

Third Quarter Financial Statements

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR RESULTS

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

CONSOLIDATED INCOME STATEMENT

	GROUP			GROUP		
	3rd Quarter Ended 30 September		+ / (-) %	Year to Date Ended 30 September		+ / (-) %
	2017 S\$'000	2016 S\$'000		2017 S\$'000	2016 S\$'000	
Revenue	119,850	98,856	21.2	332,038	290,502	14.3
Cost of sales	(92,076)	(75,355)	22.2	(256,374)	(223,067)	14.9
Gross profit	27,774	23,501	18.2	75,664	67,435	12.2
Other income	378	190	98.9	910	1,408	(35.4)
Distribution expenses	(10,962)	(10,720)	2.3	(32,363)	(32,237)	0.4
Administrative expenses	(8,628)	(7,385)	16.8	(24,262)	(22,261)	9.0
Other expenses	(1,056)	893	n.m.	(3,692)	(2,155)	71.3
Results from operating activities	7,506	6,479	15.9	16,257	12,190	33.4
Net finance income	223	541	(58.8)	933	846	10.3
Profit before tax	7,729	7,020	10.1	17,190	13,036	31.9
Tax expense	(828)	(1,469)	(43.6)	(4,270)	(3,428)	24.6
Profit for the period	6,901	5,551	24.3	12,920	9,608	34.5
Attributable to:						
Owners of the Company	3,887	4,057	(4.2)	6,544	5,759	13.6
Non-controlling interests	3,014	1,494	101.7	6,376	3,849	65.7
Profit for the period	6,901	5,551	24.3	12,920	9,608	34.5

n.m. - not meaningful

1(a)(ii) Notes to the Income Statement

	GROUP		GROUP		
	3rd Quarter Ended		Year to Date Ended		
	30 September		30 September		
	2017	2016	2017	2016	
	S\$'000	S\$'000	S\$'000	S\$'000	
Profit before tax is stated after (crediting) / charging:					
Interest income	(523)	(539)	(1,652)	(1,579)	
Dividend income	(1)	(1)	(2)	(2)	
Amortisation of deferred income	(35)	(36)	(93)	(88)	
Loss/(gain) on disposal of property, plant and equipment	30	(33)	(14)	187	
Bad debts (recovered)/written off	(83)	12	(1)	6	
Income from liquidation of an associate	-	-	-	(914)	
Net decrease/(increase) in fair value of financial assets designated at fair value through profit or loss	3	(239)	(90)	56	
Allowance/(writeback) for doubtful receivables	252	165	490	431	
Allowance/(write back) for inventory obsolescence	137	(534)	257	(606)	
Depreciation of investment properties	7	5	17	15	
Depreciation of property, plant and equipment	2,282	2,154	6,388	6,430	
Inventories (writeback)/written off	(1)	11	46	19	
Property, plant and equipment written off	5	13	22	19	
Exchange loss/(gain)	881	(1,084)	3,171	1,596	
Change in fair value of financial derivatives	-	-	-	102	
Interest on borrowings	297	239	810	679	
Taxation					
Current year tax	1,939	1,604	5,749	4,262	
(Over)/ under provision of tax in respect of prior years	(944)	82	(951)	226	
Current year deferred tax	(163)	(238)	(498)	(533)	
Over/ under provision of deferred tax in respect of prior years	(4)	21	(30)	(527)	
	<u>828</u>	<u>1,469</u>	<u>4,270</u>	<u>3,428</u>	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	GROUP		GROUP		+ / (-) %	
	3rd Quarter Ended		Year to Date Ended			
	30 September		30 September			
	2017	2016	2017	2016		
	S\$'000	S\$'000	S\$'000	S\$'000		
Profit for the period	6,901	5,551	12,920	9,608	34.5	
Other comprehensive income - Items that are or may be reclassified subsequently to profit or loss:						
Foreign currency translation differences of foreign operations	282	516	(45.3)	(2,181)	(6,707)	(67.5)
Effective portion of changes in fair value of cash flow hedges	34	5	580.0	(6)	(2)	200.0
Net change in fair value of available-for-sale financial assets	2	-	n.m.	12	(1)	n.m.
Other comprehensive income for the period, net of tax	<u>318</u>	<u>521</u>	<u>(39.0)</u>	<u>(2,175)</u>	<u>(6,710)</u>	<u>(67.6)</u>
Total comprehensive income for the period	<u>7,219</u>	<u>6,072</u>	18.9	<u>10,745</u>	<u>2,898</u>	270.8
Attributable to:						
Owners of the Company	4,095	4,328	(5.4)	5,144	1,608	219.9
Non-controlling interests	3,124	1,744	79.1	5,601	1,290	334.2
Total comprehensive income for the period	<u>7,219</u>	<u>6,072</u>	18.9	<u>10,745</u>	<u>2,898</u>	270.8

