

UTILISATION OF PLACEMENT PROCEEDS

The Board of Directors of the Company ("**Board**") refers to the Company's announcement dated 17 August 2015 ("**Announcement**") in relation to the signing of sale and leaseback agreement ("**Sale And Leaseback Agreement**") between the Company's wholly-owned subsidiary, Pavillon Financial Leasing Co., Ltd ("**PFLC**") and Haoke Technology Co., Ltd. ("**Haoke**"). Unless otherwise defined, all capitalised terms used herein shall have the meanings ascribed to them in the Announcement.

Further to the Announcement, the Board wishes to update the shareholders that the Company has utilized a portion of the placement proceeds amounting to S\$24,840,000 as follows:-

To purchase the Equipment from Haoke In accordance to the Sale And Leaseback Agreement	RMB20,000,000 (equivalent to S\$4,384,000)
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Working capital	RMB600,000 (equivalent to S\$131,000)
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Total Placement Fund Utilisation to date	RMB20,600,000 (equivalent to S\$4,515,000)
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The Company will continue to provide periodic announcement(s) on the utilization of the balance of the placement proceeds as and when such proceeds are materially deployed.

By Order of the Board

Dr John Chen Seow Phun
Executive Chairman

Date: 21 August 2015