

**ISEC HEALTHCARE LTD.**

(Company Registration No.201400185H)

**Unaudited Financial Statement and Dividend Announcement  
For the Third Quarter Ended 30 September 2019**

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

**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.**

	Group 3 Months Ended			Group 9 Months Ended		
	30 September 2019 (Unaudited) S\$'000	30 September 2018 (Unaudited) S\$'000	Change %	30 September 2019 (Unaudited) S\$'000	30 September 2018 (Unaudited) S\$'000	Change %
Revenue	10,826	9,908	9%	31,255	29,952	4%
Cost of sales	(5,978)	(5,259)	14%	(16,660)	(15,567)	7%
<b>Gross profit</b>	<b>4,848</b>	<b>4,649</b>	<b>4%</b>	<b>14,595</b>	<b>14,385</b>	<b>1%</b>
<b>Other item of income</b>						
Other income	143	125	14%	439	391	12%
<b>Other items of expense</b>						
Selling and distribution expenses	(12)	(6)	100%	(36)	(18)	100%
Administrative expenses	(2,163)	(2,150)	1%	(6,266)	(6,222)	1%
Other expenses	(444)	(227)	96%	(1,629)	(507)	NM
Finance costs	(59)	(1)	NM	(191)	(3)	NM
Share of results of associate	(6)	(11)	-45%	(32)	(11)	NM
<b>Profit before income tax</b>	<b>2,307</b>	<b>2,379</b>	<b>-3%</b>	<b>6,880</b>	<b>8,015</b>	<b>-14%</b>
Income tax expense	(633)	(552)	15%	(1,891)	(1,774)	7%
<b>Profit for the financial period</b>	<b>1,674</b>	<b>1,827</b>	<b>-8%</b>	<b>4,989</b>	<b>6,241</b>	<b>-20%</b>

NM – Not meaningful

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(Company Registration No.201400185H)

	Group			Group		
	3 Months Ended			9 Months Ended		
	30	30	Change	30	30	Change
	September	September		September	September	
2019	2018		2019	2018		
(Unaudited)	(Unaudited)		(Unaudited)	(Unaudited)		
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Other comprehensive income</b>						
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Foreign currency translation differences - foreign operations	208	(601)	NM	4	68	-94%
<b>Other comprehensive income for the financial period, net of tax</b>	208	(601)	NM	4	68	-94%
<b>Total comprehensive income for the financial period</b>	1,882	1,226	54%	4,993	6,309	-21%
<b>Profit attributable to:</b>						
Owners of the parent	1,762	1,768	0%	5,121	6,079	-16%
Non-controlling interests	(88)	59	NM	(132)	162	NM
<b>Profit for the financial period</b>	1,674	1,827	-8%	4,989	6,241	-20%
<b>Total comprehensive income attributable to:</b>						
Owners of the parent	1,969	1,181	67%	5,128	6,151	-17%
Non-controlling interests	(87)	45	NM	(135)	158	NM
<b>Total comprehensive income for the financial period</b>	1,882	1,226	54%	4,993	6,309	-21%

NM – Not meaningful

**1(a)(ii) Notes to Consolidated Statement of Comprehensive Income**

Profit before income tax is arrived after charging/(crediting) the following:

	Group			Group		
	3 Months Ended			9 Months Ended		
	30	30	Change	30	30	Change
	September	September		September	September	
2019	2018		2019	2018		
(Unaudited)	(Unaudited)		(Unaudited)	(Unaudited)		
S\$'000	S\$'000	%	S\$'000	S\$'000	%	
Depreciation of plant and equipment - cost of sales	177	146	21%	488	455	7%
Depreciation of plant and equipment - cost of sales (right-of-use assets)	106	-	NM	291	-	NM
Depreciation of plant and equipment – administrative expenses	103	95	8%	292	279	5%
Depreciation of plant and equipment – administrative expenses (right-of-use assets)	267	-	NM	821	-	NM
Amortisation of intangible assets – other expenses	140	140	0%	420	420	0%
Amortisation of intangible assets – administrative expenses	15	19	-21%	47	52	-10%
Interest income	(115)	(116)	-1%	(376)	(318)	18%
(Gain)/loss on exchange differences - net	(88)	70	NM	(2)	54	NM
Loss/(Gain) on disposal of plant and equipment	-	-	NM	3	(24)	NM
Allowance for/(write back of) doubtful debts, net	6	(5)	NM	3	16	NM
Write back of provisions/accruals	-	(10)	NM	-	(10)	NM
Plant and equipment written-off	-	37	NM	18	37	-51%
Impairment loss for goodwill	380	-	NM	1,180	-	NM