n.m. - not meaningful

1(a)(ii) Brief Review of Financial Performance

The Group recorded revenue of \$119.85 million in the third quarter of 2017 (Q3 2017). This was \$20.99 million (21.2%) higher than the revenue of \$98.86 million recognised in the third quarter of 2016 (Q3 2016). The increase was attributed to stronger demand in Packaging Business (Tat Seng Group). This increase was partially off-set by the lower revenue in the Consumer Business in Singapore due to closure of all franchise outlets.

The gross profit for the Group increased by 18.2% from \$23.50 million in Q3 2016 to \$27.77 million in Q3 2017. This is mainly attributed by the growth in revenue.

Other income of \$0.38 million in Q3 2017 was higher than \$0.19 million in Q3 2016 mainly due to a one-off income from closure of franchise outlet.

The increase in distribution expenses from \$10.72 million in Q3 2016 to \$10.96 million in Q3 2017, an increase of \$0.24 million (2.3%). This was mainly the result of higher sales in Packaging Business which was partially offset by lower distribution expense from Consumer Business due to outlets closure.

Administrative expenses increased by 16.8% (\$1.24 million) in Q3 2017 from \$7.39 million to \$8.63 million. This was attributed mainly to higher staff incentives as a result of better current year's performance in the Packaging Business.

Other operating expenses increased to \$1.06 million in Q3 2017. This was mainly due to an exchange loss of \$0.88 million for Q3 2017 as compared to an exchange gain of \$1.08 million in Q3 2016

The results from operating activities were \$7.51 million in Q3 2017 as compared to \$6.48 million in Q3 2016, an increase of 15.9%.

Net finance income was \$0.22 million in Q3 2017 as compared to \$0.54 million in Q3 2016 mainly due to a net fair value gain of \$0.24 million for financial assets designated at fair value through profit or loss and a lower interest expense of \$0.06 million in Q3 2016 .

The Group achieved higher profit before tax of \$7.73 million in Q3 2017 as compared to \$7.02 million for the corresponding period last year. Tax expense was \$0.83 million in Q3 2017 as compared to \$1.47 million in Q3 2016.

The Group's net profit after tax for Q3 2017 was \$6.90 million as compared to \$5.55 million reported for Q3 2016. The net profit attributable to shareholders was \$3.89 million for Q3 2017 as compared to \$4.06 million reported for Q3 2016.

1(b)(i) CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	GROUP		COMPANY	
		30/9/2017	31/12/2016	30/9/2017	31/12/2016
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Property, plant and equipment	1	95,308	75,307	23,088	9,397
Investment properties	2	7,949	770	-	-
Subsidiaries		-	-	40,069	40,069
Other financial assets		61	49	61	49
Intangible assets		1,112	1,134	-	-
Deferred tax assets		2,082	1,504	-	-
		<u>106,512</u>	<u>78,764</u>	<u>63,218</u>	<u>49,515</u>
Current assets					
Other financial assets, including derivatives	3	2,131	2,041	2,131	2,041
Inventories	4	48,314	39,113	-	258
Trade and other receivables	5	156,112	141,411	41,051	47,901
Cash and cash equivalents	6	147,661	175,389	93,113	105,069
Assets held for sale		45,937	46,847	-	-
		<u>400,155</u>	<u>404,801</u>	<u>136,295</u>	<u>155,269</u>
Total assets		<u>506,667</u>	<u>483,565</u>	<u>199,513</u>	<u>204,784</u>
Equity attributable to equity holders of the Company					
Share capital		200,100	200,100	200,100	200,100
Reserves		72,839	70,460	(12,937)	(8,558)
		<u>272,939</u>	<u>270,560</u>	<u>187,163</u>	<u>191,542</u>
Non-controlling interests		55,099	51,803	-	-
Total equity		<u>328,038</u>	<u>322,363</u>	<u>187,163</u>	<u>191,542</u>
Non-current liabilities					
Loans and borrowings	7	648	1,340	-	-
Deferred income		1,435	1,176	-	-
Deferred tax liabilities		1,144	1,101	-	-
		<u>3,227</u>	<u>3,617</u>	<u>-</u>	<u>-</u>
Current liabilities					
Trade and other payables, including derivatives	8	128,318	118,957	12,350	13,242
Loans and borrowings	7	44,603	35,798	-	-
Deferred income		141	119	-	-
Current tax liabilities		2,340	2,711	-	-
		<u>175,402</u>	<u>157,585</u>	<u>12,350</u>	<u>13,242</u>
Total liabilities		<u>178,629</u>	<u>161,202</u>	<u>12,350</u>	<u>13,242</u>
Total equity and liabilities		<u>506,667</u>	<u>483,565</u>	<u>199,513</u>	<u>204,784</u>

