

**UNAUDITED THIRD QUARTER AND NINE-MONTH FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD
ENDED 30 SEPTEMBER 2014**
**PART 1 - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR
ANNOUNCEMENTS**

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

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group					
	3Q2014	3Q2013	Change	9M2014	9M2013	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	87,582	81,438	7.5	261,808	242,063	8.2
Cost of sales	(81,477)	(74,516)	9.3	(242,937)	(224,199)	8.4
Gross profit	6,105	6,922	(11.8)	18,871	17,864	5.6
Other item of income						
Other operating income	646	387	66.9	1,510	1,428	5.7
Other items of expense						
Marketing and distribution expenses	(113)	(52)	117.3	(271)	(274)	(1.1)
Administrative expenses	(4,171)	(3,384)	23.3	(11,145)	(8,829)	26.2
Finance costs	(64)	(41)	56.1	(194)	(101)	92.1
Other operating expenses	(661)	(861)	(23.2)	(2,006)	(1,690)	18.7
Share of results of associates	292	1,021	(71.4)	1,233	1,422	(13.3)
Profit before tax	2,034	3,992	(49.0)	7,998	9,820	(18.6)
Income tax expense	(223)	(673)	(66.9)	(571)	(978)	(41.6)
Profit for the period, representing total comprehensive income for the period	1,811	3,319	(45.4)	7,427	8,842	(16.0)
Other comprehensive income:						
Items that may be reclassified subsequently to profit or loss						
Foreign currency translation	11	—	n.m.	46	—	n.m.
Total comprehensive income for the period	1,822	3,319	(45.1)	7,473	8,842	(15.5)
Profit for the period attributable to:						
Owners of the Company	1,690	3,015	(43.9)	7,081	8,315	(14.8)
Non-controlling interests	121	304	(60.2)	346	527	(34.3)
	1,811	3,319	(45.4)	7,427	8,842	(16.0)
Total comprehensive income for the period attributable to:						
Owners of the Company	1,701	3,015	(43.6)	7,127	8,315	(14.3)
Non-controlling interests	121	304	(60.2)	346	527	(34.3)
	1,822	3,319	(45.1)	7,473	8,842	(15.5)

n.m.: Not meaningful

1(a)(ii) Notes to consolidated statements of profit or loss and other comprehensive income

The Group's profit before tax was arrived at after charging/(crediting) the following:

	Group					
	3Q2014	3Q2013	Change	9M2014	9M2013	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Depreciation of property, plant and equipment	183	102	79.4	487	282	72.7
Inventories recognised as an expense in cost of sales	81,184	73,903	9.9	242,061	222,827	8.6
Operating lease expense	885	741	19.4	2,560	2,053	24.7
Interest expense on loans and borrowings	357	655	(45.5)	1,069	1,473	(27.4)
Allowance for doubtful trade receivables	661	861	(23.2)	2,006	1,690	18.7
Rental income from leasehold property	(179)	(95)	88.4	(446)	(321)	38.9
Dividend income from unquoted investments	—	—	—	(80)	(76)	5.3
Interest income	(182)	(31)	487.1	(400)	(218)	83.5
Net fair value (gain)/loss on loan from an unrelated party	(97)	180	n.m.	27	(353)	n.m.
Excess of fair value over consideration of equity interest acquired in a subsidiary	(151)	(176)	(14.2)	(151)	(176)	(14.2)

n.m.: 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.

STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	30.09.2014	31.12.2013	30.09.2014	31.12.2013
	\$'000	\$'000	\$'000	\$'000
<u>Non-current assets</u>				
Property, plant and equipment	7,555	4,967	28	40
Investment in subsidiaries	—	—	36,886	27,804
Investment in associates	8,276	7,442	1,874	1,874
Other investments	701	701	701	701
	16,532	13,110	39,489	30,419
<u>Current assets</u>				
Inventories	43,016	43,300	—	—
Trade and other receivables	148,342	136,211	55,867	55,605
Prepaid operating expenses	384	918	35	77
Income tax receivable	—	—	—	9
Cash and bank balances	45,240	46,520	31,073	37,817
	236,982	226,949	86,975	93,508
Total assets	253,514	240,059	126,464	123,927
<u>Current liabilities</u>				
Trade and other payables	14,547	10,873	20	305
Other liabilities	1,640	1,518	152	621
Interest-bearing loans and borrowings	82,497	74,985	—	—
Income tax payable	579	1,351	78	—
	99,263	88,727	250	926
Net current assets	137,719	138,222	86,725	92,582
<u>Non-current liabilities</u>				
Provisions	264	224	—	—
Deferred tax liabilities	793	385	7	7
	1,057	609	7	7
Total liabilities	100,320	89,336	257	933
Net assets	153,194	150,723	126,207	122,994
<u>Equity attributable to owners of the Company</u>				
Share capital	78,313	78,313	78,313	78,313
Retained earnings	76,410	74,024	47,894	44,681
Other reserves	(5,711)	(5,757)	—	—
	149,012	146,580	126,207	122,994
Non-controlling interests	4,182	4,143	—	—
Total equity	153,194	150,723	126,207	122,994

