INDEPENDENT AUDITOR'S REPORT

to the Shareolders of Keppel Corporation Limited
For the financial year ended 31 December 2019

Report on the audit of the financial statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of Keppel Corporation Limited ("the Company") and its subsidiaries ("the Group") and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 ("the Act"), Singapore Financial Reporting Standards (International) ("SFRS(I)s") and International Financial Reporting Standards ("IFRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2019, the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group, and changes in equity of the Company for the financial year ended on that date.

What we have audited

The financial statements of the Group and of the Company comprise:

- the balance sheets of the Group and of the Company as at 31 December 2019;
- the consolidated profit and loss account of the Group for the financial year then ended;
- the consolidated statement of comprehensive income of the Group for the financial year then ended;
- the statements of changes in equity of the Group and of the Company for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgments; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended 31 December 2019. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
1. Recoverability of contract assets and stocks (work-in-progress) in relation to the Offshore and Marine ("O&M") business unit *(Refer to Notes 2.27(iii), 14 and 15 to the financial statements)*	
As at 31 December 2019, the Group has: (i) Stocks (work-in-progress) ("WIP") amounting to $599 million (after a provision of $50 million made in prior year); and (ii) contract assets relating to certain rigbuilding contracts where the scheduled delivery dates of the rigs had been deferred and have higher counterparty risks, amounting to $1,432 million (after a provision for expected credit loss of $21 million made in prior year). We focused on this area because significant judgment and assumptions are required in: (i) estimating the net realisable values ("NRV") of the WIP balance; and (ii) estimating the expected credit loss of the contract asset balance.	We reviewed management's assessment of the NRV of the WIP and the recovery of the contract assets balance. We assessed the most significant inputs to the Discounted Cash Flow ("DCF") calculations and engaged our valuation specialists to review the discount rates applied. We also considered the adequacy of the disclosures in the financial statements in respect of this matter. Based on our procedures, we found management's judgment around the NRV of the WIP and the recovery of contract assets to be appropriate.

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Key Audit Matter	How our audit addressed the Key Audit Matter
In determining whether the NRV of the WIP exceeds its carrying amount, management has considered arrangements to market the WIP and estimated its NRV based on the DCF model. NRV of the WIP was estimated to be above the carrying value at the balance sheet date. For contract assets relating to certain rig building contracts where the scheduled delivery dates of the rigs had been deferred and have higher counterparty risks, in the event that the customers are unable to fulfil their contractual obligations, the Group can exercise its right to retain payments received to date and take legal possession of the rigs under construction. Management has assessed if the values of the rigs would exceed the carrying values of the contract assets. Management has estimated, with the assistance of an independent professional firm, the values of the rigs using DCF calculations that cover each class of rig under construction. The most significant inputs to the DCF calculations include dayrates and discount rates. Arising from management's assessment, no additional expected credit loss provision was required against contract assets in 2019.	In respect of the independent professional firm, we found that it possessed the requisite competency and experience to assist management in the assessment of the valuation. We also found the disclosures in the financial statements in respect of the critical judgment and sources of estimation uncertainty to be adequate.
2. Impairment assessment of investments in associated companies *(Refer to Note 10 to the financial statements)* As at 31 December 2019, the Group has investments in associated companies with a carrying value amounting to $6,351 million. Significant associated companies where impairment indicators exist included KrisEnergy Limited and Floatel International Limited. *Investment in KrisEnergy and related exposures* The Group has a 40% equity interest in KrisEnergy Limited ("KrisEnergy"), an associated company listed on the Singapore Exchange. KrisEnergy is an independent upstream company focused on the production and development of oil and gas in the basins of Southeast Asia. As at 31 December 2019, the carrying amount of the Group's investment in KrisEnergy amounted to $74 million (after a full impairment write down of $37 million in the current year on equity shares), comprising zero-coupon notes. In addition, the Group also has $21 million of contract assets in relation to a construction contract for a production barge for KrisEnergy and, through a bilateral agreement between the Group and a bank, guaranteed $263 million in respect of the bank loan granted to KrisEnergy (Note 10). The zero-coupon notes and guarantee are secured on the assets of KrisEnergy. On 14 August 2019, KrisEnergy requested for a suspension of trading of its shares on the Singapore Exchange and applied for a debt moratorium. The High Court of Republic of Singapore approved the application for an initial period of three months up to 14 November 2019. At the date of these financial statements, the debt moratorium was extended to 27 May 2020.	We read recent public announcements made by KrisEnergy to obtain an understanding of the financial position of KrisEnergy and its ability to repay its debt obligations. For cash flows estimated by KrisEnergy from an asset under development, we evaluated the reasonableness of the estimates and assumptions in the cash flow projections, with focus on the estimates of reserves available and estimated future oil prices of US$63 to US$70 per barrel for 2020 to 2028. For cash flows relating to producing assets, we evaluated the reasonableness of the estimates by assessing historical performance. For non-performing or underperforming assets, we obtained an understanding on the progress of each proposed sale transaction and the bid prices received. In respect of the financial advisor for the Group, we assessed that it possessed the requisite competency and experience to assist management in the assessment of the recoverable amount of KrisEnergy.