Note:

- Property, plant and equipment increased by \$20 million for the group in 2017 mainly due to re-construction of warehouse and factory.
- Investment properties increased by \$7.18 million for the group in 2017 mainly due to an acquisition of land and building by an overseas subsidiary.
- Other financial assets increased by \$0.09 million for both the Group and the Company mainly due to increase in fair value of financial assets designated at fair value through profit or loss.
- At the Group level, inventories increased by \$9.20 million for the nine months in 2017 mainly due to higher stockholding of the Packaging Business in anticipation of increase in raw material costs and partially attributable to increase of raw material prices in September 2017 as compared to December 2016. This was partially offset by lower stockholding for the Consumer Business in September 2017 as compared to the festive period during December 2016.
- The increase of \$14.70 million in trade and other receivables was mainly due higher revenue achieved by the Packaging Business
- Refer to the consolidated statement of cash flows on Page 6 for details of movements in cash and cash equivalents.
- Total loans and borrowings increased by \$8.11 million was mainly due to increase in utilisation of bills payables of \$7.57 million and term loans of \$0.54 million by the Packaging Business.
- The increase of \$9.36 million in trade and other payables was in tandem with higher operating activities for the Packaging business and receipt of non-refundable deposits for the disposal of the assets held-for-sale.

1(b)(ii) Aggregate amount of Group's borrowings and debt securities

	As at	
	30/9/2017	31/12/2016
	S\$'000	S\$'000
Amount repayable in one year or less, or on demand		
- secured	39,444	28,639
- unsecured	5,159	7,159
	<u>44,603</u>	<u>35,798</u>
Amount repayable after one year		
- secured	17	266
- unsecured	631	1,074
	<u>648</u>	<u>1,340</u>
Total	<u>45,251</u>	<u>37,138</u>

Details of any collateral :

The total secured borrowings of \$39.46 million as at 30 September 2017 include:

Bank loans and bill payables of \$39.46 million, secured on leasehold land, certain leasehold buildings, certain plant and machinery and certain motor vehicle held by the Packaging Business with net book value of approximately \$24.14 million and cash and bank balances of \$8.41 million.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	GROUP	
	3rd Quarter Ended	
	30 September	
Note	2017	2016
	S\$'000	S\$'000
Cash flows from operating activities		
Profit for the period	6,901	5,551
Adjustments for:		
Amortisation of deferred income	(35)	(36)
Depreciation of investment properties	7	5
Depreciation of property, plant and equipment	2,282	2,154
Loss/(gain) on disposal of property plant and equipment	30	(33)
Net finance income	(226)	(302)
Net decrease/(increase) in fair value of financial assets designated at fair value through profit or loss	3	(239)
Inventories written off	46	-
Property, plant and equipment written off	5	13
Tax expense	828	1,469
Unrealised exchange loss/ (gain)	726	(976)
	10,567	7,606
Changes in:		
- Inventories	1 (9,378)	1,641
- Trade and other receivables	2 (10,096)	(8,398)
- Trade and other payables	3 12,174	7,181
Cash generated from operations	3,267	8,030
Tax paid	(958)	(1,527)
Net cash generated from operating activities	2,309	6,503
Cash flows from investing activities		
Interest received	209	298
Proceeds from disposal of property, plant and equipment	141	40
Purchase of property, plant and equipment	(11,538)	(2,011)
Purchase of investment properties	(7,197)	-
Net cash used in investing activities	(18,385)	(1,673)
Cash flows from financing activities		
(Increase)/decrease in pledged deposits	(1,093)	875
Interest paid	(297)	(238)
Payment of finance lease liabilities	(4)	(4)
Dividend paid	(605)	(605)
Proceeds from borrowings	4 22,926	14,105
Repayment of borrowings	4 (21,580)	(8,076)
Net cash (used in)/from financing activities	(653)	6,057
Net (decrease)/increase in cash and cash equivalents	(16,729)	10,887
Cash and cash equivalents at beginning of the period	156,613	151,766
Effect of exchange rate fluctuations on cash held	(636)	925
Cash and cash equivalents at end of the period	139,248	163,578
Comprising:		
Cash at bank and in hand	44,002	49,212
Fixed deposits with banks	103,659	117,212
	147,661	166,424
Deposits pledged	(8,413)	(2,846)
	139,248	163,578

