

NEWS RELEASE

To : All Shareholders

The Board of Directors of United Overseas Insurance Limited wishes to make the following announcement:

1. Unaudited income statement for the nine months/third quarter ended 30 September 2018

	9 Months 2018 \$'000	9 Months 2017 \$'000	Incr/ (Decr) %	3rd Qtr 2018 \$'000	3rd Qtr 2017 \$'000	Incr/ (Decr) %
(a) Gross premium written	79,743	82,422	(3.3)	23,018	23,663	(2.7)
Net earned premium	30,153	31,621	(4.6)	9,759	10,688	(8.7)
Net claims incurred	(10,268)	(8,406)	22.2	(5,103)	(5,084)	0.4
Net commission	1,137	337	237.4	(21)	(289)	(92.7)
Management expenses :						
Staff cost	(6,111)	(5,733)	6.6	(2,082)	(1,968)	5.8
Rental expenses	(979)	(979)	-	(326)	(326)	-
Depreciation	(70)	(74)	(5.4)	(24)	(17)	41.2
Foreign exchange gains/(losses)	23	(152)	(115.1)	(36)	(67)	(46.3)
Other operating expenses	(2,732)	(2,832)	(3.5)	(710)	(810)	(12.3)
Underwriting profit	11,153	13,782	(19.1)	1,457	2,127	(31.5)
Gross dividend from investments	3,297	2,619	25.9	1,421	1,159	22.6
Interest income from investments	6,009	6,121	(1.8)	1,993	2,028	(1.7)
Interest on fixed deposits and bank balances	252	250	0.8	83	80	3.8
Write-back of expected credit loss on investments	73	-	NM	53	-	NM
Amortisation of (premium)/discount on investments	(44)	73	(160.3)	(19)	13	(246.2)
Miscellaneous income	8	27	(70.4)	2	1	100.0
Gains on interest rate future - Realised	15	-	NM	15	-	NM
Gains on interest rate future - Unrealised	153	-	NM	153	-	NM
Net fair value gains on FVTPL investments - unrealised	2,184	-	NM	3,037	-	NM
Net losses on disposal of FVTPL investments	(62)	-	NM	(62)	-	NM
Net losses on disposal of FVOCI investments	(483)	-	NM	(331)	-	NM
Net gains on disposal of available-for-sale investments	-	1,790	(100.0)	-	313	(100.0)
Net fair value (losses)/gains on financial derivatives - realised	(2,910)	5,203	(155.9)	(1,748)	3,068	(157.0)
Net fair value (losses)/gains on financial derivatives - unrealised	(1,499)	1,564	(195.8)	1,141	(1,539)	(174.1)
Exchange gains/(losses)	3,911	(5,843)	(166.9)	590	(371)	(259.0)
	(498)	924		(17)	1,158	
Management expenses not charged to insurance revenue account:						
Management fees	(796)	(761)	4.6	(267)	(240)	11.3
Other operating expenses	(458)	(466)	(1.7)	(163)	(134)	21.6
Non-underwriting income	9,650	10,577	(8.8)	5,898	4,378	34.7
Profit before tax	20,803	24,359	(14.6)	7,355	6,505	13.1
Tax expense	(3,369)	(3,746)	(10.1)	(1,336)	(1,064)	25.6
Profit after tax	17,434	20,613	(15.4)	6,019	5,441	10.6
Profit attributable to equity holders of the Company	17,434	20,613	(15.4)	6,019	5,441	10.6

Note : NM = Not Meaningful

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1. Unaudited income statement for the nine months/third quarter ended 30 September 2018 (Cont'd)

	9 Months 2018 \$'000	9 Months 2017 \$'000	Incr/ (Decr) %	3rd Qtr 2018 \$'000	3rd Qtr 2017 \$'000	Incr/ (Decr) %
(b) Annualised earnings per share : Basic and diluted (cents)	<u>38.01</u>	<u>44.94</u>	(15.4)	<u>39.37</u>	<u>35.59</u>	10.6

