

First 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		+ / (-) %
	1st Quarter Ended 31 March		
	2016 S\$'000	2015 S\$'000	
Revenue	94,759	100,123	(5.4)
Cost of sales	(73,567)	(78,934)	(6.8)
Gross profit	21,192	21,189	0.0
Other income	1,228	2,442	(49.7)
Distribution expenses	(10,988)	(11,235)	(2.2)
Administrative expenses	(7,373)	(7,342)	0.4
Other expenses	(2,376)	(149)	n.m.
<b>Results from operating activities</b>	<b>1,683</b>	<b>4,905</b>	(65.7)
Net finance income	214	585	(63.4)
Share of loss of associates (net of tax)	-	-	n.m.
<b>Profit before tax</b>	<b>1,897</b>	<b>5,490</b>	(65.4)
Tax expense	(437)	(749)	(41.7)
<b>Profit for the period</b>	<b>1,460</b>	<b>4,741</b>	(69.2)
<b>Attributable to:</b>			
Owners of the Company	620	3,587	(82.7)
Non-controlling interests	840	1,154	(27.2)
<b>Profit for the period</b>	<b>1,460</b>	<b>4,741</b>	(69.2)

n.m. - not meaningful

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

	<b>GROUP</b>	
	<b>1st Quarter Ended</b>	
	<b>31 March</b>	
	<b>2016</b>	<b>2015</b>
	S\$'000	S\$'000
<b>Profit before tax is stated after (crediting) / charging:</b>		
Interest income	519	541
Amortisation of deferred income	26	31
Income from liquidation of an associate	914	-
Allowance made for doubtful receivables	113	135
Bad debts written off	-	9
Depreciation of investment properties	5	6
Depreciation of property, plant and equipment	2,145	2,341
Loss/(gain) on disposal of property, plant and equipment	173	(162)
Net decrease/(increase) in fair value of financial assets designated at fair value through profit or loss	77	(541)
Allowance for stock obsolescence	25	60
Inventories written off	1	1
Property, plant and equipment written off	3	4
Exchange loss/(gain)	1,972	(1,721)
Change in fair value of financial derivatives	114	-
Interest on borrowings	228	497
<b>Taxation</b>		
Current year tax	1,124	1,010
Over provision of tax in respect of prior years	-	(34)
Current year deferred tax	(143)	(220)
Over provision of deferred tax in respect of prior years	(544)	(7)
	437	749

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>GROUP</b>		
	<b>1st Quarter Ended</b>		
	<b>31 March</b>		
	<b>2016</b>	<b>2015</b>	<b>+ / (-)</b>
	S\$'000	S\$'000	%
Profit for the period	1,460	4,741	(69.2)
<b>Other comprehensive income</b>			
<b>Items that are or may be reclassified subsequently to profit or loss:</b>			
Foreign currency translation differences - foreign operations	(3,437)	3,771	n.m.
Effective portion of changes in fair value of cash flow hedges	(16)	-	n.m.
Net change in fair value of available-for-sale financial assets	-	567	n.m.
Other comprehensive income for the period, net of tax	(3,453)	4,338	n.m.
<b>Total comprehensive income for the period</b>	<b>(1,993)</b>	<b>9,079</b>	n.m.
<b>Attributable to:</b>			
Owners of the Company	(1,405)	6,540	n.m.
Non-controlling interests	(588)	2,539	n.m.
<b>Total comprehensive income for the period</b>	<b>(1,993)</b>	<b>9,079</b>	n.m.

n.m. - not meaningful

### **Brief Review of Financial Performance**

The Group's revenue for the first quarter 2016 (Q1 2016) of \$94.76 million was 5.4% lower than the \$100.12 million reported for the first quarter 2015 (Q1 2015). The decrease was mainly due to weaker demand in Packaging Business (Tat Seng Group) and reduction in the franchise outlets of the Consumer Business in Singapore. This decrease was partially off-set by the higher revenue contributed by the Consumer Business in Malaysia.

Despite the lower revenue, gross profit for Q1 2016 of \$21.19 million remained unchanged as compared to Q1 2015. The increase in gross profit margin was mainly due to higher margins achieved by the Consumer Business.

The decrease in other income and increase in other expense in Q1 2016 by \$1.21 million and \$2.23 million respectively was mainly due to foreign exchange losses reported in the current quarter resulted from unfavourable exchange rate movement in HK Dollar ("HKD") against Singapore Dollar ("SGD") for fixed deposits held in HKD compared to foreign exchange gain in the corresponding period in last year.

The distribution expenses decreased by \$0.25 million (2.2%) from \$11.24 million in Q1 2015 to \$10.99 million in Q1 2016 was mainly due to lower stockist commission for Consumer Business in Malaysia. However, there was a slight increase in administrative expenses by \$0.03 million in Q1 2016 as compared to the same period in 2015, mainly attributable to higher staff cost incurred by the Packaging Business.