Note:

- 1 Please refer to note 4 in consolidated statement of financial position.
- 2 Please refer to note 5 in consolidated statement of financial position.
- 3 Please refer to note 8 in consolidated statement of financial position.
- 4 Please refer to note 7 in consolidated statement of financial position.

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.

Group	Issued Capital	Treasury Shares	Share Capital	Other Reserves	Fair Value Reserve	Hedging Reserve	Translation Reserve	Retained Earnings	Total	Non-Controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 July 2017	204,327	(4,227)	200,100	7,816	43	(25)	(4,710)	65,620	268,844	52,580	321,424
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	3,887	3,887	3,014	6,901
Other comprehensive income											
Foreign currency translation differences of foreign operations	-	-	-	-	-	-	184	-	184	98	282
Net change in fair value of available-for-sale financial assets	-	-	-	-	2	-	-	-	2	-	2
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	-	22	-	-	22	12	34
Total other comprehensive income	-	-	-	-	2	22	184	-	208	110	318
Total comprehensive income for the period	-	-	-	-	2	22	184	3,887	4,095	3,124	7,219
Transactions with owners, recognised directly in equity											
Distributions to owners											
Dividends paid	-	-	-	-	-	-	-	-	-	(605)	(605)
Total transactions with owners	-	-	-	-	-	-	-	-	-	(605)	(605)
At 30 September 2017	204,327	(4,227)	200,100	7,816	45	(3)	(4,526)	69,507	272,939	55,099	328,038
At 1 July 2016	204,327	(4,227)	200,100	6,357	31	2	(3,790)	58,586	261,286	47,046	308,332
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	4,057	4,057	1,494	5,551
Other comprehensive income											
Foreign currency translation differences of foreign operations	-	-	-	-	-	-	267	-	267	249	516
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	-	4	-	-	4	1	5
Total other comprehensive income	-	-	-	-	-	4	267	-	271	250	521
Total comprehensive income for the period	-	-	-	-	-	4	267	4,057	4,328	1,744	6,072
Transactions with owners, recognised directly in equity											
Distributions to owners											
Dividends paid	-	-	-	-	-	-	-	-	-	(605)	(605)
Total transactions with owners	-	-	-	-	-	-	-	-	-	(605)	(605)
At 30 September 2016	204,327	(4,227)	200,100	6,357	31	6	(3,523)	62,643	265,614	48,185	313,799

Company	Issued Capital	Treasury Shares	Share Capital	Other Reserves	Fair Value Reserve	Accumulated Losses	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 July 2017	204,327	(4,227)	200,100	491	43	(13,299)	187,335
Total comprehensive income for the period							
Loss for the period	-	-	-	-	-	(172)	(172)
Other comprehensive income							
Net change in fair value of available-for-sale financial assets	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	(172)	(172)
Transactions with owners, recognised directly in equity							
Distributions to owners							
Dividends paid	-	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-	-
At 30 September 2017	204,327	(4,227)	200,100	491	43	(13,471)	187,163
At 1 July 2016	204,327	(4,227)	200,100	491	31	(14,674)	185,948
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	1,153	1,153
Other comprehensive income							
Net change in fair value of available-for-sale financial assets	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	1,153	1,153
At 30 September 2016	204,327	(4,227)	200,100	491	31	(13,521)	187,101

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, 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 immediately preceding financial year.

(i) **Share Capital**

Group and Company

In issue at 1 July and 30 September

	2017	2016
No. of shares	No. of shares	No. of shares
570,996,746	570,996,746	570,996,746

(ii) **Treasury shares**

Group and Company

Balance as at the end of the period

	2017	2016
No. of shares	No. of shares	No. of shares
17,581,000	17,581,000	17,581,000

(iii) There were no subsidiary holdings as at 30 September 2017 and 30 September 2016.

The total number of issued shares excluding treasury shares and subsidiary holdings as at the end of the current financial period was 553,415,746 (30 September 2016: 553,415,746).

