(1,091)	7,807	6,717	(2,963)	3,754
<b>Transactions with Owners, recorded directly in Equity</b>								
<b>Distributions to Owners</b>								
Own shares acquired	-	-	(8,141)	-	-	(8,141)	-	(8,141)
Dividend paid	-	-	-	-	(8,890)	(8,890)	-	(8,890)
<b>Total distributions to Owners</b>	-	-	(8,141)	-	(8,890)	(17,031)	-	(17,031)
<b>Changes in ownership interests in subsidiaries</b>								
Acquisition of additional interest in subsidiaries	-	(328)	-	-	5,454	5,126	(10,266)	(5,140)
<b>Total changes in ownership interests in subsidiaries</b>	-	(328)	-	-	5,454	5,126	(10,266)	(5,140)
<b>Total transactions with Owners</b>	-	(328)	(8,141)	-	(3,436)	(11,905)	(10,266)	(22,171)
At 30 June 2019	186,688	1,957	(109,191)	(12,014)	1,823,080	1,890,520	619,515	2,510,035
At 1 January 2020	186,688	1,992	(111,183)	(12,343)	1,927,788	1,992,942	622,519	2,615,461
<b>Total comprehensive income for the period</b>								
Profit/(Loss) for the period	-	-	-	-	4,296	4,296	(1,440)	2,856
<b>Other comprehensive income</b>								
Exchange differences on translation of financial statements of foreign subsidiaries	-	(17)	-	7,367	-	7,350	13,078	20,428
Exchange differences on monetary items forming part of net investments in foreign subsidiaries	-	-	-	1,126	-	1,126	-	1,126
Total other comprehensive income, net of tax	-	(17)	-	8,493	-	8,476	13,078	21,554
<b>Total comprehensive income for the period</b>	-	(17)	-	8,493	4,296	12,772	11,638	24,410
<b>Transactions with Owners, recorded directly in Equity</b>								
<b>Distributions to Owners</b>								
Own shares acquired	-	-	(7,112)	-	-	(7,112)	-	(7,112)
Dividend paid	-	-	-	-	(6,703)	(6,703)	-	(6,703)
<b>Total distributions to Owners</b>	-	-	(7,112)	-	(6,703)	(13,815)	-	(13,815)
<b>Changes in ownership interests in subsidiaries</b>								
Change of interest in a subsidiary with no loss of control	-	55	-	-	(40)	15	150	165
<b>Total changes in ownership interests in subsidiaries</b>	-	55	-	-	(40)	15	150	165
<b>Total transactions with Owners</b>	-	55	(7,112)	-	(6,743)	(13,800)	150	(13,650)
At 30 June 2020	186,688	2,030	(118,295)	(3,850)	1,925,341	1,991,914	634,307	2,626,221

\$'000								
Attributable to Owners of the Company							Non-Controlling Interests	Total Equity
Share Capital	Capital and Other Reserves	Treasury Shares	Translation Reserves	Retained Profit	Total			
<b>The Company</b>								
At 1 January 2019	186,688	-	-	-	669,191	855,879	-	855,879
Loss and total comprehensive income for the period	-	-	-	-	(871)	(871)	-	(871)
<b>Transactions with Owners, recorded directly in Equity</b>								
<b>Distributions to Owners</b>								
Own shares acquired	-	-	(8,141)	-	-	(8,141)	-	(8,141)
Dividend paid	-	-	-	-	(11,199)	(11,199)	-	(11,199)
<b>Total transactions with Owners</b>	-	-	(8,141)	-	(11,199)	(19,340)	-	(19,340)
At 30 June 2019	186,688	-	(8,141)	-	657,121	835,668	-	835,668
<b>At 1 January 2020</b>								
At 1 January 2020	186,688	-	(10,133)	-	654,405	830,960	-	830,960
Profit and total comprehensive income for the period	-	-	-	-	425	425	-	425
<b>Transactions with Owners, recorded directly in Equity</b>								
<b>Distributions to Owners</b>								
Own shares acquired	-	-	(7,112)	-	-	(7,112)	-	(7,112)
Dividend paid	-	-	-	-	(8,478)	(8,478)	-	(8,478)
<b>Total transactions with Owners</b>	-	-	(7,112)	-	(8,478)	(15,590)	-	(15,590)
At 30 June 2020	186,688	-	(17,245)	-	646,352	815,795	-	815,795

