



First Quarter Financial Statement and Dividend Announcement for the Period Ended 31 March 2017

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

	Note	1Q 2017 \$'000	Group 1Q 2016 \$'000	+ / (-) %
Revenue				
- Property developments		90,135	41,725	116.0
- Construction		81,498	61,135	33.3
- Hospitality		7,335	6,536	12.2
- Property investments & others		2,884	2,460	17.2
		<u>181,852</u>	<u>111,856</u>	62.6
Cost of sales		(152,651)	(91,143)	67.5
Gross profit		<u>29,201</u>	<u>20,713</u>	41.0
Other items of income				
Interest income		843	957	(11.9)
Other income	1	7,735	2,393	223.2
Other items of expense				
Marketing and distribution	2	(3,344)	(1,782)	87.7
Administrative expenses	3	(16,222)	(14,249)	13.8
Finance costs		(5,539)	(4,168)	32.9
Share of results of associates		192	460	(58.3)
Profit before tax		12,866	4,324	197.5
Income tax expense	4	(2,551)	(1,694)	50.6
Profit after tax		<u>10,315</u>	<u>2,630</u>	292.2
Profit attributable to:				
Owners of the Company		6,110	817	647.9
Non-controlling interests		4,205	1,813	131.9
		<u>10,315</u>	<u>2,630</u>	292.2

1(a)(ii) Items, which if significant, must be included in the income statement

	1Q 2017 \$'000	Group 1Q 2016 \$'000	+ / (-) %
Other income			
Net gain on disposal of investment securities	4,921	-	NM
Net foreign exchange gain	1,611	744	116.5
Write back of impairment loss on trade receivables	475	-	NM
Rental income from development properties	247	278	(11.2)
Government grants	103	752	(86.3)
Net gain on disposal of property, plant and equipment	104	377	(72.4)
Sales of materials	104	133	(21.8)
Others	170	109	56.0
	<u>7,735</u>	<u>2,393</u>	223.2
The following items have been included in arriving at profit before tax:			
Employee benefits expenses	17,469	14,663	19.1
Depreciation of property, plant and equipment	1,734	1,762	(1.6)
Maintenance of properties	1,100	719	53.0
Legal and professional fees	900	3,936	(77.1)
Impairment loss on a development property	166	-	NM
	<u>17,469</u>	<u>14,663</u>	19.1

Note:-

NM - Not meaningful.

1(a)(ii) Items, which if significant, must be included in the income statement (Cont'd)

Notes to Group Income Statement

- 1 Higher other income in 1Q2017 was due primarily to gain on disposal of a quoted investment securities amounting to \$4.9 million.
- 2 Higher marketing and distribution expenses in 1Q2017 was due to marketing expenses incurred for Grandeur Park Residences, which was launched in March 2017.
- 3 Higher administrative expenses in 1Q2017 were due to increase in staff costs.
- 4 Higher effective tax rate in 1Q2016 was due to deferred tax assets not recognised.

1(a)(iii) Statement of Comprehensive Income

	Note	1Q 2017 \$'000	Group 1Q 2016 \$'000	+ / (-) %
Profit after tax		10,315	2,630	292.2
Other comprehensive income:				
<i>Items that will not be reclassified to profit or loss</i>				
Share of gain on property revaluation of associates		167	227	(26.4)
		167	227	(26.4)
<i>Items that may be reclassified subsequently to profit or loss</i>				
Net loss on fair value changes of available-for-sale financial assets		(135)	(210)	(35.7)
Realisation of reserves on disposal of available-for-sale financial assets	1	(5,020)	-	NM
Foreign currency translation gain	2	3,882	315	1,132.4
		(1,273)	105	(1,312.4)
Other comprehensive (loss)/gain for the quarter, net of tax		(1,106)	332	(433.1)
Total comprehensive income for the quarter		<u>9,209</u>	<u>2,962</u>	210.9
Total comprehensive income attributable to:				
Owners of the Company		5,004	1,149	335.5
Non-controlling interests		4,205	1,813	131.9
		<u>9,209</u>	<u>2,962</u>	210.9

Notes to Statement of Comprehensive Income

- 1 The decrease was due to reclassification of reserve to income statement upon disposal of an available-for-sale financial asset.
- 2 Foreign currency translation arose from the translation of financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. The translation gain for 1Q2017 was due to strengthening of the Australian Dollar against the Singapore Dollar.