2. Unaudited statement of comprehensive income for the nine months/third quarter ended 30 September 2018

Net profit	<u>17,434</u>	<u>20,613</u>	(15.4)	<u>6,019</u>	<u>5,441</u>	10.6
Other comprehensive income :						
Net (losses)/gains on fair value of investments	(384)	24,152	(101.6)	260	4,659	(94.4)
Tax relating to fair value of investments	64	(4,116)	(101.6)	(46)	(801)	(94.3)
Other comprehensive income for the nine months/3rd Quarter ended 30 September, net of tax	<u>(320)</u>	<u>20,036</u>	(101.6)	<u>214</u>	<u>3,858</u>	(94.5)
Total comprehensive income attributable to equity holders of the Company	<u>17,114</u>	<u>40,649</u>	(57.9)	<u>6,233</u>	<u>9,299</u>	(33.0)

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3. Unaudited statement of financial position

	<u>30-Sep-18</u> \$'000	<u>31-Dec-17</u> \$'000
(a) Share capital - Issued and fully paid	91,733	91,733
Reserves	<u>285,827</u>	<u>285,847</u>
	<u>377,560</u>	<u>377,580</u>
Liabilities		
Insurance creditors	17,093	13,755
Non-trade creditors and accrued liabilities	6,389	5,674
Amount owing to related companies	749	1,968
Tax payable	8,167	8,334
Deferred tax liabilities	8,555	10,524
Deferred acquisition cost - reinsurers' share	9,325	9,354
Gross technical balances		
- Reserve for unexpired risks	66,678	64,153
- Reserve for outstanding claims	<u>137,418</u>	<u>155,414</u>
	<u>254,374</u>	<u>269,176</u>
Total Equity and Liabilities	<u><u>631,934</u></u>	<u><u>646,756</u></u>
Assets		
Bank balances and fixed deposits	46,238	54,452
Insurance debtors	13,386	11,655
Non-trade debtors and accrued interest receivables	3,665	3,082
Derivative financial assets	503	1,849
Associated company	1	1
Investments	434,725	427,401
Fixed assets	218	247
Deferred acquisition cost - gross	8,648	8,074
Reinsurers' share of technical balances		
- Reserve for unexpired risks	43,984	42,362
- Reserve for outstanding claims	<u>80,566</u>	<u>97,633</u>
Total Assets	<u><u>631,934</u></u>	<u><u>646,756</u></u>
(b) Net asset value per share (\$)	6.17	6.17
Number of shares issued ('000)	61,155	61,155

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4. Unaudited Company statement of changes in equity

	Share capital \$'000	General reserve \$'000	Revaluation on investment reserve \$'000	Retained profits \$'000	Total \$'000
Balance at 1 January 2018					
- as previously reported	91,733	22,880	49,717	213,250	377,580
- effect of adopting SFRS(I) 9	-	-	(9,616)	9,300	(316)
	91,733	22,880	40,101	222,550	377,264
Profit net of tax	-	-	-	17,434	17,434
Other comprehensive income for the nine months ended 30 September	-	-	(4)	(316)	(320)
Total comprehensive income for the nine months ended 30 September	-	-	(4)	17,118	17,114
Dividend for Year 2017	-	-	-	(11,620)	(11,620)
Dividend for Year 2018	-	-	-	(5,198)	(5,198)
Balance at 30 September 2018	91,733	22,880	40,097	222,850	377,560
Balance at 1 January 2017	91,733	22,880	29,691	190,698	335,002
Profit net of tax	-	-	-	20,613	20,613
Other comprehensive income for the nine months ended 30 September	-	-	20,036	-	20,036
Total comprehensive income for the nine months ended 30 September	-	-	20,036	20,613	40,649
Dividend for Year 2016	-	-	-	(8,561)	(8,561)
Dividend for Year 2017	-	-	-	(1,835)	(1,835)
Balance at 30 September 2017	91,733	22,880	49,727	200,915	365,255
Balance at 1 July 2018	91,733	22,880	39,567	222,345	376,525
Profit net of tax	-	-	-	6,019	6,019
Other comprehensive income for the quarter ended 30 September	-	-	530	(316)	214
Total comprehensive income for the quarter ended 30 September	-	-	530	5,703	6,233
Dividend for Year 2018	-	-	-	(5,198)	(5,198)
Balance at 30 September 2018	91,733	22,880	40,097	222,850	377,560
Balance at 1 July 2017	91,733	22,880	45,869	197,309	357,791
Profit net of tax	-	-	-	5,441	5,441
Other comprehensive income for the quarter ended 30 September	-	-	3,858	-	3,858
Total comprehensive income for the quarter ended 30 September	-	-	3,858	5,441	9,299
Dividend for Year 2017	-	-	-	(1,835)	(1,835)
Balance at 30 September 2017	91,733	22,880	49,727	200,915	365,255

