



TSH Corporation Limited

Company Registration Number: 200003865N

Half-Year Unaudited Financial Statement Announcement for the Financial Period Ended 30 June 2016

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Capital Private Limited, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("Exchange"). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms. Tan Pei Woon (Tel: (65) 6532 3829) at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542.

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

1(a)(i) A statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year

Statement of Comprehensive Income

	The Group		Increase / (Decrease)
	For the 6 months ended		
	30/6/2016 S\$'000	30/6/2015 (Restated) S\$'000	
Revenue	-	14,436	n.m.
Cost of sales	-	(14,227)	n.m.
Gross profit	-	209	n.m.
Other income	418	279	49.8%
General and administrative expenses	(809)	(1,103)	-26.7%
Selling and marketing expenses	(36)	(284)	-87.3%
Finance costs	(88)	(57)	54.4%
Other operating expenses	(1,141)	(206)	453.9%
Loss before taxation from continuing operations	(1,656)	(1,162)	42.5%
Taxation	(868)	-	n.m.
Loss from continuing operations, net of tax	(2,524)	(1,162)	117.2%
(Loss)/Profit from discontinuing operations, net of tax ⁽¹⁾	(1,810)	361	n.m.
LOSS FOR THE PERIOD	(4,334)	(801)	441.1%
Other comprehensive income:			
Foreign currency translation	(169)	131	n.m.
Other comprehensive income for the period, net of tax	(169)	131	n.m.
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(4,503)	(670)	572.1%
Total comprehensive income attributable to:			
- from continuing operations	(2,523)	(1,147)	120.0%
- from discontinuing operations	(1,980)	477	n.m.
	(4,503)	(670)	572.1%

n.m. - not meaningful

Note 1

	The Group		Increase / (Decrease)
	For the 6 months ended		
	30/6/2016 S\$'000	30/6/2015 S\$'000	
Revenue	6,721	5,912	13.7%
Cost of sales	(4,825)	(4,180)	15.4%
Gross profit	1,896	1,732	9.5%
Other income	131	118	11.0%
General and administrative expenses	(805)	(708)	13.7%
Selling and marketing expenses	(516)	(536)	-3.7%
Finance costs	(38)	(23)	65.2%
Other operating expenses	(345)	(219)	57.5%
Profit before exceptional items and taxation	323	364	-11.3%
Exceptional items	(2,114)	-	n.m.
(Loss)/Profit before taxation	(1,791)	364	n.m.
Taxation	(19)	(3)	533.3%
(LOSS)/PROFIT FOR THE PERIOD FROM DISCONTINUING OPERATIONS	(1,810)	361	n.m.

Please refer to paragraph 8 for further details of discontinuing operations.

1(a)(ii) Notes to the statement of comprehensive income

	The Group	
	For the 6 months ended	
	30/6/2016 S\$'000	30/6/2015 (Restated) S\$'000
(Loss)/Profit before taxation is arrived at after charging/(crediting) the following:-		
From continuing operations:		
Depreciation of property, plant and equipment	37	130
Fair value loss on held for trading financial assets	328	25
Foreign exchange loss, net	626	38
Impairment of assets held-for-sale	150	-
Interest expense	87	55
Interest income	(196)	(4)
Rental income	(207)	(234)
Taxation:-		
Write down of deferred tax assets	868	-
From discontinuing operations:		
Amortisation of intangible assets	13	-
Depreciation of property, plant and equipment	196	199
Foreign exchange (gain)/loss, net	(22)	20
Gain on disposal of property, plant and equipment	-	(23)
Impairment of other receivables	156	-
Exceptional items:-		
Impairment of property, plant and equipment	354	-
Impairment of goodwill	1,760	-
	2,114	-
Taxation:-		
Provision in respect of (loss)/profit for the current period		
- current tax	11	6
Under/(over) provision in respect of prior periods		
- current tax	8	(3)
	19	3

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

Statement of Financial Position

	The Group		The Company	
	30/6/2016 S\$'000	31/12/2015 S\$'000	30/6/2016 S\$'000	31/12/2015 S\$'000
Non-current assets				
Property, plant and equipment	382	1,868	382	417
Investments in subsidiaries	-	-	4,115	9,515
Intangible assets	-	1,963	-	-
Deferred tax assets	-	877	-	868
	382	4,708	4,497	10,800
Current assets				
Assets held-for-sale	11,695	11,845	11,695	11,845
Inventories	-	239	-	-
Gross amount due from customers for contract work-in-progress	-	81	-	-
Trade and other receivables	99	4,630	133	18,459
Held for trading financial assets	1,597	1,925	1,597	1,926
Fixed deposits	20,943	13,058	20,943	2,645
Cash and bank balances	1,675	17,979	1,536	867
	36,009	49,757	35,904	35,742
Assets of disposal group classified as held for sale ⁽¹⁾	9,408	-	2,000	-
	45,417	49,757	37,904	35,742
Current liabilities				
Gross amount due to customers for contract work-in-progress	-	147	-	-
Trade and other payables	1,274	7,031	2,503	2,009
Borrowings	11,968	7,196	11,968	7,196
Provision for taxation	-	5	-	-
	13,242	14,379	14,471	9,205
Liabilities of disposal group classified as held for sale ⁽¹⁾	4,365	-	-	-
	17,607	14,379	14,471	9,205
Net current assets	27,810	35,378	23,433	26,537
Non-current liability				
Deferred tax liability	-	178	-	-
	-	178	-	-
Net assets	28,192	39,908	27,930	37,337
Equity attributable to the owners of the Company				
Share capital	26,034	26,034	26,034	26,034
Translation reserve	1	724	-	-
Reserve of disposal group classified as held for sale	554	-	-	-
Revenue reserve	1,603	13,150	1,896	11,303
Total equity	28,192	39,908	27,930	37,337