NM – Not meaningful

**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**

	Group		Company	
	30 September 2019 (Unaudited) S\$'000	31 December 2018 (Audited) S\$'000	30 September 2019 (Unaudited) S\$'000	31 December 2018 (Audited) S\$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Plant and equipment	4,112	3,735	30	53
Right-of-use assets	4,598	-	62	-
Intangible assets	36,538	38,182	-	1
Investment in subsidiaries	-	-	52,669	48,386
Investment in associate	188	220	-	-
Net investment of sublease	196	-	-	-
Deferred tax assets	29	-	-	-
	<u>45,661</u>	<u>42,137</u>	<u>52,761</u>	<u>48,440</u>
<b>Current assets</b>				
Inventories	1,120	1,115	-	-
Trade and other receivables	2,572	2,984	8,429	13,159
Prepayments	243	190	29	14
Net investment of sublease	59	-	-	-
Tax receivable	54	43	-	-
Cash and cash equivalents	<u>22,508</u>	<u>27,105</u>	<u>5,218</u>	<u>7,943</u>
	<u>26,556</u>	<u>31,437</u>	<u>13,676</u>	<u>21,116</u>
<b>TOTAL ASSETS</b>	<u>72,217</u>	<u>73,574</u>	<u>66,437</u>	<u>69,556</u>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	64,741	59,673	64,741	59,673
Treasury share reserve	(105)	-	(105)	-
Other reserves	(7,499)	(3,012)	-	-
Retained earnings	<u>4,185</u>	<u>10,196</u>	<u>1,383</u>	<u>9,512</u>
<b>Equity attributable to owners of Company</b>	<u>61,322</u>	<u>66,857</u>	<u>66,019</u>	<u>69,185</u>
Non-controlling interests	<u>563</u>	<u>745</u>	<u>-</u>	<u>-</u>
<b>TOTAL EQUITY</b>	<u>61,885</u>	<u>67,602</u>	<u>66,019</u>	<u>69,185</u>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Provisions	161	224	20	20
Lease liabilities	3,546	-	-	-
Deferred tax liabilities	<u>474</u>	<u>564</u>	<u>-</u>	<u>-</u>
	<u>4,181</u>	<u>788</u>	<u>20</u>	<u>20</u>
<b>Current liabilities</b>				
Trade and other payables	3,854	4,184	324	320
Lease liabilities	1,585	-	65	-
Current income tax payable	<u>712</u>	<u>1,000</u>	<u>9</u>	<u>31</u>
	<u>6,151</u>	<u>5,184</u>	<u>398</u>	<u>351</u>
<b>TOTAL LIABILITIES</b>	<u>10,332</u>	<u>5,972</u>	<u>418</u>	<u>371</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>72,217</u>	<u>73,574</u>	<u>66,437</u>	<u>69,556</u>

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

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

As at 30 September 2019		As at 31 December 2018	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	1,585 <sup>(1)</sup>	-	-

**Amount repayable after one year**

As at 30 September 2019		As at 31 December 2018	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	3,546 <sup>(1)</sup>	-	-

(1) As a result of adoption of SFRS(I) 16 *Leases* on 1 January 2019. Please refer to Section 5 for details.

**Details of any collateral**

Not applicable. The Group did not have any secured borrowings or debts securities as at 30 September 2019 and 31 December 2018.

**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.**

**Consolidated Statement of Cash Flows**

	Group 3 Months Ended		Group 9 Months Ended	
	30 September 2019 (Unaudited) S\$'000	30 September 2018 (Unaudited) S\$'000	30 September 2019 (Unaudited) S\$'000	30 September 2018 (Unaudited) S\$'000
<b>Cash flows from operating activities</b>				
Profit before income tax	2,307	2,379	6,880	8,015
Adjustments for:				
Allowance for/(write back of) doubtful debts, net	6	(5)	3	16
Amortisation of intangible assets	155	159	467	472
Depreciation of plant and equipment	653	241	1,892	734
Interest income	(115)	(116)	(376)	(318)
Interest expense	59	1	191	3
Impairment loss for goodwill	380	-	1,180	-
Loss/(gain) on disposal of plant and equipment	-	-	3	(24)
Plant and equipment written-off	-	37	18	37
Share of results of associate	6	11	32	11
Write-back of provisions/accruals	-	(10)	-	(10)
Operating cash flows before working capital changes	3,451	2,697	10,290	8,936

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	Group 3 Months Ended		Group 9 Months Ended	
	30 September 2019 (Unaudited) S\$'000	30 September 2018 (Unaudited) S\$'000	30 September 2019 (Unaudited) S\$'000	30 September 2018 (Unaudited) S\$'000
Working capital changes:				
- Inventories	9	126	(5)	35
- Trade and other receivables	534	288	425	(319)
- Prepayments	(7)	(61)	(53)	(56)
- Trade and other payables	258	(162)	(395)	4
Cash generated from operations	4,245	2,888	10,262	8,600
Income tax paid	(1,061)	(766)	(2,272)	(1,763)
<b>Net cash from operating activities</b>	<b>3,184</b>	<b>2,122</b>	<b>7,990</b>	<b>6,837</b>
<b>Investing activities</b>				
Purchase of plant and equipment	(729)	(101)	(1,112)	(585)
Purchase of intangible assets	-	-	-	(4)
Proceeds from disposal of plant and equipment	-	-	16	24
Subscription of shares in associate	-	(250)	-	(250)
Interest received	109	110	354	307
<b>Net cash used in investing activities</b>	<b>(620)</b>	<b>(241)</b>	<b>(742)</b>	<b>(508)</b>
<b>Financing activities</b>				
Dividends paid to shareholders	(1,597)	(4,033)	(10,966)	(7,653)
Share issue expenses	-	-	(15)	-
Purchase of shares in subsidiary from non-controlling interest	-	-	(80)	-
Purchase of treasury shares	-	-	(105)	-
Subscription of shares in subsidiaries by non-controlling interests	270	19	651	170
Principal element of lease liabilities	(397)	-	(1,136)	-
Interest paid	(61)	-	(181)	-
<b>Net cash used in financing activities</b>	<b>(1,785)</b>	<b>(4,014)</b>	<b>(11,832)</b>	<b>(7,483)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>779</b>	<b>(2,133)</b>	<b>(4,584)</b>	<b>(1,154)</b>
Cash and cash equivalents at beginning of financial period	21,671	26,020	27,105	24,824
Effects of exchange rate changes on cash and cash equivalents	58	(229)	(13)	(12)
<b>Cash and cash equivalents at end of financial period</b>	<b>22,508</b>	<b>23,658</b>	<b>22,508</b>	<b>23,658</b>