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 14		As at 31 December 13	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Included in trade and other payables	—	3,642	—	5,802
Included in interest-bearing loans and borrowings	80,951	1,546	73,466	1,519
Total	80,951	5,188	73,466	7,321

Details of collateral:

- A fixed and floating charge on all assets of certain subsidiaries, legal mortgages over two properties and personal guarantees by certain directors of the Company and its subsidiaries.

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 STATEMENTS OF CASH FLOWS	3Q2014 \$'000	3Q2013 \$'000	9M2014 \$'000	9M2013 \$'000
Operating activities				
Profit before tax	2,034	3,992	7,998	9,820
Adjustments for:				
Depreciation of property, plant and equipment	183	102	487	282
Allowance for doubtful trade receivables	661	861	2,006	1,690
Interest income	(182)	(31)	(400)	(218)
Finance costs	357	655	1,069	1,473
Decrease/(increase) in fair value of inventories less point-of-sale costs	363	(625)	(53)	1,021
Net fair value (gain)/loss on financial liability at fair value through profit or loss	(97)	180	27	(353)
Dividend income from unquoted investments	—	—	(80)	—
Excess of fair value over consideration of interest acquired in a subsidiary	(151)	(176)	(151)	(176)
Share of results of associates	(292)	(1,021)	(1,233)	(1,422)
Unrealised exchange loss	-	99	-	99
Operating cash flows before changes in working capital	2,876	4,036	9,670	12,216
Changes in working capital				
Decrease/(increase) in inventories	4,540	(6,721)	413	(377)
(Increase)/decrease in trade and other receivables	(10,844)	249	(12,048)	13,492
Decrease/(increase) in prepaid operating expenses	56	(667)	541	(832)
Increase/(decrease) in trade and other payables	4,049	(3,272)	3,675	(18,195)
Increase/(decrease) in other liabilities	520	75	118	(415)
Cash flows generated/(used in) from operations	1,197	(6,300)	2,369	5,889
Interest received	182	31	400	218
Finance costs paid	(357)	(655)	(1,069)	(1,473)
Income taxes paid	(1,346)	(984)	(1,536)	(3,048)
Net cash flows (used in)/generated from operating activities	(324)	(7,908)	164	1,586
Investing activities				
Purchase of property, plant and equipment	(134)	(73)	(320)	(149)
Acquisition of non-controlling interests in subsidiaries	—	(960)	—	(960)
Net cash outflow on acquisition of a subsidiary	(25)	(847)	(25)	(847)
Acquisition of additional interest in an associate	—	(400)	—	(480)
Acquisition of unquoted investments	—	(13)	—	(13)
Dividend income from associates	—	—	442	545
Dividend income from unquoted investments	—	—	80	-
Net cash flows (used in)/generated from investing activities	(159)	(2,293)	177	(1,904)
Financing activities				
Proceeds from short-term bank borrowings	6,950	13,800	11,050	13,800
Repayment of short-term bank borrowings	—	(1,400)	(3,450)	(3,070)
Repayment of obligations under finance leases	(1)	(1)	(3)	(3)
Dividends paid to non-controlling interests	—	(297)	(307)	(600)
Dividends paid to then-existing shareholder of a subsidiary	(4,103)	—	(4,103)	—
Dividends paid on ordinary shares	—	—	(4,695)	—
Net cash flows generated from/(used in) financing activities	2,846	12,102	(1,508)	10,127
Net increase/(decrease) in cash and cash equivalents	2,363	1,901	(1,167)	9,809
Cash and cash equivalents at beginning of period	41,984	(523)	45,514	(8,431)
Cash and cash equivalents at end of period	44,347	1,378	44,347	1,378

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period for the immediately preceding financial year.

STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company						Non-controlling interests	Total equity
	Share capital	Capital reserve	Merger reserve	Foreign currency translation reserve	Retained earnings	Total		
Group	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2014	78,313	1,984	(7,599)	(142)	74,024	146,580	4,143	150,723
Profit for the period	—	—	—	—	7,081	7,081	346	7,427
Foreign currency translation	—	—	—	46	—	46	—	46
Total comprehensive income for the period	—	—	—	46	7,081	7,127	346	7,473
<u>Contributions by and distributions to owners</u>								
Dividends paid on ordinary shares	—	—	—	—	(4,695)	(4,695)	—	(4,695)
Dividends paid to non-controlling interests	—	—	—	—	—	—	(307)	(307)
Total contributions by and distributions to owners	—	—	—	—	(4,695)	(4,695)	(307)	(5,002)
At 30 September 2014	78,313	1,984	(7,599)	(96)	76,410	149,012	4,182	153,194

	Attributable to owners of the Company						Total equity
	Share capital	Capital reserve	Merger reserve	Retained earnings	Total	Non-controlling interests	
Group	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2013	5,742	1,843	—	64,667	72,252	1,807	74,059
Profit for the period, representing total comprehensive income for the period	—	—	—	8,315	8,315	527	8,842
<u>Contributions by and distributions to owners</u>							
Shares issued for acquisition of associated companies	3,730	—	—	—	3,730	—	3,730
Shares issued for acquisition of an investee company	688	—	—	—	688	—	688
Dividends paid to non—controlling interests	—	—	—	—	—	(455)	(455)
Adjustment pursuant to the Restructuring Exercise	—	—	(7,599)	—	(7,599)	—	(7,599)
Total contributions by and distributions to owners	4,418	—	(7,599)	—	(3,181)	(455)	(3,636)
<u>Changes in ownership interests in subsidiaries</u>							
Acquisition of a subsidiary	—	—	—	—	—	2,660	2,660
Acquisition of non—controlling interests without a change in control	—	141	—	—	141	(1,246)	(1,105)
Total changes in ownership interests in subsidiaries	—	141	—	—	141	1,414	1,555
At 30 September 2013	10,160	1,984	(7,599)	72,982	77,527	3,293	80,820

Company	Attributable to owners of the Company		
	Share capital \$'000	Retained earnings \$'000	Total equity \$'000
At 1 January 2014	78,313	44,681	122,994
Profit for the period, representing total comprehensive income for the period	—	7,908	7,908
Dividends paid to ordinary shares	—	(4,695)	(4,695)
At 30 September 2014	78,313	47,894	126,207
At 1 January 2013	5,742	34,342	40,084
Profit for the period, representing total comprehensive income for the period	—	11,800	11,800
<u>Contributions by and distributions to owners</u>			
Shares issued for acquisition of associated companies	3,730	—	3,730
Shares issued for acquisition of an investee company	688	—	688
Total transactions with owners in their capacity as owners	4,418	—	4,418
At 30 September 2013	10,160	46,142	56,302

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercises of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of issued shares excluding treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no changes in the Company's share capital since the end of the previous period reported on.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of current financial period and as at the end of the immediately preceding year.

	30.09.2014	30.09.2013
Issued and fully paid-up share capital		
Balance as at 1 January	533,497,960	5,742,085
Issue of shares pursuant to the Restructuring Exercise	—	342,499
Balance as at 30 September	533,497,960	6,084,584

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

Not applicable.

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

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

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period ended as those of the audited financial statements for the financial year ended 31 December 2013, as well as applicable new and revised Financial Reporting Standards ("FRSs") which became effective for financial years beginning on or after 1 January 2014. The adoption of these new and revised FRSs has no material effect on the financial statements for the current financial period.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Please refer to item 4 above.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-**

(a) Based on the weighted average number of ordinary shares on issue; and

(b) On a fully diluted basis (detailing any adjustments made to the earnings).