Key Audit Matter	How our audit addressed the Key Audit Matter
In November 2019, KrisEnergy announced that a restructuring plan was in the process of being developed by KrisEnergy's management together with its consultants. Management performed an impairment assessment to estimate the recoverable amount of the Group's exposure in KrisEnergy as at 31 December 2019. With assistance from its financial advisor, management estimated the amount of cash available from producing assets and forecasted production from assets under development, taking into consideration the relative priority of each group of stakeholders to these cash flows based on their respective rights. Based on the result of the assessment, an impairment loss of $37 million was recognised in 2019 to fully write down the carrying amount of the investment. No impairment allowances were made against the zero-coupon notes and contract assets and no liabilities were recorded for the Group's guarantee given to the bank for the loan granted to KrisEnergy as the Group has priority over the cash flows on the assets of KrisEnergy. Management will continue to evaluate the above assessment when a restructuring plan is presented by KrisEnergy in due course, which may give rise to adjustments to be made. We focused on this area as the assessment of the recoverable amount required management to make projections of cash flows arising from producing assets and assets under development in which several estimates and key assumptions were applied.	We also considered the adequacy of the disclosures in the financial statements in respect of this matter. Based on our procedures, we found the significant estimates and key assumptions in determining the available cash flows for the Group's investment in KrisEnergy to be reasonable and the related disclosures to be adequate.
Investments in Floatel International Limited The Group has a 49.92% equity interest in Floatel International Limited ("Floatel"). Floatel operates a fleet of five semisubmersible accommodation and construction support vessels for the offshore oil and gas industry. The carrying amount of the Group's investment in Floatel amounted to $477 million as at 31 December 2019 (2018: $524 million), comprising $311 million in equity shares (2018: $362 million), $10 million in preference shares (2018: $22 million) and $156 million in long term receivables (2018: $140 million). During the financial year ended 31 December 2019, the Group had equity accounted for $51 million as their share of loss of Floatel's results (2018: profit of $11 million) which included impairment losses on the carrying value of Floatel's three vessels amounting to $20 million (2018: $nil). The recoverable amount of the vessels were determined on their value-in-use, using a DCF model. In November 2019, credit rating agencies downgraded Floatel's credit rating, citing market environment for accommodation vessels remaining difficult with limited activity and pressure on dayrates. The rating agencies also commented that if Floatel fails to contract work for its idle vessels in the near future, it may not be able to meet its leverage covenant at its first test at the year-end 2020.	We evaluated the appropriateness of the key inputs used in the estimation of the recoverable amount of Floatel's vessels as part of the impairment review of the vessels. We read recent public announcements made by the credit rating agencies to obtain an understanding of circumstances and impact arising from the credit downgrading. We read the public announcement made by Floatel on its financial results for the year ended 31 December 2019. We discussed with management to obtain an understanding of the basis of the going concern assumption, as well as the cash flow projections. We corroborated the information obtained to the cash flow projections used in the vessel impairment review, reports and analyses from advisors, as well as our understanding of the business environment that Floatel is operating in. We discussed with management their evaluation of the going concern assessment made by Floatel. We also assessed the adequacy of the disclosures in the financial statements in respect of this matter.