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**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**

**Statements of Changes in Equity**

Group (Unaudited) (Restated)	Attributable to owners of the company							Non- controlling interests	Total equity
	Share capital	Treasury share reserve	Foreign currency translation reserve	Merger reserve	Capital reserve	Retained earnings	Equity attributable to owners of the company		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
<b>At 1 January 2019</b>									
As previously reported	59,673	-	529	(3,572)	31	10,196	66,857	745	67,602
Effect of adoption of SFRS(I) 16	-	-	-	-	-	(166)	(166)	(29)	(195)
<b>As restated</b>	<b>59,673</b>	<b>-</b>	<b>529</b>	<b>(3,572)</b>	<b>31</b>	<b>10,030</b>	<b>66,691</b>	<b>716</b>	<b>67,407</b>
<b>Profit for the financial period</b>	-	-	-	-	-	3,359	3,359	(44)	3,315
<b>Other comprehensive income</b>									
Foreign currency translation	-	-	(200)	-	-	-	(200)	(4)	(204)
<b>Total comprehensive income for the financial period</b>	-	-	<b>(200)</b>	-	-	<b>3,359</b>	<b>3,159</b>	<b>(48)</b>	<b>3,111</b>
<b>Transactions with owners of the Company</b>									
Issuance of ordinary shares <sup>(1)</sup>	5,083	-	-	-	-	-	5,083	-	5,083
Shares issue expenses	(15)	-	-	-	-	-	(15)	-	(15)
Purchase of treasury shares	-	(105)	-	-	-	-	(105)	-	(105)
Dividends	-	-	-	-	-	(9,369)	(9,369)	-	(9,369)
<b>Total transactions with owners of the Company</b>	<b>5,068</b>	<b>(105)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9,369)</b>	<b>(4,406)</b>	<b>-</b>	<b>(4,406)</b>
<b>Transactions with non-controlling interests</b>									
Subscription of shares in subsidiary by non-controlling interests <sup>(2)</sup>	-	-	-	-	-	-	-	381	381
Acquisition of non-controlling interests' shares without a change in control <sup>(1)</sup>	-	-	-	-	(4,494)	-	(4,494)	(669)	(5,163)
<b>Total transactions with non-controlling interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,494)</b>	<b>-</b>	<b>(4,494)</b>	<b>(288)</b>	<b>(4,782)</b>
<b>At 30 June 2019</b>	<b>64,741</b>	<b>(105)</b>	<b>329</b>	<b>(3,572)</b>	<b>(4,463)</b>	<b>4,020</b>	<b>60,950</b>	<b>380</b>	<b>61,330</b>

**Statements of Changes in Equity**

Group (Unaudited) (Restated)	Attributable to owners of the company							Non- controlling interests	Total equity
	Share capital	Treasury share reserve	Foreign currency translation reserve	Merger reserve	Capital reserve	Retained earnings	Equity attributable to owners of the company		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
<b>At 1 July 2019</b>	<b>64,741</b>	<b>(105)</b>	<b>329</b>	<b>(3,572)</b>	<b>(4,463)</b>	<b>4,020</b>	<b>60,950</b>	<b>380</b>	<b>61,330</b>
<b>Profit for the financial period</b>	-	-	-	-	-	1,762	1,762	(88)	1,674
<b>Other comprehensive income</b>									
Foreign currency translation	-	-	207	-	-	-	207	1	208
<b>Total comprehensive income for the financial period</b>	-	-	<b>207</b>	-	-	<b>1,762</b>	<b>1,969</b>	<b>(87)</b>	<b>1,882</b>
<b>Transaction with owners of the Company</b>									
Dividends	-	-	-	-	-	(1,597)	(1,597)	-	(1,597)
<b>Total transaction with owners of the Company</b>	-	-	-	-	-	<b>(1,597)</b>	<b>(1,597)</b>	-	<b>(1,597)</b>
<b>Transaction with non-controlling interests</b>									
Subscription of shares in subsidiary by non-controlling interests <sup>(2)</sup>	-	-	-	-	-	-	-	270	270
<b>Total transaction with non-controlling interests</b>	-	-	-	-	-	-	-	<b>270</b>	<b>270</b>
<b>At 30 September 2019</b>	<b>64,741</b>	<b>(105)</b>	<b>536</b>	<b>(3,572)</b>	<b>(4,463)</b>	<b>4,185</b>	<b>61,322</b>	<b>563</b>	<b>61,885</b>

(1) On 23 April 2019, the Company, through its wholly-owned subsidiary, ISEC Sdn. Bhd. ("ISEC KL"), completed the acquisition of the remaining 49% shareholding in ISEC (Penang) Sdn. Bhd. ("ISEC Penang"), by way of the allotment and issuance of 15,639,275 consideration shares, equivalent to fair value consideration of S\$5,083,000 to the non-controlling interests.

(2) During the 6 months ended 30 June 2019, ISEC Myanmar Company Limited ("ISEC Myanmar"), a 51% owned indirect subsidiary of the Company, undertook three rounds of share capital injection, resulting in an increase from S\$39,000 (equivalent to US\$28,500) to S\$815,000 (equivalent to US\$600,000), through issuance of shares allotted to the existing shareholders of the subsidiary in equal proportion to their existing shareholdings.