	Group			
	3Q2014	3Q2013	9M2014	9M2013
	Cents	Cents	Cents	Cents
i) Basic earnings per share	0.32	0.80	1.33	2.22
ii) Diluted earnings per share	0.32	0.80	1.33	2.22
- Weighted average number of shares ('000)	533,498	376,661 ⁽¹⁾	533,498	374,463 ⁽¹⁾

⁽¹⁾ The weighted average number of shares was computed on the basis that the subdivision of each share in the existing issued share capital of the Company into 65 shares has occurred as at 1 January 2013.

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	
	30.09.2014	31.12.2013	30.09.2014	31.12.2013
Net asset value per ordinary share (cents)	27.93	27.48	23.66	23.05
Number of ordinary shares in issue ('000)	533,498	533,498	533,498	533,498

The number of ordinary shares was based on the number of outstanding shares as at 30 September 2014 and 31 December 2013 respectively.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
- (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 the Group's Performance

3Q2014 vs 3Q2013

Revenue

The Group's revenue increased from \$81.4 million in 3Q2013 to \$87.6 million in 3Q2014. Retail and trading of pre-owned jewellery and gold business accounted for the increase of \$7.5 million while revenue from pawnbroking declined by \$1.3 million.

Cost of sales

The Group's cost of sales increased from \$74.5 million in 3Q2013 to \$81.5 million in 3Q2014. Interest costs declined by \$0.3 million while cost of goods sold for the retail and trading of pre-owned jewellery and gold business increased by \$7.3 million, in line with the increase in revenue in this segment.

Gross profit

Overall gross profit decreased by \$0.8 million in 3Q2014 compared with the same period in FY2013. Gross profit margin declined from 8.5% in 3Q2013 to 7.0% in 3Q2014.

Other operating income

Other operating income increased from \$0.4 million in 3Q2013 to \$0.6 million in 3Q2014. The increase was mainly due to the increase in interest income from fixed deposits and rental income of \$0.1 million each.

Administrative expenses

Administrative expenses comprise mainly employee benefits expense, rental expenses, depreciation expenses, legal and professional fees and insurance premiums. The increase in administrative expenses from \$3.4 million in 3Q2013 to \$4.2 million in 3Q2014 was mainly due to the increase in employee benefits expense of \$0.5 million, rental expenses of \$0.2 million and depreciation expenses of \$0.1 million. The increase in employee benefits expense was due to the increase in headcount and salary adjustments. Rental expenses increased mainly due to the inclusion of the new outlets with leases commencing in the second half of FY2013 and during the first half of FY2014, as well as revision in rental rates upon renewal of leases.

Other operating expense

Other operating expense comprises allowance for doubtful trade receivables of \$0.7 million in 3Q2014 and \$0.9 million in 3Q2013.

Share of results of associates

The Group's share of results of associates decreased from \$1.0 million in 3Q2013 to \$0.3 million in 3Q2014. The share of results of associates in 3Q2013 included the Group's recognition of the excess of the Group's share of the net fair value of the Malaysian associated companies' identifiable net assets over the cost of

investment, which amounted to \$0.7 million, upon the acquisition of the Malaysian associated companies in August 2013.

Profit before tax

As a result of the above, profit before tax decreased by \$2.0 million to \$2.0 million in 3Q2014.

Income tax expense

Income tax expense decreased by \$0.5 million in 3Q2014, which is in line with the decrease in profit.

9M2014 vs 9M2013

Revenue

The Group's revenue increased from \$242.1 million in 9M2013 to \$261.8 million in 9M2014. Retail and trading of pre-owned jewellery and gold business accounted for the increase of \$20.9 million while revenue from pawnbroking declined by \$1.2 million.

Cost of sales

The Group's cost of sales increased from \$224.2 million in 9M2013 to \$242.9 million in 9M2014. Interest cost declined by \$0.5 million while cost of goods sold for the retail and trading of pre-owned jewellery and gold business increased by \$19.2 million, in line with the increase in revenue in this segment.

Gross profit

Overall gross profit increased by \$1.0 million in 9M2014 as compared with the same period in FY2013. Gross profit margin declined slightly from 7.4% in 9M2013 to 7.2% in 9M2014.

Other operating income

Other operating income was \$0.1 million higher in 9M2014 compared to the same period last year. The increase was due to increases in interest income of \$0.2 million, rental income of \$0.1 million and government grants of \$0.1 million. This was partially offset by a one-off assignment fee of \$0.3 million received in 9M2013.