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			
	Note	31 Mar 2017 \$'000	31 Dec 2016 \$'000	Note	31 Mar 2017 \$'000	31 Dec 2016 \$'000
Non-current assets						
Property, plant and equipment	1	309,855	219,604		1,865	1,684
Investment properties		290,943	288,693		-	-
Intangible assets		2,083	2,202		453	528
Investment in subsidiaries		-	-		48,302	48,302
Investment in associates		6,718	6,359		650	650
Deferred tax assets		3,434	2,995		-	-
Other receivables		50	88		239,523	231,928
Investment securities	2	-	8,010	2	-	8,010
		613,083	527,951		290,793	291,102
Current assets						
Gross amount due from customers for contract work-in-progress	3	6,753	9,677		-	-
Development properties	4	1,082,129	1,127,718		-	-
Inventories and prepayments		4,689	4,070		1,443	1,831
Trade and other receivables	5	96,062	81,241		4,463	5,311
Cash and short-term deposits	6	514,721	481,582		122,815	122,273
		1,704,354	1,704,288		128,721	129,415
Total assets		2,317,437	2,232,239		419,514	420,517
Deduct: Current liabilities						
Loans and borrowings	7	241,937	234,182		150,000	150,000
Gross amount due to customers for contract work-in-progress	3	26,491	11,100		-	-
Trade and other payables		84,470	86,394		571	124
Other liabilities		51,994	42,190		8,984	5,944
Income tax payable		27,942	28,358		182	586
		432,834	402,224		159,737	156,654
Net current assets		1,271,520	1,302,064		(31,016)	(27,239)
Deduct: Non-current liabilities						
Loans and borrowings	7	975,074	936,736		120,000	120,000
Trade and other payables		110,609	106,692		-	-
Deferred tax liabilities		12,501	9,974		21	21
		1,098,184	1,053,402		120,021	120,021
		786,419	776,613		139,756	143,842
Equity attributable to owners of the Company						
Share capital		79,691	79,691		79,691	79,691
Treasury shares		(33,653)	(33,653)		(33,653)	(33,653)
Retained earnings		739,806	733,696		92,262	91,790
Other reserves		(14,369)	(13,860)		1,456	6,014
		771,475	765,874		139,756	143,842
Non-controlling interests		14,944	10,739		-	-
Total equity		786,419	776,613		139,756	143,842

Notes to Statement of Financial Position

Note

The Group

- The increase in property, plant and equipment was mainly due to acquisition of an island resort in Maldives.
- The decrease was due to disposal of a quoted investment securities.
- The net increase in gross amount due to customers for contract work-in-progress was due to progress billings in excess of construction work-in-progress.
- The decrease in development properties was mainly due to progress billings received from buyers, partially offset by development costs incurred for the on-going projects.
- The increase in trade and other receivables for the Group was mainly due to receivables arising from progress billings issued to buyers of Grandeur Park Residences and Fulcrum, partially offset by collections from buyers of Nine Residences and HDB.
- The increase in cash and short term deposits was due to option fee received from buyers of Grandeur Park Residences.
- The increase in combined current and non-current loans and borrowings was due to financing obtained for the island resort in Maldives, partially offset by repayment of bank loans.

1(b)(ii) Aggregate amount of the group's borrowings and debt securities as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year

	As at 31 Mar 2017 \$'000	As at 31 Dec 2016 \$'000
Amount repayable in one year or less, or on demand		
- Secured	91,937	84,182
- Unsecured	150,000	150,000
Amount repayable after one year		
- Secured	855,074	816,736
- Unsecured	120,000	120,000

Details of any collateral

The Group's total borrowings of \$1.2 billion are loans taken to finance property development projects, investment properties and hotel, and for working capital.

The Group's borrowings of \$947.0 million are mainly secured by :

- (a) legal mortgage on the development properties, investment properties and hotel;
- (b) subordination of shareholder's loan to the property development companies;
- (c) assignment of sale proceeds of the development properties;
- (d) assignment of all rights, title, interest and benefits under contracts in respect of the development properties;
- (e) assignment of construction contracts, performance bonds and fire insurance policy on the development properties;
- (f) assignment of tenancy and sale agreements of the investment properties;
- (g) fixed and floating charge on the hotel; and
- (h) corporate guarantee from the Company.