In August 2019, ISEC Myanmar increased its share capital from S\$815,000 (equivalent to US\$600,000) to S\$1,365,000 (equivalent to US\$1,000,000), through issuance of shares allotted to the existing shareholders of the subsidiary in equal proportion to their existing shareholdings



## Statements of Changes in Equity

	Attributable to owners of the company						Non-controlling interests	Total equity
	Share capital	Foreign currency translation reserve	Merger reserve	Capital reserve	Retained earnings	Equity attributable to owners of the company		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
<b>Group (Unaudited) (Restated)</b>								
<b>At 1 January 2018</b>								
As previously reported	59,673	(1,233)	(3,572)	31	11,177	66,076	309	66,385
Cumulative effects of adopting SFRS(I)	-	1,735	-	-	(1,735)	-	-	-
<b>As restated</b>	<b>59,673</b>	<b>502</b>	<b>(3,572)</b>	<b>31</b>	<b>9,442</b>	<b>66,076</b>	<b>309</b>	<b>66,385</b>
<b>Profit for the financial period</b>	-	-	-	-	4,311	4,311	103	4,414
<b>Other comprehensive income</b>								
Foreign currency translation	-	659	-	-	-	659	10	669
<b>Total comprehensive income for the financial period</b>	-	<b>659</b>	-	-	<b>4,311</b>	<b>4,970</b>	<b>113</b>	<b>5,083</b>
<b>Transaction with owners of the Company</b>								
Dividends	-	-	-	-	(3,620)	(3,620)	-	(3,620)
<b>Total transaction with owners of the Company</b>	-	-	-	-	<b>(3,620)</b>	<b>(3,620)</b>	-	<b>(3,620)</b>
<b>Transaction with non-controlling interests</b>								
Subscription of shares in subsidiaries by non-controlling interests <sup>(1)</sup>	-	-	-	-	-	-	151	151
<b>Total transaction with non-controlling interests</b>	-	-	-	-	-	-	<b>151</b>	<b>151</b>
<b>At 30 June 2018</b>	<b>59,673</b>	<b>1,161</b>	<b>(3,572)</b>	<b>31</b>	<b>10,133</b>	<b>67,426</b>	<b>573</b>	<b>67,999</b>

(1) In March 2018, ISEC (Sibu) Sdn. Bhd., a 55% owned indirect subsidiary of the Company, increased its share capital from S\$637,000 (equivalent to RM2,000,000) to S\$973,000 (equivalent to RM3,000,000) through issuance of shares allotted to the existing shareholders of the subsidiary in equal proportion to their existing shareholdings.

## Statements of Changes in Equity

	Attributable to owners of the company							Non-controlling interests	Total equity
	Share capital	Foreign currency translation reserve	Merger reserve	Capital reserve	Retained earnings	Equity attributable to owners of the company			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
<b>Group (Unaudited) (Restated)</b>									
<b>At 1 July 2018</b>	<b>59,673</b>	<b>1,161</b>	<b>(3,572)</b>	<b>31</b>	<b>10,133</b>	<b>67,426</b>	<b>573</b>	<b>67,999</b>	
<b>Profit for the financial period</b>	-	-	-	-	1,768	1,768	59	1,827	
<b>Other comprehensive income</b>									
Foreign currency translation	-	(587)	-	-	-	(587)	(14)	(601)	
<b>Total comprehensive income for the financial period</b>	-	<b>(587)</b>	-	-	<b>1,768</b>	<b>1,181</b>	<b>45</b>	<b>1,226</b>	
<b>Transaction with owners of the Company</b>									
Dividends	-	-	-	-	(4,033)	(4,033)	-	(4,033)	
<b>Total transaction with owners of the Company</b>	-	-	-	-	<b>(4,033)</b>	<b>(4,033)</b>	-	<b>(4,033)</b>	
<b>Transaction with non-controlling interests</b>									
Subscription of shares in subsidiaries by non-controlling interests <sup>(1)</sup>	-	-	-	-	-	-	19	19	
<b>Total transaction with non-controlling interests</b>	-	-	-	-	-	-	<b>19</b>	<b>19</b>	
<b>At 30 September 2018</b>	<b>59,673</b>	<b>574</b>	<b>(3,572)</b>	<b>31</b>	<b>7,868</b>	<b>64,574</b>	<b>637</b>	<b>65,211</b>	

(1) In August 2018, the Company, through its wholly-owned subsidiary, ISEC Global Pte. Ltd. ("ISEC Global"), incorporated ISEC Myanmar Company Limited ("ISEC Myanmar"), and 51% of the total shareholding is held by ISEC Global. The initial issued and paid-up share capital of ISEC Myanmar was S\$39,000 (equivalent to US\$28,500).