The results from operating activities were \$1.68 million in Q1 2016 as compared to \$4.91 million in Q1 2015, a decrease of 65.7%.

Net finance income reduced by \$0.38 million from \$0.59 million in Q1 2015 to \$0.21 million in Q1 2016 mainly attributable to net fair value loss of \$0.08 million on financial assets designated at fair value through profit or loss as compared to net fair value gain of \$0.54 million on financial assets in Q1 2015. However, it was partly off-set by lower interest expense on bank borrowings by \$0.27 million as compared to the same period in 2015.

The profit before tax was \$1.90 million in Q1 2016 as compared to \$5.49 million in Q1 2015.

The Group's net profit after tax was \$1.46 million in Q1 2016 as compared to \$4.74 million reported for Q1 2015. The net profit attributable to shareholders was \$0.62 million for Q1 2016 as compared to \$3.59 million reported for Q1 2015.

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

	Note	GROUP		COMPANY	
		31/03/2016 S\$'000	31/12/2015 S\$'000	31/03/2016 S\$'000	31/12/2015 S\$'000
<b>Non-current assets</b>					
Property, plant and equipment		73,692	76,108	9,847	9,548
Investment properties		838	808	-	-
Subsidiaries		-	-	40,189	40,189
Other financial assets	1	47	47	47	47
Intangible assets		1,140	1,188	-	-
Deferred tax assets		1,673	1,608	-	-
		<u>77,390</u>	<u>79,759</u>	<u>50,083</u>	<u>49,784</u>
<b>Current assets</b>					
Other financial assets, including derivatives	1	1,799	1,978	1,789	1,972
Inventories	2	33,062	38,393	5,183	8,734
Trade and other receivables	3	121,967	136,508	48,090	50,388
Cash and cash equivalents	4	148,940	155,871	94,605	95,204
Assets held for sale		47,060	49,043	-	-
		<u>352,828</u>	<u>381,793</u>	<u>149,667</u>	<u>156,298</u>
<b>Total assets</b>		<u>430,218</u>	<u>461,552</u>	<u>199,750</u>	<u>206,082</u>
<b>Equity attributable to equity holders of the Company</b>					
Share capital		200,100	200,100	200,100	200,100
Reserves		62,501	63,906	(14,479)	(11,980)
		<u>262,601</u>	<u>264,006</u>	<u>185,621</u>	<u>188,120</u>
<b>Non-controlling interests</b>					
		<u>48,045</u>	<u>48,633</u>	<u>-</u>	<u>-</u>
<b>Total equity</b>		<u>310,646</u>	<u>312,639</u>	<u>185,621</u>	<u>188,120</u>
<b>Non-current liabilities</b>					
Loans and borrowings	5	1,267	1,413	-	-
Deferred income		1,124	1,198	-	-
Deferred tax liabilities		1,155	1,781	-	-
		<u>3,546</u>	<u>4,392</u>	<u>-</u>	<u>-</u>
<b>Current liabilities</b>					
Trade and other payables, including derivatives	6	87,535	110,446	14,129	17,962
Loans and borrowings	5	27,059	32,543	-	-
Deferred income		103	107	-	-
Current tax payable		1,329	1,425	-	-
		<u>116,026</u>	<u>144,521</u>	<u>14,129</u>	<u>17,962</u>
<b>Total liabilities</b>		<u>119,572</u>	<u>148,913</u>	<u>14,129</u>	<u>17,962</u>
<b>Total equity and liabilities</b>		<u>430,218</u>	<u>461,552</u>	<u>199,750</u>	<u>206,082</u>

**Note:**

- Other financial assets decreased by \$0.18 million in Q1 2016 for both the group and company level mainly due to decrease in fair value of financial assets designated at fair value through profit or loss.
- Inventories decreased by \$5.33 million in Q1 2016 mainly due to higher stockholding in December 2015 in preparation for the festive season. In addition, the lower sales demand in Packaging Business in Q1 2016 led to lower stockholding as compared to Q4 2015.
- The decrease of \$14.54 million in trade and other receivables was mainly due to reduction in bill receivables in the Packaging Business in China as compared to last quarter of 2015. However, it was partially off-set by higher advance payment to raw material suppliers and progressive payment made for the upgrade of the corrugator machine of the Packaging Business in China.
- Refer to the consolidated statement of cash flow on Page 6 for details of movements in cash and cash equivalents.
- Total loans and borrowings decreased by \$5.63 million was mainly due to repayment of term loan and lower utilisation of bills payables of \$3.37 million and \$2.25 million respectively by the Packaging Business.
- The decrease of \$22.91 million in trade and other payables was due to lower purchases of raw materials and supplies for Consumer and Packaging Businesses in tandem with the decrease in sales.