The Group's unsecured borrowings of \$270.0 million comprise the following notes issued under its S\$500 million Multicurrency Debt Issuance Programme :

- (a) \$150 million 3-year fixed rate notes issued on 17 October 2014. The notes bear interest at the rate of 4.25 per cent. per annum payable semi-annually in arrear and will due in October 2017.
- (b) \$120 million 5-year fixed rate notes issued on 14 June 2016. The notes bear interest at the rate of 4.75 per cent. per annum payable semi-annually in arrear and will due in June 2021.

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

	Group	
	1Q 2017 \$'000	1Q 2016 \$'000
Cash flows from operating activities		
Operating profit before taxation	12,866	4,324
Adjustments for:		
Depreciation and amortisation	1,790	1,765
Interest income	(843)	(957)
Interest expense	5,539	4,168
Net gain on disposal of property, plant and equipment	(104)	(377)
Unrealised exchange gain	(1,542)	(158)
Share of results of associates	(192)	(460)
Net gain on disposal of a quoted investment securities	(4,921)	-
Net gain on disposal of intangible assets	(96)	-
Property, plant and equipment written off	5	-
Write back of impairment loss on trade receivables	(475)	-
Impairment loss on development properties	166	-
Share-based compensation	597	-
Operating profit before changes in working capital	12,790	8,305
Development properties	54,215	(22,761)
Assets held for sale	(6)	(244)
Trade and other receivables	(15,072)	(22,697)
Prepayments	(608)	1,244
Gross amount due to customers for contract work-in-progress, net	18,332	(10,392)
Trade and other payables	1,865	15,966
Other liabilities	6,639	(158)
Cash generated from/(used in) operations	78,155	(30,737)
Interest paid	(6,146)	(2,922)
Interest received	843	957
Income tax paid	(670)	(6,728)
Net cash generated from/(used in) operating activities	72,182	(39,430)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(92,621)	(781)
Proceeds from disposal of property, plant and equipment	145	564
Proceeds from disposal of a quoted investment securities	7,776	-
Proceeds from disposal of intangible assets	179	-
Dividend income	-	1,070
Repayment from advances to associates, net	792	3,144
Additions of intangible assets	(20)	(100)
Additions of investment properties	(765)	(167)
Net cash (used in)/generated from investing activities	(84,514)	3,730

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 (Cont'd)

	Group	
	1Q 2017 \$'000	1Q 2016 \$'000
Cash flows from financing activities:		
Repayment of loans and borrowings	(28,837)	(35,465)
Proceeds from loans and borrowings	74,188	-
Net cash generated from/(used in) financing activities	45,351	(35,465)
Net increase/(decrease) in cash and cash equivalents	33,019	(71,165)
Effect of exchange rate changes on cash and cash equivalents	120	78
Cash and cash equivalents at beginning of the period	481,582	442,456
Cash and cash equivalents at end of the period	514,721	371,369
Cash and cash equivalents comprise:		
Short term deposits	329,118	160,170
Cash and bank balances	185,603	211,199
	514,721	371,369

Net cash generated from/(used in) operating activities

Net cash generated from operating activities in 1Q2017 as compared to net cash used in operating activities in 1Q2016 was mainly due to cash inflow from payments received from sales of development properties and excess billings for construction projects over costs.

Net cash (used in)/generated from investing activities

Net cash used in investing activities in 1Q2017 as compared to net cash generated from investing activities in 1Q2016 was mainly due to acquisition of an island resort in Maldives.

Net cash generated from/(used in) financing activities

Net cash generated from financing activities in 1Q2017 as compared to net cash used in financing activities in 1Q2016 was due to loans and borrowings obtained to finance the acquisition of the island resort in Maldives, partially offset by repayment of loans.

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	Attributable to owners of the Company										Non-controlling interests \$'000	Total equity \$'000
	Issued capital \$'000	Treasury shares \$'000	Treasury shares reserve \$'000	Share-based compensation reserve \$'000	Capital reserve \$'000	Fair value adjustment reserve \$'000	Asset revaluation reserve \$'000	Currency translation reserve \$'000	Retained earnings \$'000	Total \$'000		
At 1 January 2017	79,691	(33,653)	(533)	1,392	674	5,155	2,709	(23,257)	733,696	765,874	10,739	776,613
Total comprehensive income for the period	-	-	-	-	-	(5,155)	167	3,882	6,110	5,004	4,205	9,209
Share-based compensation expenses	-	-	-	597	-	-	-	-	-	597	-	597
At 31 March 2017	79,691	(33,653)	(533)	1,989	674	-	2,876	(19,375)	739,806	771,475	14,944	786,419