(iv) **HANWELL Executives' Share Option Scheme 2003**

During the financial period ended 30 September 2017, there was no new issuance nor exercise of share options in respect of unissued ordinary shares under the HANWELL Executives' Share Option Scheme 2003. The balance of issued non-discounted options, including options issued in 2003 was 10,150,000 as at 30 September 2017. 10,150,000 shares may be issued on conversion of all the outstanding options at the end of the current period.

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.

	As at	
	30/9/2017	31/12/2016
Total number of issued shares	553,415,746	553,415,746

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.

There were no sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period.

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.

Not applicable. There were no subsidiary holdings during and 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 nor reviewed.

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

Not applicable.

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

Other than the adoption of the new and revised Financial Reporting Standards (FRS) which took effect from the current financial year, there were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recent audited annual financial statements as at 31 December 2016.

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.

The adoption of the new and revised FRSs have no material impact to the financial statements of the Group and of the Company.

6 Earning 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 preference dividends.

	GROUP		GROUP	
	3rd Quarter Ended		Year to Date Ended	
	30/9/2017	30/09/2016	30/9/2017	30/09/2016
	cents	cents	cents	cents

Earnings per ordinary share of the group for the financial period based on net profit attributable to shareholders:

Basic earnings per share	0.70	0.73	1.18	1.04
Diluted earnings per share	0.70	0.73	1.17	1.03

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 period reported on and (b) immediately preceding financial year.

	GROUP		COMPANY	
	30/9/2017	31/12/2016	30/9/2017	31/12/2016
	cents	cents	cents	cents
Net asset value per ordinary share based on issued share capital at the end of the period reported on	49.32	48.89	33.82	34.61

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cashflow, working capital, assets or liabilities of the group during the current financial period reported on.**

Consumer Business

Revenue decreased by \$2.54 million or 6.0% in Q3 2017, from \$41.95 million in Q3 2016 to \$39.42 million in Q3 2017. The decrease was mainly due to lower revenue generated from distribution business in Singapore as a result of closure of all franchise outlets. This was partially offset by higher distribution sales in Malaysia due to higher demand from customers and new products.

The Consumer Business recorded a PBIT of \$0.01 million in Q3 2017 as compared to PBIT of \$2.01 million in Q3 2016. Excluding foreign currency impact, the PBIT in Q3 2017 is \$0.89 million as compared to PBIT of \$0.92 million in Q3 2016.

Packaging Business

Tat Seng Packaging Group Ltd is a listed company on SGX and is not required to make announcements of its first and third quarters' results by virtue of its market capitalisation. Accordingly, there would not be any comments made on the specific financial results of Tat Seng Group in Hanwell Holdings Limited's announcement of its Q3 2017 results.

- 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 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 trading environment for FMCG industry for the next 3 months is expected to be soft due to weak consumers' sentiments. The Group will continue to develop new products and look out for new business opportunities to enhance its sales performance in the next 12 months. The management will exercise prudence in its procurement and inventory management of key products to protect margins for financial year 2017.

The Group expects the operating environment of packaging business to remain challenging due to volatile raw material prices and uncertain economic conditions, which will impact the gross profit margins. The division will remain focus on its initiatives to increase productivity, enhance operational efficiencies and manage its costs. It will continue to explore and pursue expansion opportunities in the region for sustainable long-term growth.

- 11 Dividend**

(a) Current Financial Period Reported On

The directors do not recommend any declaration of dividend for the current financial period reported on.

(b) Corresponding Period of the Immediately Preceding Financial Year

No dividend was declared for the corresponding period of the preceding financial year.

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

No dividend was declared / recommended for the current financial period reported on.

- 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 has not obtained a general mandate from shareholders pursuant to Rule 920 of the Listing Manual.

- 14 NEGATIVE ASSURANCE CONFIRMATION ON INTERIM FINANCIAL RESULTS PURSUANT TO RULE 705(5) OF THE LISTING MANUAL**

The Board of Directors has confirmed that, to the best of their knowledge, nothing has come to their attention which may render these interim financial results to be false or misleading in any material aspect.

- 15 Confirmation of Undertakings from Directors and Executive Officers pursuant to Rule 720(1) of the Listing Manual**

The Company has procured undertakings in the format set out in Appendix 7.7 from all its directors and executive officers under Rule 720(1) of the Listing Manual.

Dr Allan Yap
Chairman
10 November 2017