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

	As at	
	31/03/2016	31/12/2015
	S\$'000	S\$'000
Amount repayable in one year or less, or on demand		
- secured	18,863	26,917
- unsecured	8,196	5,626
	<u>27,059</u>	<u>32,543</u>
Amount repayable after one year		
- secured	1,267	1,413
	<u>1,267</u>	<u>1,413</u>
Total	<u>28,326</u>	<u>33,956</u>

**Details of any collateral :**

The total secured borrowings of \$20.13 million as at 31 March 2016 include:

Bank loans and bill payables of \$20.08 million, secured by the leasehold land, certain leasehold buildings and certain plant and machinery held by the Packaging Business with carrying amount of approximately \$28.61 million, cash and bank balances of \$4.00 million and bills receivables of \$3.14 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

	Note	GROUP	
		1st Quarter Ended	
		2016	2015
		S\$'000	S\$'000
<b>Operating activities</b>			
Profit for the period		1,460	4,741
Adjustments for:			
Tax expense		437	749
Depreciation of investment properties		5	6
Depreciation of property, plant and equipment		2,145	2,341
Income from liquidation of an associate		(914)	-
Loss/(gain) on disposal of property plant and equipment		173	(162)
Property, plant and equipment written off		3	4
Amortisation of deferred income		(26)	(31)
Change in fair value of financial derivatives		114	-
Unrealised exchange loss/(gain)		2,264	(1,560)
Net decrease/(increase) in fair value of financial assets designated at fair value through profit or loss		77	(541)
Net finance income		(291)	(44)
<b>Operating profit before working capital changes</b>		<b>5,447</b>	<b>5,503</b>
Changes in working capital:			
Inventories	1	5,160	5,169
Trade and other receivables	2	11,587	6,102
Trade and other payables	3	(21,856)	(7,464)
<b>Cash generated from operations</b>		<b>338</b>	<b>9,310</b>
Tax paid		(1,304)	(1,244)
<b>Net cash (used in)/from operating activities</b>		<b>(966)</b>	<b>8,066</b>
<b>Investing activities</b>			
Interest received		340	509
Proceeds from liquidation of an associate		914	-
Proceeds from disposal of property, plant and equipment		14	37
Proceeds from maturity of financial assets designated at fair value through profit or loss		-	2,800
Proceeds from partial settlement of debt security		-	1,397
Purchase of property, plant and equipment		(1,997)	(1,721)
<b>Net cash (used in)/from investing activities</b>		<b>(729)</b>	<b>3,022</b>
<b>Financing activities</b>			
Interest paid		(228)	(497)
Payment of finance lease liabilities		(4)	(4)
Increase in pledged deposits		(830)	(900)
Proceeds from borrowings	4	12,304	15,344
Repayment of borrowings	4	(16,718)	(15,152)
<b>Net cash used in financing activities</b>		<b>(5,476)</b>	<b>(1,209)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(7,171)</b>	<b>9,879</b>
Cash and cash equivalents at beginning of the period		152,704	116,435
Effect of exchange rate fluctuations on cash held		(590)	(204)
<b>Cash and cash equivalents at end of the period</b>		<b>144,943</b>	<b>126,110</b>
Comprising:			
Cash at bank and in hand		42,528	42,495
Fixed deposits with banks		106,412	87,815
		148,940	130,310
Deposits pledged		(3,997)	(4,200)
		<b>144,943</b>	<b>126,110</b>

Note:

- 1 Please refer to note 2 in consolidated statement of financial position.
- 2 Please refer to note 3 in consolidated statement of financial position.
- 3 Please refer to note 6 in consolidated statement of financial position.
- 4 Please refer to note 5 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.