Administrative expenses

Administrative expenses comprise mainly employee benefits expense, rental expenses, depreciation expenses, legal and professional fees and insurance premiums. The increase in administrative expenses from \$8.8 million in 9M2013 to \$11.1 million in 9M2014 was mainly due to the increase in employee benefits expense of \$1.2 million, rental expenses of \$0.5 million and depreciation expense of \$0.2 million. The increase in employee benefits expense was due to the increase in headcount and salary adjustments. Rental expenses increased mainly due to the inclusion of the new outlets with leases commencing in the second half of FY2013 and during the first half of FY2014, as well as revision in rental rates upon renewal of leases.

Other operating expense

Other operating expense comprises allowance for doubtful trade receivables of \$2.0 million in 9M2014 and \$1.7 million in 9M2013.

Share of results of associates

The Group's share of results of associates declined from \$1.4 million in 9M2013 to \$1.2 million in 9M2014. The decline was due to the \$0.3 million contribution by an associated company in 9M2013 which ceased to be an associate in FY2013 as it became a subsidiary of the Group in August 2013 as part of the Group's Restructuring Exercise.

Profit before tax

As a result of the above, profit before tax decreased by \$1.8 million to \$8.0 million in 9M2014.

Income tax expense

Income tax expense in 9M2014 was lower by \$0.4 million in line with the lower profit.

Review of the Group's Financial Position

Non-current assets increased by \$3.4 million from \$13.1 million as at 31 December 2013 to \$16.5 million as at 30 September 2014 mainly due to the increase in property, plant and equipment as a result of the acquisition of Tai Eng Pawnbroker Pte Ltd and the share of results of associates for 9M2014.

Current assets increased by \$10.0 million from \$226.9 million as at 31 December 2013 to \$236.9 million as at 30 September 2014. This was mainly due to the increase in trade and other receivables of \$12.1 million. This was partially offset by decreases in inventories of \$0.3 million, prepaid operating expenses of \$0.5 million and cash and cash equivalents of \$1.3 million.

Current liabilities increased by \$10.6 million from \$88.7 million as at 31 December 2013 to \$99.3 million as at 30 September 2014 as a result of increases in interest-bearing loans and borrowings of \$7.5 million, trade and other payables of \$3.7 million and other liabilities of \$0.1 million. These were partially offset by a decrease in income tax payable of \$0.7 million.

Equity comprises share capital, retained earnings, capital reserve, merger reserve and non-controlling interests. Equity attributable to owners of the Company increased from \$146.6 million as at 31 December 2013 to \$149.1 million as at 30 September 2014 mainly due to the increase in retained earnings.

Review of the Group's Cash Flows

3Q2014 vs 3Q2013

In 3Q2014, the net cash used in operating activities was \$0.3 million. This comprises operating cash flows before working capital adjustments of \$2.9 million, adjusted by net working capital outflow of \$1.7 million. In 3Q2014, the Group received interest income of \$0.2 million, with net income tax paid of \$1.3 million and interest expense paid of \$0.4 million respectively. The net working capital outflow was a result of the increase in trade and other receivables of \$10.8 million. This was partially offset by the decreases in inventories of \$4.5 million and prepaid expenses of \$0.1 million, and the increases in trade and other payables of \$4.0 million and other liabilities by \$0.5 million.

In 3Q2014, the net cash used in investing activities amounted to \$0.2 million comprising mainly the purchases of property, plant and equipment.

The net cash from financing activities in 3Q2014 amounted to \$2.8 million comprising proceeds from short-term bank borrowings of \$7.0 million which was partially offset by the payment of dividends of \$4.1 million to the then-existing shareholders of a newly acquired subsidiary.

9M2014 vs 9M2013

In 9M2014, the net cash generated from operating activities was \$0.2 million. This comprises operating cash flows before working capital adjustments of \$9.7 million, adjusted by net working capital outflow of \$7.3 million. In 9M2014, the Group received interest income of \$0.4 million, with net income tax paid of \$1.5

million and interest expense paid of \$1.1 million respectively. The net working capital outflow was a result of the increase in trade and other receivables of \$12.0 million. This was partially offset by the decrease in inventories of \$0.4 million and prepaid expenses of \$0.5 million, and the increase in trade and other payables of \$3.7 million and other liabilities of \$0.1 million.