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Key Audit Matter	How our audit addressed the Key Audit Matter
2. Impairment assessment of investments in associated companies (continued) *Investments in Floatel International Limited (continued)* Floatel subsequently reported that its financial situation is unsustainable as liquidity is under pressure. There is a material uncertainty as to whether Floatel will be able to service its secured financial liabilities and net working capital requirements for the coming 12 months, which cast significant doubt on Floatel's ability to continue as a going concern. The long term viability of Floatel's business depends on it finding a solution to its financial situation and Floatel management has initiated discussions with key creditors, in which, in the view of Floatel's board of directors, there is reasonable expectations of success. In a situation where going concern for Floatel no longer can be assumed, there is a risk for significant write down of its assets. Based on information currently available, the Group's management concurred with the judgment made by Floatel's management and board of directors in relation to this matter. If Floatel could not continue to be a going concern, the carrying amount of the Group's investment in Floatel may be subject to significant write down. We focused on this area as the assessment of the going concern of Floatel required management to evaluate the basis used by Floatel management in which several estimates and key assumptions were applied.	Based on the procedures performed, we found management's assessment to be consistent with the results of the audit procedures performed. We also found the disclosures in the financial statements in respect of this matter to be adequate.
3. Financial exposure in relation to contracts with Sete Brasil ***(Refer to Note 12 to the financial statements)*** The Group's customer, Sete Brasil ("Sete") filed for bankruptcy protection on 21 April 2016. The Group had previously entered into Engineering, Procurement and Construction ("EPC") contracts with Sete for the construction of six semisubmersible drilling rigs. Sete stopped making payments to the Group under these contracts since November 2014. The Group suspended construction of these six rigs in November 2015. The total cumulative expected losses recognised on these contracts amounted to $476 million. On 3 October 2019, Sete's creditors approved a settlement agreement between the Group and Sete, as well as a proposal by Magni Partners (Bermuda) Ltd ("Magni") to purchase Sete's four subsidiaries, of which two have EPC contracts with the Group. Under the settlement agreement with Sete, which is subject to fulfilment of certain conditions precedent, the Group would take over ownership of four uncompleted rigs arising from the performance of the above EPC contracts. When the settlement agreement comes into effect, the EPC contracts and related agreements entered for these uncompleted rigs will be deemed to be amicably terminated, with no penalties, refunds and/or any additional amounts being due to any party, and the parties will waive all rights to any claims. The Group has a receivable of approximately US$260 million included in Sete's court-approved Judicial Reorganisation Plan. The outstanding amount will be paid to the Group proportionally and pari passu with other creditors of Sete as part of, and out of proceeds of, its Judicial Reorganisation Plan.	We reviewed the terms of each contract and correspondences with Sete or its authorised representatives to validate the assumptions applied by management. For the two impending EPC contracts with Magni, we assessed the amount and timing of gross cash inflows from Magni to the term sheet. We also assessed the total cost of completing the construction of the rigs through discussions with project managers and corroborating the amounts to an approved budget plan. We obtained management's calculation of the discount rate used and evaluated its reasonableness based on our understanding of the settlement agreement with Magni. For the remaining four undelivered rigs, we reviewed management's computation of the provisions recognised during the year and corroborated the inputs against supporting documents and externally available information. We also considered the adequacy of the disclosures in the financial statements in respect of this matter. Based on our procedures, we found management's assessment in respect of the provisions for expected credit loss and contract related costs from these contracts to be reasonable. We also found that the disclosures in the financial statements in respect of this matter to be adequate.