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5. Unaudited statement of cash flows

	9 Months	9 Months	3rd Qtr	3rd Qtr
	2018	<u>2017</u>	2018	<u>2017</u>
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities				
Profit before tax	20,803	24,359	7,355	6,505
Adjustments for:				
Movement in net reserve for unexpired risks	903	1,408	(1,267)	(1,163)
Movement in net deferred acquisition costs	(603)	(332)	126	92
Movement in net outstanding claims	(929)	(1,455)	(236)	967
Net fair value losses/(gains) on financial derivatives				
- unrealised	1,346	(1,564)	(1,294)	1,539
Net fair value gains on FVTPL investments - unrealised	(2,184)	-	(3,037)	-
Depreciation	70	74	24	17
Net losses on disposal FVTPL investments	62	-	62	-
Net losses on disposal FVOCI investments	483	-	331	-
Net gains on disposal of available-for-sale investments	-	(1,790)	-	(313)
Amortisation of premium/(discount) on investments	44	(73)	19	(13)
Write-back of expected credit loss on investments	(73)	-	(53)	-
Gross dividend from investments	(3,297)	(2,619)	(1,421)	(1,159)
Interest income from investments	(6,009)	(6,121)	(1,993)	(2,028)
Interest on fixed deposits and bank balances	(252)	(250)	(83)	(80)
Exchange (gains)/losses	(3,909)	5,790	(601)	323
Operating profit before working capital changes	6,455	17,427	(2,068)	4,687
Changes in working capital:				
Trade and other receivables	(2,260)	5,742	4,996	2,409
Trade and other payables	4,053	(344)	2,468	(1,011)
Amount owing to related companies	(1,219)	(1,152)	(87)	(304)
Cash generated from operations	7,029	21,673	5,309	5,781
Tax paid	(5,441)	(4,863)	(2,676)	(2,262)
Net cash flows from operating activities	1,588	16,810	2,633	3,519
Cash flows from investing activities				
Proceeds from disposal of investments	52,634	148,239	39,993	86,369
Purchase of investments	(55,081)	(167,578)	(32,332)	(91,978)
Purchase of fixed assets	(41)	(26)	(2)	(7)
Proceeds from/(placement in) long-term fixed deposits	6,123	(3,188)	(90)	(1,633)
Gross dividend from investments	3,285	2,656	1,417	1,146
Interest income from investments	5,952	6,091	2,008	2,084
Interest on fixed deposits and bank balances	267	247	78	73
Net cash flows from/(used in) investing activities	13,139	(13,559)	11,072	(3,946)
Cash flows from financing activity				
Dividend paid	(16,818)	(10,396)	(5,198)	(1,835)
Cash flows used in financing activity	(16,818)	(10,396)	(5,198)	(1,835)
Net (decrease)/increase in cash and cash equivalents	(2,091)	(7,145)	8,507	(2,262)
Cash and cash equivalents at beginning of period	45,860	54,311	35,262	49,428
Cash and cash equivalents at end of period	43,769	47,166	43,769	47,166

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5. Unaudited statement of cash flows (cont'd)

For the purpose of cash flow statement, bank balances and fixed deposits in the balance sheet comprise the following at the end of the period :

	9 Months	9 Months
	<u>2018</u>	<u>2017</u>
	\$'000	\$'000
Cash and bank balances	17,770	21,697
Fixed deposits placement with maturity less than 3 months	25,999	25,469
Cash and cash equivalents	<u>43,769</u>	<u>47,166</u>
Fixed deposits placement with maturity more than 3 months	2,469	8,525
	<u><u>46,238</u></u>	<u><u>55,691</u></u>