Group	Attributable to owners of the Company										Non-controlling interests \$'000	Total equity \$'000
	Issued capital \$'000	Treasury shares \$'000	Treasury shares reserve \$'000	Share-based compensation reserve \$'000	Capital reserve \$'000	Fair value adjustment reserve \$'000	Asset revaluation reserve \$'000	Currency translation reserve \$'000	Retained earnings \$'000	Total \$'000		
At 1 January 2016	79,691	(33,653)	(533)	-	674	1,511	2,482	(24,709)	722,851	748,314	(5,347)	742,967
Total comprehensive income for the period	-	-	-	-	-	(210)	227	315	817	1,149	1,813	2,962
At 31 March 2016	79,691	(33,653)	(533)	-	674	1,301	2,709	(24,394)	723,668	749,463	(3,534)	745,929

Company	Issued capital \$'000	Treasury shares \$'000	Treasury shares reserve \$'000	Share-based compensation reserve \$'000	Fair value adjustment reserve \$'000	Retained earnings \$'000	Total equity \$'000
At 1 January 2017	79,691	(33,653)	(533)	1,392	5,155	91,790	143,842
Total comprehensive income for the period	-	-	-	-	(5,155)	472	(4,683)
Share-based compensation expenses	-	-	-	597	-	-	597
At 31 March 2017	79,691	(33,653)	(533)	1,989	-	92,262	139,756

Company	Issued capital \$'000	Treasury shares \$'000	Treasury shares reserve \$'000	Share-based compensation reserve \$'000	Fair value adjustment reserve \$'000	Retained earnings \$'000	Total equity \$'000
At 1 January 2016	79,691	(33,653)	(533)	-	1,511	110,246	157,262
Total comprehensive income for the period	-	-	-	-	(210)	(1,139)	(1,349)
At 31 March 2016	79,691	(33,653)	(533)	-	1,301	109,107	155,913

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 the end of the financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

As at 31 March 2017, the Company held 46,501,100 (31 March 2016 : 46,501,100) ordinary shares as treasury shares. The total number of issued shares excluding treasury shares as at 31 March 2017 was 621,014,061 (31 March 2016 : 621,014,061).

As at 31 March 2017, the number of outstanding share options under the Company's Employee Share Option Scheme was 40,000,000 (31 March 2016 : nil).

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 total number of issued shares excluding treasury shares of 46,501,100 (31 December 2016 : 46,501,100) shares as at 31 March 2017 was 621,014,061 (31 December 2016 : 621,014,061) shares.

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

Not applicable as no treasury shares had been sold, transferred, disposed, cancelled or used in any other manner.

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

The figures have not been audited or reviewed by the Company's auditors.

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

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those of the audited financial statements for the year ended 31 December 2016, as well as all the applicable Financial Reporting Standards ("FRS") which became effective for the financial year beginning on or after 1 January 2017.

The adoption of those new and revised FRSs has no material effect on the current financial statements for the current period.

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

Please refer to paragraph 4 above.

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

	Group	
	1Q 2017	1Q 2016
Earnings per ordinary share for the period :-		
(i) Based on weighted average number of ordinary shares in issue (in cents)	0.98	0.13
(ii) On a fully diluted basis (in cents)	0.97	0.13

Notes:

(i) The computation of basic earnings per share was based on the weighted average of 621,014,061 ordinary shares (31 March 2016 : 621,014,061 ordinary shares).

(ii) The computation of fully diluted basic earnings per share was based on the adjusted weighted average of 627,370,109 ordinary shares (31 March 2016 : 621,014,061 ordinary shares).

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

	Group		Company	
	31 Mar 2017	31 Dec 2016	31 Mar 2017	31 Dec 2016
Net asset value per ordinary share (in cents) based on issued share capital as at the end of the period reported on	124.23	123.33	22.50	23.16

The computation of net asset value per ordinary share was based on 621,014,061 ordinary shares (excluding treasury shares of 46,501,100) (31 December 2016 : 621,014,061 ordinary shares excluding treasury shares of 46,501,100).

- 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 include discussion of 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 include discussion of any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

Quarterly results : 1Q2017 vs 1Q2016

Overall

The Group's total revenue increased by 62.6% to \$181.9 million from \$111.9 million. The increase was attributable to higher contributions from the Property Development and Construction Divisions. In line with higher revenue, gross and pre-tax profits also increased.

Property Developments

Revenue increased from \$41.7 million to \$90.1 million due to higher progressive revenue recognised for High Park Residences and sales of Fulcrum.