Key Audit Matter	How our audit addressed the Key Audit Matter
As at the date of these financial statements, management is in discussions with Magni on the terms to complete the construction of the two rigs with EPC contracts with the Group. Management estimated the net present value of the cash flows relating to the impending construction contracts for the two rigs with Magni. In addition, management performed an assessment to estimate the cost of discontinuance of related agreements of the EPC contracts for four undelivered rigs, offset by possible options in extracting value from the uncompleted rigs and possible payout from the Judicial Reorganisation Plan. Arising from the above assessment, management is of the opinion that the provision of $183 million (included in provision for loss allowance in trade debtors (Note 12) (2018: $183 million) and $245 million (included in sundry creditors, Note 20) (2018: $245 million) are adequate to address the cost of discontinuance, salvage cost and unpaid progress billings relating to these EPC contracts.	
4. Global resolution with criminal authorities in relation to corrupt payments *(Refer to Note 2.27(iii) to the financial statements)* In December 2017, a wholly-owned subsidiary, Keppel Offshore and Marine Ltd ("KOM") reached a global resolution with the Corrupt Practices Investigation Bureau ("CPIB") in Singapore, the U.S. Department of Justice ("DOJ"), and the Public Prosecutor's Office in Brazil, Ministério Público Federal ("MPF") in relation to corrupt payments made in Brazil by Zwi Skornicki, a former agent of certain Keppel subsidiaries in the O&M division. As part of the global resolution with the authorities, the Group had also committed to strengthening the compliance and governance regime in KOM. Amongst others, it included a commitment to secure certification of ISO 37001 Anti-Bribery Management System and testing of the effectiveness of the policies and procedures put in place. As of the date of these financial statements, Keppel O&M entities in Singapore, Brazil, Bulgaria, China, India, Philippines, UAE and USA had secured certification of the ISO 37001 Anti-Bribery Management System. Anti-bribery and corruption compliance audits were also performed on entities within the KOM Group. These audits revealed that the enhanced policies and procedures put in place to-date were, in general, functioning as intended. The audits performed in 2018 had, however, identified certain matters relating to contracts entered into several years ago which required follow-up actions and further review. The follow-up actions and further review were concluded in 2019. Based on currently available information, management is of the opinion that no additional provisions is required. We focused on this area because of the management judgment required in determining whether additional provision is required.	We obtained understanding of management's compliance and governance regime, including the progress of its implementation, through enquiries of appropriate personnel within the Group and attendance at the board of directors' meetings. We read the reporting by KOM to DOJ and CPIB and sighted the ISO 37001 certificate. We discussed with management to understand the results of the anti-bribery and corruption compliance audits performed during the year. We also considered the adequacy of the disclosures in the financial statements in respect of this matter. We found that the disclosures in the financial statements to be adequate. Based on our procedures and representations obtained from management, we found management's assessment of the matter to be appropriate.