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6. Segment information

	<u>SIF</u> \$'000	<u>OIF</u> \$'000	<u>SHF</u> \$'000	<u>Total</u> \$'000
<u>For nine months ended 30 September 2018</u>				
Gross premium written	60,117	19,626	-	79,743
Net earned premium	21,350	8,803	-	30,153
Net claims incurred	(6,083)	(4,185)	-	(10,268)
Net commission	2,795	(1,658)	-	1,137
Management expenses	(8,247)	(1,622)	-	(9,869)
Underwriting profit	9,815	1,338	-	11,153
Gross dividends from investments	1,110	212	1,975	3,297
Interest income from investments	3,260	709	2,040	6,009
Interest on fixed deposits and bank balances	119	95	38	252
Net fair value losses on financial derivatives	(2,299)	(502)	(1,440)	(4,241)
Net fair value gains on FVTPL investments - unrealised	1,190	223	771	2,184
Exchange gains	2,099	484	1,328	3,911
Net (losses)/gains on disposal of FVTPL investments	(114)	28	24	(62)
Net losses on disposal of FVOCI investments	(240)	(77)	(166)	(483)
Other income	29	(8)	16	37
Management expenses not charged to insurance revenue account - net	(482)	(102)	(670)	(1,254)
Profit before tax	14,487	2,400	3,916	20,803
Tax expense	(2,463)	(240)	(666)	(3,369)
Profit after tax	12,024	2,160	3,250	17,434
Segment total assets as at 30 September 2018	354,223	81,625	196,086	631,934
Segment total liabilities as at 30 September 2018	201,782	42,881	9,711	254,374
<u>For nine months ended 30 September 2017</u>				
Gross premium written	61,992	20,430	-	82,422
Net earned premium	22,085	9,536	-	31,621
Net claims incurred	(6,895)	(1,511)	-	(8,406)
Net commission	2,184	(1,847)	-	337
Management expenses	(8,155)	(1,615)	-	(9,770)
Underwriting profit	9,219	4,563	-	13,782
Gross dividend income from investments	869	139	1,611	2,619
Interest income from investments	3,321	661	2,139	6,121
Interest on fixed deposits and bank balances	134	78	38	250
Net fair value gains on financial derivatives	3,638	831	2,298	6,767
Net gains on disposal of available-for-sale investments	1,155	191	444	1,790
Exchange losses	(3,122)	(740)	(1,981)	(5,843)
Other income	65	11	24	100
Management expenses not charged to insurance revenue account - net	(460)	(96)	(671)	(1,227)
Profit before tax	14,819	5,638	3,902	24,359
Tax expense	(2,519)	(564)	(663)	(3,746)
Profit after tax	12,300	5,074	3,239	20,613
Segment total assets as at 30 September 2017	366,497	81,751	189,413	637,661
Segment total liabilities as at 30 September 2017	220,741	42,716	8,949	272,406

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6. Segment information (cont'd)

	<u>SIF</u> \$'000	<u>OIF</u> \$'000	<u>SHF</u> \$'000	<u>Total</u> \$'000
<u>For 3 months ended 30 September 2018</u>				
Gross premium written	18,574	4,444	-	23,018
Net earned premium	7,413	2,346	-	9,759
Net claims incurred	(2,106)	(2,997)	-	(5,103)
Net commission	304	(325)	-	(21)
Management expenses	(2,302)	(876)	-	(3,178)
Underwriting profit	3,309	(1,852)	-	1,457
Gross dividends from investments	394	73	954	1,421
Interest income from investments	1,082	237	674	1,993
Interest on fixed deposits and bank balances	37	35	11	83
Net fair value losses on financial derivatives	(242)	(49)	(148)	(439)
Net fair value gains on FVTPL investments - unrealised	1,737	314	986	3,037
Exchange gains	306	88	196	590
Net (losses)/gains on disposal of FVTPL investments	(114)	28	24	(62)
Net losses on disposal of FVOCI investments	(163)	(60)	(108)	(331)
Other income	19	4	13	36
Management expenses not charged to insurance revenue account - net	(185)	(39)	(206)	(430)
Profit before tax	6,180	(1,221)	2,396	7,355
Tax expense	(1,051)	123	(408)	(1,336)
Profit after tax	5,129	(1,098)	1,988	6,019
Segment total assets as at 30 September 2018	354,223	81,625	196,086	631,934
Segment total liabilities as at 30 September 2018	201,782	42,881	9,711	254,374
<u>For 3 months ended 30 September 2017</u>				
Gross premium written	19,360	4,303	-	23,663
Net earned premium	7,616	3,072	-	10,688
Net claims incurred	(3,626)	(1,458)	-	(5,084)
Net commission	368	(657)	-	(289)
Management expenses	(2,389)	(799)	-	(3,188)
Underwriting profit	1,969	158	-	2,127
Gross dividend income from investments	374	61	724	1,159
Interest income from investments	1,092	228	708	2,028
Interest on fixed deposits and bank balances	44	26	10	80
Net fair value gains on financial derivatives	790	182	557	1,529
Exchange losses	(148)	(66)	(157)	(371)
Net gains on disposal of available-for-sale investments	187	23	103	313
Other income	10	2	2	14
Management expenses not charged to insurance revenue account - net	(145)	(33)	(196)	(374)
Profit before tax	4,173	581	1,751	6,505
Tax expense	(709)	(58)	(297)	(1,064)
Profit after tax	3,464	523	1,454	5,441
Segment total assets as at 30 September 2017	366,497	81,751	189,413	637,661
Segment total liabilities as at 30 September 2017	220,741	42,716	8,949	272,406