**Statements of Changes in Equity**

	Share capital S\$'000	Treasury share reserve S\$'000	Retained earnings S\$'000	Total equity S\$'000
<b>Company (Unaudited)</b>				
<b>At 1 January 2019</b>				
As previously reported	59,673	-	9,512	69,185
Effect of adoption of SFRS(I) 16	-	-	(3)	(3)
<b>As restated</b>	<b>59,673</b>	<b>-</b>	<b>9,509</b>	<b>69,182</b>
Profit for the financial period, representing total comprehensive income for the financial period	-	-	2,802	2,802
<b>Transactions with owners of the Company</b>				
Issuance of ordinary shares	5,083	-	-	5,083
Shares issue expenses	(15)	-	-	(15)
Purchase of treasury shares	-	(105)	-	(105)
Dividends	-	-	(9,369)	(9,369)
<b>Total transactions with owners of the Company</b>	<b>5,068</b>	<b>(105)</b>	<b>(9,369)</b>	<b>(4,406)</b>
<b>At 30 June 2019</b>	<b>64,741</b>	<b>(105)</b>	<b>2,942</b>	<b>67,578</b>
<b>At 1 July 2019</b>	<b>64,741</b>	<b>(105)</b>	<b>2,942</b>	<b>67,578</b>
Profit for the financial period, representing total comprehensive income for the financial period	-	-	38	38
<b>Transaction with owners of the Company</b>				
Dividends	-	-	(1,597)	(1,597)
<b>Total transaction with owners of the Company</b>	<b>-</b>	<b>-</b>	<b>(1,597)</b>	<b>(1,597)</b>
<b>At 30 September 2019</b>	<b>64,741</b>	<b>(105)</b>	<b>1,383</b>	<b>66,019</b>
<b>At 1 January 2018</b>	<b>59,673</b>	<b>-</b>	<b>3,763</b>	<b>63,436</b>
Profit for the financial period, representing total comprehensive income for the financial period	-	-	4,037	4,037
<b>Transaction with owners of the Company</b>				
Dividends	-	-	(3,620)	(3,620)
<b>Total transaction with owners of the Company</b>	<b>-</b>	<b>-</b>	<b>(3,620)</b>	<b>(3,620)</b>
<b>At 30 June 2018</b>	<b>59,673</b>	<b>-</b>	<b>4,180</b>	<b>63,853</b>
<b>At 1 July 2018</b>	<b>59,673</b>	<b>-</b>	<b>4,180</b>	<b>63,853</b>
Profit for the financial period, representing total comprehensive income for the financial period	-	-	164	164
<b>Transaction with owners of the Company</b>				
Dividends	-	-	(4,033)	(4,033)
<b>Total transaction with owners of the Company</b>	<b>-</b>	<b>-</b>	<b>(4,033)</b>	<b>(4,033)</b>
<b>At 30 September 2018</b>	<b>59,673</b>	<b>-</b>	<b>311</b>	<b>59,984</b>

- 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.**

**Issued Share Capital**

	Number of ordinary shares	Issued and paid- up share capital S\$'000
<b>At 30 June 2019 and 30 September 2019</b>	532,734,944	64,741

As at 30 September 2019, the number of ordinary shares in issue was 532,734,944 of which 386,400 were held by the Company as treasury shares. There were no treasury shares as at 30 September 2018.

**Outstanding Convertibles**

The Company did not have any outstanding options or convertibles as at 30 September 2019 and 30 September 2018. There have been no options and share awards granted pursuant to the Company's employee share options scheme and performance share plan.

**Treasury Shares**

There were 386,400 treasury shares representing 0.073% of the Company's 532,348,544 ordinary shares (excluding treasury shares) as at 30 September 2019. There were no treasury shares as at 30 September 2018.

**Subsidiary Holdings**

There were no subsidiary holdings as at 30 September 2019 and 30 September 2018.

- 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**

	<u>30 September 2019</u>	<u>31 December 2018</u>
Total number of issued shares (excluding treasury shares)	532,348,544	517,095,669

**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.**

Not applicable. There were no sales, transfers, cancellation and/or use of treasury shares during and as at the end of the current financial period reported on.

**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 as 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**

Certain financial information set out in sections 1, 4, 5, 6, 11 and 12 of this announcement has been extracted from the interim financial information which has been reviewed by the Company's independent auditors in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*.

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

Please refer to the attached review report.

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

Except as disclosed in paragraph 5 below, the accounting policies and methods of computation adopted in the financial statements for the current financial reporting period are consistent with those disclosed in the audited financial statements for the financial year ended 31 December 2018.

**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 accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for the financial period beginning on or after 1 January 2019. On the adoption of SFRS(I) 16 *Leases*, the Group has recognised right-of-use assets of S\$4.58 million, net investment in sublease of S\$0.30 million and lease liabilities of S\$5.18 million for its leases previously classified as operating leases, with corresponding decrease in the opening retained earnings of S\$0.17 million and its related tax impact as of 1 January 2019.

**6. Earnings 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**

Earnings per share ("EPS")	Group		Group	
	3 months ended		9 months ended	
	30 September 2019 (Unaudited)	30 September 2018 (Unaudited)	30 September 2019 (Unaudited)	30 September 2018 (Unaudited)
Profit attributable to owners of the parent (S\$'000)	1,762	1,768	5,121	6,079
Weighted average number of ordinary shares in issue (excluding treasury shares)	532,348,544	517,095,669	525,959,425	517,095,669
Basic and fully diluted basis (Singapore cents) <sup>(1)</sup>	0.33	0.34	0.97	1.18

(1) There were no potentially dilutive ordinary shares in existence during the respective financial periods.

**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	
	30 September 2019 (Unaudited)	31 December 2018 (Audited)	30 September 2019 (Unaudited)	31 December 2018 (Audited)
	Net asset value attributable to owners of the parent (S\$'000)	61,322	66,857	66,019
Number of ordinary shares in issue (excluding treasury shares)	532,348,544	517,095,669	532,348,544	517,095,669
Net asset value per ordinary share (S\$)	0.12	0.13	0.12	0.13

**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:-**

- (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.**

**Review of comparative performance of the Group for the 3 months ended 30 September 2019 ("3Q2019") and 30 September 2018 ("3Q2018").**

Consolidated Statement of Comprehensive Income

*Revenue*

The Group recorded revenue of S\$10.83 million in 3Q2019, an increase of 9% from S\$9.91 million in 3Q2018, mainly due to increased patient visits from the Group's Malaysia operations.