In 9M2014, the net cash generated from investing activities amounted to \$0.2 million, comprising dividend income from associated and investee companies of \$0.5 million, partially offset by the purchase of property, plant and equipment of \$0.3 million.

The net cash used in financing activities in 9M2014 amounted to \$1.5 million, which was used in the payment of dividends of \$9.1 million and repayment of short-term bank borrowings and finance lease obligations of \$4.5 million. This was partially offset by the proceeds from short-term bank borrowings of \$12.1 million.

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

Not applicable.

10. A commentary at the date of the announcement of the 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.

Gold price has fallen below US\$1,200 per ounce since the beginning of October. The pawnbroking business continues to face increasing competition which is expected to continue in the foreseeable future.

As part of the Group's strategy to grow its secured lending business and broaden the Group's revenue base, the Group acquired VM Credit Pte Ltd, a company with a money lending licence in September 2014. Since the acquisition, VM Credit has entered into several loan contracts amounting to \$9.6 million of which \$3.1 million has been disbursed to-date. The Group announced on 1 October 2014 that the Group will allocate \$15 million of the net proceeds raised from the Company's listing on the SGX to expand the moneylending business.

The Group will continue to seek out opportunities to grow its businesses through acquisitions and setting up of new outlets both in Singapore and overseas.

11. Dividend

**i. Current Financial Period Reported on
Any dividend declared for the current period?**

No.

**ii. Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediately preceding financial year?**

No.

12. If no dividend has been declared (recommended), a statement to that effect.

No dividend has been declared for the three-month period ended 30 September 2014.

13. The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a)(ii). However, the following interested person transactions were included in the Prospectus, and as such, the transactions are deemed to be under a general mandate pursuant to Rule 920(2) until the next annual general meeting.

Aggregate value of all interested person transactions during
the financial year under review (excluding transactions less
than \$100,000 and transactions conducted under
shareholders' mandate pursuant to [Rule 920](#))

	YTD-30 Sep 14 \$'000	YTD-30 Sep 13 \$'000
Sales of goods to director-related companies		
- Golden Goldsmith Jewellers	—	208
- Hwa Goldsmith and Jewellers	1,481	978
- Lee Heng Jewellers	157	163
- Mei Zhi Jewellery	205	—
- Lucky Jewellery	323	232
Purchase of goods from director-related companies		
- Big M Jewellery	—	68
- Golden Goldsmith Jewellers	—	7,547
- Lee Heng Jewellers	148	133
- Yeah Capital	—	1,622
Rental paid to director-related company		
- Yeah Properties Pte Ltd	234	224
- Yeah Capital	117	110

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

14. Use of proceeds

In accordance with the section entitled “Use of Proceeds and Listing Expenses” and subsequent announcement dated 1 October 2014, as at the date of this announcement, the Company wishes to announce that the net proceeds of approximately \$66.7 million have been utilised as follows:

Use of Proceeds	Amount allocated (as stated in the announcement dated 1 October 2014) (\$'million)	Amount utilised as at the date of this announcement (\$'million)	Balance of net proceeds as at the date of this announcement (\$'million)
Expansion of our business ⁽¹⁾	25.0	9.7	15.3
Working capital purposes ⁽²⁾	41.7	26.7	15.0
	66.7	36.4	30.3

⁽¹⁾ Of the net proceeds allocated for expansion of business:

- (a) \$3.1 million was utilised to increase the share capital of two wholly-owned subsidiaries.
- (b) \$2.1 million was used for the Group's share of investment in three Malaysian associated companies which were incorporated in November 2013.
- (c) \$4.5 million was utilised for the acquisition of Tai Eng Pawnbroker Pte Ltd.

⁽²⁾ Of the net proceeds allocated for working capital purposes, \$26.7 million have been used to reduce the utilisation of bank overdrafts and revolving credit facilities.

The Company will make further periodic announcements on the use of the balance net proceeds from the Invitation as and when the funds are materially disbursed.

15. Negative confirmation pursuant to Rule 705(5)

The board of Directors of the Company (the “Board”) confirms that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited interim financial statements for the period ended 30 September 2014 to be false or misleading in any material respects.

For and on behalf of the Board

Yeah Hiang Nam
Managing Director

Yeah Lee Ching
Executive Director