	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
<b>At 1 January 2016</b>	<b>204,327</b>	<b>(4,227)</b>	<b>200,100</b>	<b>6,357</b>	<b>32</b>	<b>6</b>	<b>627</b>	<b>56,884</b>	<b>264,006</b>	<b>48,633</b>	<b>312,639</b>
<b>Total comprehensive income for the period</b>											
Profit for the period	-	-	-	-	-	-	-	620	620	840	1,460
<b>Other comprehensive income</b>											
Foreign currency translation differences - foreign operations	-	-	-	-	-	-	(2,009)	-	(2,009)	(1,428)	(3,437)
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	-	(16)	-	-	(16)	-	(16)
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(16)</b>	<b>(2,009)</b>	<b>-</b>	<b>(2,025)</b>	<b>(1,428)</b>	<b>(3,453)</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(16)</b>	<b>(2,009)</b>	<b>620</b>	<b>(1,405)</b>	<b>(588)</b>	<b>(1,993)</b>
<b>At 31 March 2016</b>	<b>204,327</b>	<b>(4,227)</b>	<b>200,100</b>	<b>6,357</b>	<b>32</b>	<b>(10)</b>	<b>(1,382)</b>	<b>57,504</b>	<b>262,601</b>	<b>48,045</b>	<b>310,646</b>
<b>At 1 January 2015</b>	<b>204,327</b>	<b>(4,227)</b>	<b>200,100</b>	<b>5,066</b>	<b>1,348</b>	<b>-</b>	<b>1,286</b>	<b>52,419</b>	<b>260,219</b>	<b>44,167</b>	<b>304,386</b>
<b>Total comprehensive income for the period</b>											
Profit for the period	-	-	-	-	-	-	-	3,587	3,587	1,154	4,741
<b>Other comprehensive income</b>											
Foreign currency translation differences - foreign operations	-	-	-	-	-	-	2,449	-	2,449	1,322	3,771
Net change in fair value of available-for-sale financial assets	-	-	-	-	504	-	-	-	504	63	567
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>504</b>	<b>-</b>	<b>2,449</b>	<b>-</b>	<b>2,953</b>	<b>1,385</b>	<b>4,338</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>504</b>	<b>-</b>	<b>2,449</b>	<b>3,587</b>	<b>6,540</b>	<b>2,539</b>	<b>9,079</b>
<b>At 31 March 2015</b>	<b>204,327</b>	<b>(4,227)</b>	<b>200,100</b>	<b>5,066</b>	<b>1,852</b>	<b>-</b>	<b>3,735</b>	<b>56,006</b>	<b>266,759</b>	<b>46,706</b>	<b>313,465</b>

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 January 2016	204,327	(4,227)	200,100	491	32	(12,503)	188,120
<b>Total comprehensive income for the period</b>							
Loss for the period	-	-	-	-	-	(2,499)	(2,499)
<b>Total comprehensive income for the period</b>	-	-	-	-	-	(2,499)	(2,499)
At 31 March 2016	204,327	(4,227)	200,100	491	32	(15,002)	185,621
At 1 January 2015	204,327	(4,227)	200,100	491	1,056	(5,068)	196,579
<b>Total comprehensive income for the period</b>							
Profit for the period	-	-	-	-	-	196	196
<b>Other comprehensive income</b>							
Net change in fair value of available-for-sale financial assets	-	-	-	-	390	-	390
<b>Total comprehensive income for the period</b>	-	-	-	-	390	196	586
At 31 March 2015	204,327	(4,227)	200,100	491	1,446	(4,872)	197,165

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 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 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.**

	2016	2015
<b>(i) Share Capital</b>		
<b>Group and Company</b>	No. of shares	No. of shares
In issue at 1 January and 31 March	<u>570,996,746</u>	<u>570,996,746</u>
<b>(ii) Treasury shares</b>		
<b>Group and Company</b>	No. of shares	No. of shares
Balance as at the end of the period	<u>17,581,000</u>	<u>17,581,000</u>

The total number of issued shares excluding treasury shares as at the end of the current financial period was 553,415,746 (31 March 2015: 553,415,746).

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

During the financial period ended 31 March 2016, 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 31 March 2016. 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.

	31/03/2016	As at	31/12/2015
Total number of issued shares	<u>553,415,746</u>		<u>553,415,746</u>

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

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

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 2015.

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	
	1st Quarter Ended	
	31/03/2016	31/03/2015
	cents	cents
Earnings per ordinary share of the group for the financial period based on net profit attributable to shareholders:		
Basic earnings per share	0.11	0.65
Diluted earnings per share	0.11	0.64

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	
	31/03/2016	31/12/2015	31/03/2016	31/12/2015
	cents	cents	cents	cents
Net asset value per ordinary share based on issued share capital at the end of the period reported on	47.45	47.70	33.54	33.99

- 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 \$1.96 million or 4.2% in Q1 2016, from \$46.53 million in Q1 2015 to \$44.57 million in Q1 2016. The decrease was attributable to reduction in the franchise outlets of the Consumer Business in Singapore. However, the reduction in revenue is off-set by higher distribution sales in Malaysia which leads to higher revenue in Q1 2016.

The Consumer Business recorded a loss of \$1.51 million in Q1 2016 as compared to a gain of \$0.43 million in the same period last year mainly due to foreign exchange losses reported in Q1 2016 as opposed to foreign exchange gains in Q1 2015.

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 Q1 2016 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 Group will continue to focus on strengthening its presence in the highly competitive FMCG market by expanding its range of home brand products while refreshing its existing house brands such as Sobe, Fortune, Golden Circle and Beautex. New agencies are also being sought to enlarge the Group's range of products coverage.

The Group's packaging business expects the business environment for both Singapore and China to remain competitive. The division will continue to explore new sales and invest in machinery upgrades and continue staff training to ensure that the people are equipped with the right skills to enhance production productivity to stay competitive.

- 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.

**BY ORDER OF THE BOARD**

Dr Allan Yap  
Chairman  
13 May 2016