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediate preceding financial year.**

		The Company	
		30.06.2020	30.06.2019
Total number of issued shares		870,612,140	870,612,140
Less: Number of treasury shares		(22,956,900)	(9,140,900)
Total number of issued shares excluding treasury shares		847,655,240	861,471,240

The Company has made purchases of 11,460,700 ordinary shares in the capital of the Company and held them as treasury shares during the half year ended 30 June 2020.

As at 30 June 2020, the Company held 22,956,900 treasury shares (30 June 2019 : 9,140,900) which represent 2.7% (30 June 2019 : 1.1%) of the total number of issued shares (excluding treasury shares).

The Company did not have any subsidiary holdings, outstanding options and convertibles as at 30 June 2020 and 30 June 2019.

**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 Company	
		30.06.2020	31.12.2019
Total number of issued shares excluding treasury shares		847,655,240	859,115,940

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

At 1 January 2020  
Own shares acquired  
At 30 June 2020

The Company
No of Shares
11,496,200
11,460,700
22,956,900

- 1(d)(v) **A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

NA.

2. **Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited nor reviewed by the Company's auditors.

3. **Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).**

NA.

- 3A. **Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

- (a) **Updates on the efforts taken to resolve each outstanding audit issue.**

NA.

- (b) **Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

NA.

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 and the Company have applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the Group's and the Company's audited financial statements for the year ended 31 December 2019.

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.**

Nil.

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.**

Earnings per ordinary share of the Group after deducting any provision for preference dividends:

- (a) Based on the weighted average number of ordinary shares on issue; and  
(b) On a fully diluted basis (detailing any adjustments made to the earnings)

The Group	
Half Year 2020	Half Year 2019
0.64 cts	1.14 cts
0.64 cts	1.14 cts

The basic and diluted earnings per ordinary share of the Group were calculated based on the consolidated profit attributable to ordinary shareholders for the period of approximately \$4,296,000 (2019 : \$7,807,000) and the weighted average number of ordinary shares outstanding of 676,179,924 (2019 : 684,175,724) which excludes treasury shares held by the Company and also ordinary shares held by an investee.

There are no potential dilutive ordinary shares in existence as at 30 June 2020 and 30 June 2019.

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; and**  
 (b) **immediately preceding financial year.**

Net asset value per ordinary share based on the total number of issued shares excluding treasury shares and excluding ordinary shares held by an investee

Number of shares

The Group		The Company	
30.06.2020	31.12.2019	30.06.2020	31.12.2019
297 cts	292 cts	96 cts	97 cts
670,065,608	681,526,308	847,655,240	859,115,940

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.**

The Group posted a revenue of approximately \$44 million for this period as compared to approximately \$47 million in the previous corresponding period. The decrease was mainly due to lower income from its investment properties with YOTEL Singapore Orchard Road recognising a sharp decrease in contribution amid the COVID-19 pandemic.

The Group's other income increased mainly due to Jobs Support Scheme and property tax rebates given by the Singapore Government to mitigate the effect from COVID-19 in this period.

The decrease in commitment fee on unutilised bank facilities was due to a decrease in undrawn bank facilities for this period as compared to the previous corresponding period.

The increase in depreciation expense arose from additions to property, plant and equipment in 2019.

The net exchange gain for this period was mainly due to the weakening of the Singapore dollar for its investment in securities and cash and cash equivalents denominated in United States dollar and Hong Kong dollar.