*Cost of sales*

Cost of sales increased by 14%, or S\$0.72 million, to S\$5.98 million in 3Q2019 with increased business activities from the Group's Malaysia operations and ISEC Myanmar, which commenced its operations in the second quarter ended 30 June 2019.

*Gross profit and gross profit margin*

Gross profit increased by 4% to S\$4.85 million in 3Q2019 with a decrease in gross profit margin of 2.1 percentage points from 46.9% in 3Q2018 to 44.8% in 3Q2019 as the percentage increase in cost of sales exceeded that in revenue.

*Other expenses*

Other expenses increased from S\$0.23 million in 3Q2018 to S\$0.44 million in 3Q2019. This was mainly attributable to impairment loss for goodwill of S\$0.38 million recognised in 3Q2019, relating to JL Medical (Woodlands) Pte. Ltd. ("JLMW"), belonging to the general health services segment. The impairment arose as the operations had been affected by the relocation of clinic premise, though it was still operating in the same vicinity, the patient visits had decreased thus resulting in decreased revenue.

*Depreciation expenses*

Depreciation expenses increased by S\$0.41 million from S\$0.24 million in 3Q2018 to S\$0.65 million in 3Q2019 mainly due to the depreciation charge on right-of-use assets of S\$0.37 million arising from the adoption of SFRS(I) 16.

*Finance costs*

Finance costs increased by S\$0.06 million in 3Q2019, which arose from the unwinding of lease liabilities from the adoption of SFRS(I) 16.

*Income tax expense*

The effective tax rates of the Group in 3Q2018 and 3Q2019 were 23% and 27% respectively. Had the impairment loss for goodwill been excluded, effective tax rate of the Group in 3Q2019 would have been 24%. The statutory corporate tax rates are 17% in Singapore, 24% in Malaysia and 25% in Myanmar.

*Profit after tax*

Net profit of the Group in 3Q2019 was S\$1.67 million, a decrease of S\$0.15 million compared to S\$1.83 million in 3Q2018, mainly due to the above-mentioned factors.

**Review of comparative financial position of the Group for the 9 months ended 30 September 2019 and 31 December 2018.**

Consolidated Statement of Financial Position

*Non-current assets*

Non-current assets increased by S\$3.52 million to S\$45.66 million as at 30 September 2019 mainly due to the following:

- 1) Recognition of right-of-use assets of S\$5.68 million at cost, comprising rental of clinic and office premises, as well as rental of medical equipment;
- 2) Net investment of sublease of S\$0.20 million arising from the adoption of SFRS(I) 16, which relates to the co-sharing of a clinic premise with a third party; and
- 3) Additions to plant and equipment of S\$1.18 million at cost, mainly for the clinic operating under ISEC Myanmar.

The increase in non-current assets was partially offset by the following:

- 1) Impairment loss for goodwill of S\$1.18 million;
- 2) Depreciation expenses of right-of-use assets of S\$1.11 million;
- 3) Depreciation expenses of plant and equipment of S\$0.78 million; and
- 4) Amortisation expenses of S\$0.47 million.

*Non-current liabilities*

Non-current liabilities increased by S\$3.39 million to S\$4.18 million as at 30 September 2019 mainly due to recognition of lease liabilities of S\$3.55 million arising from the adoption of SFRS(I) 16, relating to future rental payment of medical equipment, clinic and office premises for period more than 12 months.

*Current liabilities*

Current liabilities increased by S\$0.97 million to S\$6.15 million as at 30 September 2019 mainly as a result of recognition of lease liabilities of S\$1.59 million arising from the adoption of SFRS(I) 16, relating to future rental payment of medical equipment, clinic and office premises within the next 12 months. The increase in current liabilities was partially offset by payments made for operating expenses and to tax authorities.



## **Review of cash flows of the Group for 3Q2019.**

### Consolidated Statement of Cash Flows

As at 30 September 2019, the Group had cash and cash equivalents of S\$22.51 million, as compared to S\$23.66 million of cash and cash equivalents as at 30 September 2018.

#### *Cash flows from operating activities*

In 3Q2019, net cash flows from operating activities was S\$3.18 million. This comprised operating cash flows before working capital changes of S\$3.45 million, and changes in working capital inflow of S\$0.79 million largely from increase in trade and other receivables of S\$0.53 million and trade and other payables of S\$0.26 million in tandem with increased business activities, less income tax paid of S\$1.06 million.

#### *Cash flows used in investing activities*

Net cash used in investing activities in 3Q2019 amounted to S\$0.62 million was mainly due to purchase of fixed assets amounting to S\$0.73 million by the Group. The cash outflow was offset by interest income received of S\$0.11 million.

#### *Cash flows used in financing activities*

Net cash used in financing activities was S\$1.79 million in 3Q2019, due to dividend of S\$1.60 million paid to shareholders of the Company, and repayment of lease liabilities and its corresponding finance costs which aggregated to S\$0.46 million. The cash outflow was offset by cash inflow of S\$0.27 million, due to additional capital injection by the non-controlling interests in the Company's 51% owned indirect subsidiary, ISEC Myanmar.

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

No forecast or prospect statement has been previously disclosed to shareholders.