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6. Segment information (cont'd)

The Company is principally engaged in the business of underwriting general insurance. As the Company has different operating segments, its businesses are segregated into separate fund accounts in accordance with the requirements of the Singapore Insurance Act (Chapter 142).

As required under the Singapore Insurance Act, the Company has established and maintained a Singapore Insurance Fund (SIF) for insurance business relating to Singapore policies and an Offshore Insurance Fund (OIF) for insurance business relating to offshore policies. Shareholders' Fund (SHF) relates to the Company's investment activities of its non-insurance funds.

The segment information has been prepared in accordance with the Company's accounting policy and Singapore Financial Reporting Standards (International) ("SFRS(I)").

Information about major external customer

For the nine months/third quarter ended 30 September 2018 and the preceding period, the Company did not have any external customer whose premium income exceeded 10% of the Company's total revenue.

Geographical information

Geographical information of the Company's revenue derived from external customers based on location of insurance risks and non-current assets are as follows:

	Revenue for		Non-current assets as at	
	9 Months	9 Months	9 Months	9 Months
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
	\$'000	\$'000	\$'000	\$'000
Singapore	62,142	64,554	218	176
Asean	14,002	13,776	-	-
Others	3,599	4,092	-	-
	<u>79,743</u>	<u>82,422</u>	<u>218</u>	<u>176</u>

	Revenue for		Non-current assets as at	
	3rd Qtr	3rd Qtr	3rd Qtr	3rd Qtr
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
	\$'000	\$'000	\$'000	\$'000
Singapore	19,391	20,647	218	176
Asean	2,492	1,693	-	-
Others	1,135	1,323	-	-
	<u>23,018</u>	<u>23,663</u>	<u>218</u>	<u>176</u>

The Company's non-current assets presented above consist of fixed assets only.

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7. Review of performance

Highlights and Performance Indicators

\$'000	9 Months 2018	9 Months 2017	9M18/9M17 %	3rd Quarter 2018	3rd Quarter 2017	3Q18/3Q17 %
Gross premium written	79,743	82,422	-3.3	23,018	23,663	-2.7
Net earned premium	30,153	31,621	-4.6	9,759	10,688	-8.7
Net claims incurred	(10,268)	(8,406)	+22.2	(5,103)	(5,084)	+0.4
Net commission	1,137	337	+237.4	(21)	(289)	-92.7
Management expenses	(9,869)	(9,770)	+1.0	(3,178)	(3,188)	-0.3
Underwriting profit	11,153	13,782	-19.1	1,457	2,127	-31.5
Non-underwriting income	9,650	10,577	-8.8	5,898	4,378	+34.7
Profit before tax	20,803	24,359	-14.6	7,355	6,505	+13.1
Profit after tax	17,434	20,613	-15.4	6,019	5,441	+10.6
Other comprehensive income, net of tax	(320)	20,036	-101.6	214	3,858	-94.5
Total comprehensive income	17,114	40,649	-57.9	6,233	9,299	-33.0
Net asset value per share (\$)	6.17	5.97	+3.4	6.17	5.97	+3.4

9 Months 2018 ("9M18") versus 9 Months 2017 ("9M17")

Gross premium decreased by \$2.7 million or 3.3% to \$79.7 million due mainly to market-wide erosion of premium rates and the Company's risk control efforts to weed out unprofitable business and catastrophe prone offshore insurance accounts. Correspondingly, net earned premium decreased by \$1.5 million or 4.6% as compared with 9M17. Net claims incurred increased by \$1.9 million or 22.2% when compared against the exceptionally low claims incurred in the corresponding period caused mainly by lower net claims paid and better results from offshore reinsurance accounts. Net commission income increased by \$0.8 million or 237.4% due to higher reinsurance commission recoveries from treaty reinsurers. Management expenses increased by \$0.1 million or 1.0% due mainly to higher staff costs. Consequently, underwriting profit decreased by \$2.6 million or 19.1% to \$11.2 million.