The changes in fair value of other investments at fair value through profit or loss was mainly due to the recognition of loss in fair value upon disposal of certain investments and valuation of its investments at fair value as at 30 June 2020.

The decrease in maintenance expenses was mainly due to temporary closure of commercial units of its investment properties during the circuit-breaker period.

Lease expenses relate to low value assets and short-term leases and the decrease for this period was due to expiry of a short-term lease in the second half of 2019.

The increase in rental commission for this period was mainly due to leases of its properties introduced by real estate agents.

The decrease in professional fees was mainly due to less legal advice in this period as compared to the previous corresponding period.

The increase in other expenses in this period was mainly due to property tax rebates passed on to tenants of our commercial units.

The decrease in finance income for this period was mainly due to weaker deposit rates for its cash and cash equivalents in this period as compared to the previous corresponding period.

The decrease in finance expense for this period was mainly due to lower interest rates as compared to the previous corresponding period.

Overall, the Group posted a profit before tax of approximately \$5.2 million in this period as compared to approximately \$8.7 million in the previous corresponding period.

Consequently, the Group's profit attributable to Owners of the Company was approximately \$4.3 million as compared to \$7.8 million in the previous corresponding period.

The decrease in right-of-use assets was mainly due to its depreciation of its leases of the office units and warehouse in Hong Kong.

The increase in the Group's pledged bank deposits was mainly due to the monies collected from the rental of its investment properties in Hong Kong.

The decrease in other investments was mainly due to net disposal of marketable securities during this period, as well as valuation of its other investments at fair value as at 30 June 2020.

The increase in the trade and other receivables was due to the slower payment of rent from our tenants and an amount due from the hotel operator.

The increase in loans and borrowings was mainly due to loans drawn down to maintain adequate cash and cash equivalents for working capital purposes, amid the COVID-19 pandemic. The current loans and borrowings relate to the Hong Kong dollar unsecured bonds due in March 2021.

The decrease in lease liabilities was mainly due to monthly payment of lease commitment.

The decrease in trade and other payables was mainly due to the payments of accrued development costs, employee benefit expenses, finance expense and payment to the hotel operator.

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

NA.

**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.**

In Singapore, the property tax rebates from the Government have been passed on to our tenants of the commercial properties. The Group will provide rental relief to its eligible tenants upon receipt of the cash grant under the Fortitude Budget. This will affect the rental income of the Group's investment properties although occupancy rate is expected to remain stable.

The operation of YOTEL will remain challenging until the COVID-19 pandemic is controlled with vaccines widely available, international borders re-open with no travel restrictions and tourism confidence returns from our key source markets.

The Group's sales of the residential units of Concourse Skyline will continue to be adversely affected amid uncertainty wrought by COVID-19.

The Group is of the view that under the COVID-19 pandemic circumstances, it may be difficult to quantify any impact of COVID-19 on the value of our investment properties as some of the key assumptions used to derive valuations would be very subjective. The Group is expected to quantify any amount of changes in valuation of its investment properties based on independent professional valuations done for its financial year end results.

**11. If a decision regarding dividend has been made:**

**(a) Whether an interim (final) ordinary dividend has been declared (recommended); and**

None.

**(b)(i) Amount per share ..... cents**

NA.

**(ii) Previous corresponding period ..... cents**

NA.

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

NA.

**(d) The date the dividend is payable.**

NA.

- (e) **The date on which Registrable Transfers received by the Company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

NA.

- 12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

No dividend has been declared/recommendeded for the half year ended 30 June 2020. It is the Company's practice to propose final dividend, if any, for shareholders' approval at its annual general meeting.

- 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 does not have a general mandate from shareholders for interested person transactions.

- 14. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results).**

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 Half Year Financial Statement on the unaudited results of the Company and of the Group for the period 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).**

The Company has procured the undertakings from all its directors and executive officers.

**BY ORDER OF THE BOARD**

Lo Swee Oi  
Koh Chay Tiang  
Company Secretaries  
14 August 2020