Construction

Revenue increased from \$61.1 million to \$81.5 million due largely to higher percentage of completion achieved for Woodlands N1C26 & N1C27 and Tampines N6C1A/1B.

Hospitality

Revenue from the Hospitality Division in 1Q2017 increased by 12.2% to \$7.3 million due to higher occupancy achieved for Park Hotel Alexandra.

Property Investments & Others

Revenue from the Property Investment Division grew by 17.2% to \$2.9 million from \$2.5 million due to higher occupancy achieved for its office buildings - CES Centre and 420 St Kilda Road, Melbourne.

Group Statement of Financial Position Review

The acquisition of the Maldivian island resort resulted in increases in both non-current and total assets. As the resort was financed partly by a bank borrowing, the non-current liability increased from \$1.05 billion to \$1.10 billion.

Total equity increased from \$776.6 million to \$786.4 million due mainly to profit contribution for the period and foreign currency translation gain. Net debts increased by \$13.0 million from \$689.3 million to \$702.3 million as the net borrowings outweighed cash collection. With equity increased proportionately to net debts, net debts to equity ratio remained flat at 0.89 as at 31 March 2017.

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

No prospects statements for 1Q2017 was previously provided.

- 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**

Property Developments

Singapore

The Group launched Grandeur Park Residences in March 2017 which saw 58.2% of its 722 units being snapped up in the first weekend of its debut. The momentum continued with other new launches in the eastern region and relaxation of certain cooling measures and more units were sold subsequently, bringing the total sales to-date to 71.9%. Arising from the good sales results, significant marketing expenses including commission will be expensed off in 2Q2017. This will weigh on the 2Q2017 results as no progressive revenue will be recognised.

For the Group's other developments, the last unit of High Park Residences has been sold, marking a resounding success for the largest ever project undertaken by the Group. As regards Fulcrum, with new promotional initiatives, the Group has raised the sales to 78.9%.

Australia

As the market conditions have changed recently, the Group has decided to defer its plan to launch the South Melbourne project to 2H2017. The settlements of certain townhouses which were originally scheduled to take place in 1Q2017 have also been delayed to 2Q2017.

The sales of Willow Apartments improved slightly to 57.8%.

As regards Tower Melbourne, there is no significant progress. We are still awaiting the hearing and determination of Building Appeal Board (Stage 1 demolition) and the decision of the Supreme Court (Stage 2 demolition).

Construction

The Group completed a HDB project - Bukit Batok N1C13 & N2C23 in 1Q2017. It will remain active in public housing tenders while continuing to vie for a non-housing public project. Meanwhile, it will continue to build its capability in building information modelling and modular construction; in particular, prefabricated prefinished volumetric production and production of prefabricated bath units.

With no contract secured and progressive billings in 1Q2017, the Group's construction order book had slipped further to \$457.2 million as of 31 March 2017, down from \$537.4 million of the preceding quarter. However, the Group has just secured a HDB project in May 2017 with contract sum of \$110.8 million and remains in contention for several HDB and other projects it has tendered.

Property Investments

The Group expects its occupancy rates for most of its investment properties to remain unchanged in coming months. For renewal cases, the Group will endeavour to retain the existing tenants amid softening rental market.

Hospitality

The Group expects steady occupancy and average room rates. However, it expects that the current uncertain economic condition and increased room supply will continue to pose challenges to its drive to improve the rates.

The Group has re-scheduled its 70%-owned Grand Park Kodhipparu Resort to open for business in 3Q2017.

11 Dividend

(a) Current Financial Period Reported On

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/recommendeded, a statement to that effect

No dividend has been declared/recommendeded for the quarter ended 31 March 2017.

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 shareholders' mandate for interested person transactions.

14 Confirmation

We, Chia Lee Meng Raymond and Hoon Tai Meng, being two Directors of CHIP ENG SENG CORPORATION LTD (the "Company"), do hereby confirm on behalf of the Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial statements of the Company and of the Group for the first quarter ended 31 March 2017 to be false or misleading in any material aspect.

On behalf of the Board of Directors,

Chia Lee Meng Raymond
Executive Chairman

Hoon Tai Meng
Executive Director

15 Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1)

The Company confirms that it has procured undertakings from all of its directors and executive officers under Rule 720(1).

BY ORDER OF THE BOARD

Chia Lee Meng Raymond
Executive Chairman and Group Chief Executive Officer
4 May 2017