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Key Audit Matter	How our audit addressed the Key Audit Matter
5. Revenue recognition based on measurement of progress towards performance obligation *(Refer to Note 2.20 and 24 to the financial statements)* During the year, the Group recognised $2,419 million of revenue relating to its rigbuilding, shipbuilding and repairs, and long-term engineering contracts ("construction contracts"). The Group recognises revenue over time by reference to the Group's progress towards completing the construction of the contract work. The stage of completion was measured by reference to either the percentage of the physical proportion of the contract work completed or the proportion of contract costs incurred to date to the estimated total contract costs. We focused on this area because of the significant management judgment required in: • the estimation of the physical proportion of the contract work completed for the contracts; and • the estimation of total costs on the contracts, including contingencies that could arise from variations to original contract terms, and claims.	In respect of construction contracts where progress was measured based on the percentage of the physical proportion of the contract work completed, we sighted certified progress reports from engineers, performed site visits, and obtained confirmations from project owners to assess the appropriateness of management's estimates of the physical proportion of work completed. In respective of construction contracts where progress was measured based on the proportion of contract costs incurred to date to the estimated total contract costs, we evaluated the effectiveness of management's controls over the estimation of total costs and assessed the reasonableness of key inputs in the cost estimation. We tested the appropriateness of estimated costs by comparing these against actual costs incurred. We then recomputed the revenues recognised for the current financial year based on the respective percentage of completion and traced these to the accounting records. We also considered the adequacy of the Group's disclosures in respect of this matter. Based on our procedures, we found that assumptions made in the measurement of the progress of construction contracts to be reasonable. We also found the disclosures in the financial statements to be adequate.
6. Valuation of properties held for sale *(Refer to Note 14 to the financial statements)* At 31 December 2019, the Group had residential properties held for sale of $4,632 million mainly in China, Singapore, Indonesia and Vietnam. Properties held for sale are stated at the lower of cost and net realisable values. The determination of the carrying value and whether to recognise any foreseeable losses for properties held for sale is highly dependent on the estimated cost to complete each development and the estimated selling price. For certain development projects, fair values based on independent valuation reports are used to determine the net realisable value of these properties. We focused on this area as significant judgment is required in making estimates of future selling prices and the estimated cost to complete the development project. In instances where independent valuation reports are used, the valuation process involves significant judgment in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The valuations are highly sensitive to key assumptions applied in deriving the discount rate and price of comparable plots and properties.	We found that, in making its estimates of future selling prices, the Group took into account macroeconomic and real estate price trend information. Management applied their knowledge of the business in their regular review of these estimates. We corroborated the Group's forecast selling prices by comparing the forecast selling price to, where available, recently transacted prices and prices of comparable properties located in the same vicinity as the properties held for sale. We compared management's budgeted total development costs against underlying contracts with vendors and supporting documents. We discussed with the project managers to assess the reasonableness of estimated cost to complete and corroborated the underlying assumptions made with our understanding of past completed projects.

Key Audit Matter	How our audit addressed the Key Audit Matter
Continued unfavourable market conditions in certain of the markets in which the Group operates might exert downward pressure on transaction volumes and residential property prices. This could lead to future trends in these markets departing from known trends based on past experience. There is, therefore, a risk that the estimates of carrying values at the date of these financial statements exceed future selling prices, resulting in losses when the properties are sold.	For projects where management has used independent valuation reports as a basis to determine the net realisable value, we evaluated the qualifications and competence of the external valuer and considered the valuation methodologies used against those applied by other valuers for similar property type. We tested the reliability of inputs used in the valuation and corroborated key inputs such as the discount rate and price of comparable plots and properties used in the valuation by comparing them against historical rates and available industry data, taking into consideration comparability and market factors. Where the inputs were outside the expected range, we undertook further procedures to understand the effect of additional factors and, when necessary, held further discussions with the valuers. We focused our work on development projects with slower-than-expected sales or with low or negative margins. For projects which are expected to sell below cost, we checked the computations of the foreseeable losses. We also considered the adequacy of the disclosures in the financial statements, in describing the allowance for foreseeable losses made for properties held for sale. Based on our procedures, we were satisfied that management's estimates and assumptions were reasonable. We also found the related disclosures in the financial statements to be adequate.
7. Valuation of investment properties *(Refer to Note 7 and Note 34 to the financial statements)* At 31 December 2019, the Group owns a portfolio of investment properties of $3,022 million comprising office buildings, hotels, retail malls and mixed-use development projects, located primarily in China, Singapore, Indonesia and Vietnam. Investment properties are stated at their fair values based on independent external valuations. We focused on this area as the valuation process involves significant judgment in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The valuations are highly sensitive to key assumptions applied such as the capitalisation rate, discount rate, net initial yield and price of comparable plots and properties.	We evaluated the qualifications and competence of the external valuers. We considered the valuation methodologies used against those applied by other valuers for similar property types. We also considered other alternative valuation methods. We tested the reliability of inputs of the projected cash flows used in the valuation to supporting lease agreements and other documents. We corroborated the inputs such as the capitalisation rate, net initial yield, discount rate and price of comparable plots used in the valuation methodology by comparing them against historical rates and available industry data, taking into consideration comparability and market factors. Where the inputs were outside the expected range, we undertook further procedures to understand the reasons for these and, where necessary, held further discussions with the valuers. We also considered the adequacy of the disclosures in the financial statements, in describing the inherent degree of subjectivity and key assumptions used in the estimates. The valuers are members of recognised professional bodies for external valuers. We found the valuation methodologies used to be in line with generally accepted market practices and the key assumptions used were within the range of market data. We also found the disclosures in the financial statements to be adequate.