### **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.**

CEL Impetus Corporate Finance Pte. Ltd. ("CICF"), for an on behalf of Aier Eye International (Singapore) Pte. Ltd. (the "Offeror"), had on 25 October 2019 announced (the "Offer Announcement") that the Offeror had on 25 October 2019 completed the acquisition of an aggregate of 186,321,991 shares (the "Sale Shares") representing 35% of the total issued and paid-up ordinary shares in the capital of the Company (the "Shares"<sup>(1)</sup>), held by Dr Lee Hung Ming ("Dr Lee"), Dr Wong Jun Shyan ("Dr Wong"), Dr Choong Yee Fong, Dr Michael Law Sie Haur, Dr Fang Seng Kheong, Dr Lim Kian Seng and Dr Yeo Kim Chuan (the "Sellers") at the price of S\$0.36 per Sale Share, for a total

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(1) References to the total number of issued Shares are based on 532,348,544 Shares in issue (excluding 386,400 treasury shares) as at 25 October 2019.

consideration of S\$67,075,916.76 fully satisfied in cash (the “Acquisition”). Accordingly, as a result of the completion of the Acquisition, the Offeror has made a mandatory conditional cash offer (the “Offer”) in accordance with Rule 14 of the Singapore Code on Take-overs and Mergers (the “Code”) for all the issued and paid-up ordinary shares in the capital of the Company other than those already owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with the Offeror (the “Offer Shares”). Shareholders can refer to the offer document dated 8 November 2019 (the “Offer Document”) issued by CICF, for and on behalf of the Offeror, on SGXNET for further details relating to the Offer.

ISEC Myanmar had commenced the provision of eye checks and consultations since the second quarter ended 30 June 2019. The Group continues to seek suitable opportunities in the markets in China, Indonesia, Myanmar and Vietnam, while we strengthen our existing presence in our core markets of Singapore and Malaysia. The Company will also continue to pursue investment opportunities which are in line with the Group’s business strategies as and when they arise.

The Group continues to widen and deepen our talent pool, while we continue keeping ourselves abreast of the ophthalmology services industry by driving innovation and adopting cutting-edge procedures and technology. Our doctors also contribute to community education by participating in seminars and conducting eye checks.

## **11. Dividend**

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

No dividend has been declared or recommended for the current reporting period.

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

No dividend has been declared or recommended for the current reporting period.

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

No dividend has been declared or recommended for 3Q2018.

**(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).**

Not applicable.

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

Not applicable.

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

Not applicable.

- 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 or recommended for 3Q2019 as the Company will be reviewing the decision at a later date.

- 13. If the group has obtained a general mandate from shareholders for interested person transactions ("IPT"), 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 did not obtain a general mandate from shareholders for IPTs.

There was no IPT of S\$100,000 and above for 3Q2019.

- 14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)**

The Company confirms that undertakings have been procured from the Board of Directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

- 15. Use of IPO proceeds**

As at the date of this announcement, the status on the use of the IPO net proceeds is as follows:

	<u>Amount allocated S\$'000</u>	<u>Amount allocated pursuant to reallocation of unutilised listing expenses S\$'000</u>	<u>Amount utilised S\$'000</u>	<u>Balance S\$'000</u>
Business expansion in the Asia Pacific region (including Malaysia and Singapore)	13,800	300	(13,597) <sup>(1)</sup>	503
General working capital	2,500	-	(2,500) <sup>(2)</sup>	-
<b>Total</b>	<b>16,300</b>	<b>300</b>	<b>(16,097)</b>	<b>503</b>

**ISEC HEALTHCARE LTD.**

(Company Registration No.201400185H)

- (1) Utilised for the acquisition of Southern Specialist Eye Centre Sdn. Bhd. (“SSEC”) and JL Medical (Bukit Batok) Pte. Ltd., JL Medical (Sembawang) Pte. Ltd., JL Medical (Woodlands) Pte. Ltd. and JL Medical (Yew Tee) Pte. Ltd. (“JLM Companies”), joint venture into ISEC Myanmar and subscription of shares in I Medical & Aesthetics Pte. Ltd. (“I Medical & Aesthetics”):

	Acquisition of SSEC	Acquisition of the JLM Companies	Joint venture into ISEC Myanmar	Subscription of shares in I Medical & Aesthetics	Total
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
Cash consideration	5,204	6,971	696	250	13,121
Administrative expenses	122	268	85	1	476
Total	5,326	7,239	781	251	13,597

- (2) Utilised for general working capital:

	S\$'000
Cost of sales	1,028
Administrative expenses	1,378
Selling and distribution expenses	94
	<u>2,500</u>

**16. Negative Confirmation by the Board Pursuant to Rule 705(5)**

The Board of Directors of the Company confirms, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial results for the 3-month and 9-month financial period ended 30 September 2019 to be false or misleading in any material aspect.

**17. Subsequent Event****(a) Mandatory Conditional Cash Offer Announcement on 25 October 2019**

On 25 October 2019, CICF, for and on behalf of the Offeror, released the Offer Announcement providing that the Offeror had on 25 October 2019 completed the Acquisition. Accordingly, as a result of the completion of the Acquisition, the Offeror has made the Offer in accordance with Rule 14 of the Code for all the Offer Shares.

The Company released an announcement on 25 October 2019, stating that CIMB Bank Berhad, Singapore Branch had been appointed as the independent financial adviser (the “IFA”) to advise the directors of the Company who are considered independent for the purposes of the Offer (the “Independent Directors”). An offeree circular containing, amongst others, the advice of the IFA and the recommendation of the Independent Directors on the Offer will be sent to shareholders of the Company within 14 days from the date of the despatch of the Offer Document.

**(b) Despatch of Offer Document on 8 November 2019**

On 8 November 2019, CICF announced, for and on behalf of the Offeror, that the Offer Document, together with the accompanying relevant forms of acceptance for the Offer has been despatched on 8 November 2019 to all Shareholders.

***The Singapore Code on Take-Overs and Mergers***

The unaudited results for the 3-month and 9-month period ended 30 September 2019 have been reported on in accordance with the Code.