Non-underwriting income decreased to \$9.7 million or 8.8% as compared to \$10.6 million in the corresponding period last year. The decrease was mainly due to an exchange loss as compared to an exchange gain in the comparative period.

Consequently, overall profit before tax was \$20.8 million, a decrease of 14.6%.

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7. Review of performance (cont'd)

Highlights and Performance Indicators (cont'd)

9 Months 2018 ("9M18") versus 9 Months 2017 ("9M17") (cont'd)

As shown in the above table, other comprehensive income which affects the balance sheet and not the profit before tax had net unrealised losses of \$0.3 million instead of an unrealised gain of \$20.0 million in the corresponding period last year. The decrease was mainly due to unfavourable market conditions in the current period.

3rd Quarter 2018 ("3Q18") versus 3rd Quarter 2017 ("3Q17")

The Company's gross premium decreased by \$0.6 million or 2.7% to \$23.0 million. Net earned premium decreased by \$0.9 million or 8.7% in 3Q18 as compared to 3Q17 due to lower net premium written in the current quarter. Net claims incurred increased by \$19,000 or 0.4%. Net commission was an expense of \$21,000. Consequently, underwriting profit in 3Q18 decreased by 31.5% to \$1.5 million.

The Company recorded a higher non-underwriting income of \$5.9 million in 3Q18 mainly due to higher gains on investments.

Profit before tax increased to \$7.4 million or 13.1%.

Total comprehensive income for 3Q18 was \$6.2 million, a decrease of \$3.1 million or 33.0% when compared with the same period last year due to reduction in both underwriting and investment results.

8. Prospects for the next reporting period and the next 12 months

The general insurance market continues to be characterised by intense competition fueled by excessive capacity. The trend is unlikely to reverse despite escalating catastrophic losses globally associated with climate change. Amid the more challenging environment, the Company will strive to be competitive and yet able to sustain profitability in managing its underwriting portfolio.

Investment income will continue to be challenging given the increase in financial stability risks, continued trade tensions and geopolitical uncertainties. The Company has put in place measures to mitigate the risks and thereby minimising the volatility in its investment portfolio.

9. Accounting policy

Singapore listed companies are required to apply a new reporting framework - Singapore Financial Reporting Standards (International) ("SFRS(I)") that is equivalent to the International Financial Reporting Standards ("IFRS") with effect from 1 January 2018. Accordingly, the financial statements have been prepared based on the new reporting framework. SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International) was applied with no impact on the financial statements.

The adoption of the SFRS(I) 9 Financial Instruments did not have a significant impact on the Company's financial statements on transition date. The impact of applying SFRS(I) 9 was an increase in retained earnings of \$9.3 million and a decrease in the fair value reserves of \$9.6 million arising from reclassification and remeasurement of certain financial assets and financial liabilities.

Other than the above change, the accounting policies and computation methods adopted in the financial statements for the nine months/third quarter ended 30 September 2018 are the same as those applied in the audited financial statements for the financial year ended 31 December 2017.

NEWS RELEASE

10. Dividend

No dividend has been declared for the third quarter ended 30 September 2018.

11. Borrowings, contingent liabilities and loan capital

The Company has maintained strong liquidity for its business operations and has no borrowings, contingent liabilities and loan capital as at 30 September 2018 (30 September 2017: nil).

12. Interested person transactions

The Company has not obtained a general mandate from shareholders for interested person transactions.

13. Confirmation by directors

The Board of Directors of the Company hereby confirm that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial results for the nine months/third quarter ended 30 September 2018 to be false or misleading in any material aspect.

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

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

BY ORDER OF THE BOARD

MRS VIVIEN CHAN
SECRETARY

Dated this 23rd October 2018