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Key Audit Matter	How our audit addressed the Key Audit Matter
8. Purchase price allocation ("PPA") and impairment assessment of goodwill arising from acquisition of subsidiary – M1 Limited ("M1") *(Refer to Note 2.27(ii) and Note 36 to the financial statements)*	
Purchase price allocation On 15 February 2019, the Group obtained controlling interest in M1 for a purchase consideration of $1,232 million through an 80% owned subsidiary. The Group performed a PPA exercise for the acquisition, where the purchase consideration was allocated to the fair value of the identifiable assets acquired and liabilities assumed, resulting in the recognition of goodwill of $988 million on the investment in M1. As part of the PPA exercise, management identified intangible assets relating to brand, and subscriber relationships and contracts, and performed an estimation of the fair value of the identifiable assets acquired and liabilities assumed. In this exercise, management engaged independent valuers to perform the valuation of certain assets of M1, including spectrum rights and licenses, network assets, application systems and leasehold buildings. We focused on this area as the determination of fair values of the identifiable assets acquired and liabilities assumed, including the identification of intangible assets, required significant management judgment in estimating the underlying assumptions to be applied.	We obtained and read the Sales and Purchase Agreement and identified critical terms with accounting impact, including the purchase consideration and determined the acquisition date to be 15 February 2019. We engaged our valuation specialists in assessing the methodology applied in the PPA exercise and the appropriateness of the key assumptions used in determining the valuation of intangible assets, including brand and subscriber relationships. In respect of the independent professional firms engaged by the Group, we found that they possessed the requisite competency and experience to assist management in the valuation of the spectrum rights and licenses, network assets, application systems and leasehold buildings of M1. We also assessed the appropriateness of the disclosures in the financial statements in respect of this matter. Based on our audit procedures, we found management's basis of estimating the fair value to allocate the purchase consideration of the Group's investment in M1 to be reasonable. We also found the disclosures in the financial statements to be adequate.
Impairment assessment – Goodwill on acquisition An annual impairment assessment was performed on the goodwill of $988 million, which represented the amount of purchase consideration in excess of the fair value of the identifiable assets acquired and liabilities assumed on acquisition date. The recoverable value of the investment in M1 was determined on a value-in-use basis using a DCF model. The assessment by the Group required significant judgment in estimating the underlying assumptions including the revenue growth rate, long term growth rate and discount rate. Based on management's assessment, no impairment was required as the recoverable amount was higher than the carrying value (including goodwill) of the investment in M1.	We involved our valuation specialists in evaluating the valuation methodology and the key assumptions applied by management. We assessed the appropriateness of the underlying assumptions made by management in their cash flow projections, including the revenue growth rate, long term growth rate and discount rate based on the economic and industry conditions relevant to M1's business. We checked whether the cash flow projections were based on the approved business plan. We assessed the sensitivity of the cash flow projections and other key assumptions including discount rate and long term growth rate on the impairment assessment and the impact on the headroom over the carrying value. Based on the audit procedures performed, we found management's assessment to be appropriate.

Other information

Management is responsible for the other information. The other information comprises the "Directors' Statement" (but does not include the financial statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report and other sections of the Keppel Corporation Limited Report to Shareholders 2019 ("Other Sections of the Annual Report") which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections of the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of Management and Directors for the Financial Statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, SFRS(I)s and IFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

  Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Yeoh Oon Jin.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 27 February 2020