***Auditors' Consent***

Ernst & Young LLP, named as the auditors of the Company in the Unaudited Condensed Interim Financial Statements for the 3-month and 9-month period ended 30 September 2019 (the "Interim Financial Information"), has given and has not withdrawn its written consent to the release of its review report dated 12 November 2019 on the Interim Financial Information of the Group for the purpose of attachment to the Company's announcement on its unaudited results for the 3-month and 9-month period ended 30 September 2019, and all references to its name in the form and context in which they appear herein.

***Independent Financial Adviser's Consent***

CIMB Bank Berhad, Singapore Branch, the independent financial adviser to the directors of the Company who are considered independent for the purposes of the Offer, has given and has not withdrawn its written consent to the release of its letter dated 12 November 2019 in relation to the Interim Financial Information of the Group for purpose of attachment to the Company's announcement on its unaudited results for the 9-month period ended 30 September 2019, and all references to its name in the form and context in which they appear herein.

**BY ORDER OF THE BOARD**

Dr Wong Jun Shyan  
Executive Director and Chief Executive Officer  
12 November 2019

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.*

*This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and Email: sponsorship@ppcf.com.sg).*



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The Board of Directors  
ISEC Healthcare Ltd.  
101 Thomson Road  
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Singapore 307591

## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

### Introduction

We have reviewed the accompanying unaudited consolidated interim condensed financial statements of ISEC Healthcare Ltd. (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the interim statements of financial position of the Group and the Company as at 30 September 2019, the interim consolidated statements of comprehensive income for the three-month and nine-month period ended 30 September 2019, the interim statements of changes in equity of the Group and the Company and the interim consolidated statement of cash flows of the Group for the nine-month period then ended, and a summary of significant accounting policies and explanatory notes ("Interim Financial Information").

Management is responsible for the preparation and presentation of this Interim Financial Information in accordance with Singapore Financial Reporting Standards (International) 1-34 *Interim Financial Reporting* (SFRS(I) 1-34). Our responsibility is to express a conclusion on this Interim Financial Information based on our review.

### Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of the Interim Financial Information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion


Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information is not prepared, in all material respects, in accordance with SFRS(I) 1-34.

## Other matters

The comparative information for the condensed statements of financial position of the Group and the Company is based on the audited financial statements as at 31 December 2018. The Interim Financial Information for the three-month and nine-month period ended 30 September 2018 included as comparative figures in this Interim Financial Information has not been audited or reviewed. The Interim Financial Information for the three-month and nine-month period ended 30 September 2018 is the responsibility of the management and directors.

## Restriction of use

Our report is provided on the basis that it is solely for the information of the directors of the Company to enable the directors of the Company to fulfill their responsibilities under Rule 25 of the Singapore Code on Take-overs and Mergers and the requirements of the Listing Rules of the Singapore Exchange Securities Trading Limited. Our report should not be quoted or referred to, in whole or in part, without our prior written permission, for any other purpose. Our report is included in the Company's announcement of its unaudited results for the quarter ended 30 September 2019, for the information of its members. We do not assume responsibility to anyone other than the Company for our work, for our report, or for the conclusions we have reached in our report.



Ernst & Young LLP

Public Accountants and  
Chartered Accountants  
Singapore

12 November 2019



12 November 2019

The Board of Directors  
**ISEC Healthcare Ltd.**  
101 Thomson Road  
#09-04 United Square  
Singapore 307591

Dear Sirs

**MANDATORY CONDITIONAL CASH OFFER BY CEL IMPETUS CORPORATE FINANCE PTE LTD FOR AND ON BEHALF OF AIER EYE INTERNATIONAL (SINGAPORE) PTE. LTD. FOR ISEC HEALTHCARE LTD.**

On 25 October 2019, CEL Impetus Corporate Finance Pte. Ltd. announced, for and on behalf of Aier Eye International (Singapore) Pte. Ltd. (the "**Offeror**"), that in accordance with Rule 14 of the Singapore Code on Take-overs and Mergers (the "**Code**"), the Offeror will make a mandatory conditional cash offer for all the issued and paid-up ordinary shares in the capital of the Company other than those already owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with the Offeror.

On 12 November 2019, the Company announced its unaudited consolidated financial statements for the three-month period ended 30 September 2019 (the "**3QFY2019 Results**"). The 3QFY2019 Results are solely the responsibility of the directors of the Company (the "**Directors**").

We have examined the 3QFY2019 Results and have discussed the same with the management of the Company who are responsible for its preparation. We have also considered the independent auditor's review report dated 12 November 2019 issued by the Company's auditors, Ernst & Young LLP, in relation to their review of the 3QFY2019 Results.

Based on the above, we are of the opinion that the 3QFY2019 Results have been stated by the Directors after due and careful enquiry.

For the purpose of rendering our opinion in this letter, we have relied on and assumed the accuracy and completeness of all information provided to us and/or discussed with us by the Company. Save as provided in this letter, we do not express any other opinion or view on the 3QFY2019 Results.

This letter is provided to the Directors solely for the purpose of complying with Rule 25 of the Code and not for any other purpose. We do not accept any responsibility to any person(s), other than the Directors, in respect of, arising out of, or in connection with this letter.

Yours faithfully  
For and on behalf of  
**CIMB BANK BERHAD, SINGAPORE BRANCH**

**YEE CHIA HSING**  
HEAD, CATALIST  
MANAGING DIRECTOR  
INVESTMENT BANKING, SINGAPORE

**TAN CHER TING**  
DIRECTOR  
INVESTMENT BANKING, SINGAPORE