Note 1

	30/6/2016 S\$'000
Assets	
Plant and equipment	1,501
Intangible assets	236
Deferred tax assets	8
Inventories	303
Gross amount due from customers for contract work-in-progress	300
Trade and other receivables	3,385
Fixed deposits	2,505
Cash and bank balances	1,170
Assets of disposal group classified as held for sale	9,408
Liabilities	
Gross amount due to customers for contract work-in-progress	476
Trade and other payables	3,698
Provision for taxation	13
Deferred tax liabilities	178
Liabilities of disposal group classified as held for sale	4,365
Net assets of disposal group classified as held for sale	5,043

Please refer to paragraph 8 for further details of the Disposal Group.

1(b)(ii) Aggregate amount of group's borrowings and debt securities**Amount repayable in one year or less, or on demand**

As at 31/6/2016 S\$'000		As at 31/12/2015 S\$'000	
Secured	Unsecured	Secured	Unsecured
11,968	-	7,196	-

Amount repayable after one year

As at 31/6/2016 S\$'000		As at 31/12/2015 S\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral

The Group's secured borrowings are secured by its freehold industrial land and building (the "Building") and the assignment of rental income generated from the Building. The amount repayable after one (1) year of S\$4.03m (31/12/2015: S\$4.24m) was classified as amount repayable in one (1) year or less as the related borrowings will be repaid upon the completion of the sale of the Building as mentioned in paragraph 10 below.

The Company also provides corporate guarantees for the borrowings of the subsidiaries within the Group.

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

Statement of Cash Flows

	The Group	
	For the 6 months ended	
	30/6/2016 S\$'000	30/6/2015 (Restated) S\$'000
Cash Flows From Operating Activities		
Loss before taxation from continuing operations	(1,656)	(1,162)
(Loss)/Profit before taxation from discontinuing operations	(1,791)	364
	(3,447)	(798)
Adjustments for:		
Amortisation of intangible assets	13	-
Depreciation of property, plant and equipment	233	329
Fair value loss on held for trading financial assets	328	25
Gain on disposal of property, plant and equipment	-	(23)
Impairment of assets held-for-sale	150	-
Impairment of other receivables	156	-
Impairment of goodwill	1,760	-
Impairment of property, plant and equipment	354	-
Interest expense	87	55
Interest income	(198)	(9)
Net effect of currency translation differences	688	(62)
Property, plant and equipment written off	2	-
Operating cash flows before changes in working capital	126	(483)
Increase in development properties	-	(420)
(Increase)/ Decrease in inventories	(64)	5
Decrease in gross amount due from customers for contract work-in-progress, net	110	1,349
Decrease/ (Increase) in trade and other receivables	991	(721)
Decrease in trade and other payables	(2,708)	(3,791)
Cash flows used in operations	(1,545)	(4,061)
Income taxes paid	(9)	(66)
Interest paid	(87)	(76)
Interest received	198	9
Net cash flows used in operating activities	(1,443)	(4,194)
Cash Flows From Investing Activities		
Additions to intangible assets	(56)	(233)
Downpayment from disposal of subsidiaries	648	-
Proceeds from disposal of property, plant and equipment	-	52
Purchase of property, plant and equipment	(604)	(418)
Net cash flows used in investing activities	(12)	(599)
Cash Flows From Financing Activities		
Dividend paid	(7,213)	-
Placement of bank balances and deposits pledged	-	(1,726)
Proceeds from borrowings	4,772	338
Net cash flows used in financing activities	(2,441)	(1,388)
Net decrease in cash and cash equivalents	(3,896)	(6,181)
Effect of exchange rate changes on cash and cash equivalents	(758)	190
Cash and cash equivalents at beginning of period	29,079	18,005
Cash and cash equivalents at end of period (Note A)	24,425	12,014

Note A

For the purpose of the statement of cash flows (for the Group), the cash and cash equivalents at the end of the financial period comprised the following:

	30/6/2016	30/6/2015
	S\$'000	S\$'000
Fixed deposits	23,448	2,776
Cash and bank balances	2,845	13,214
	26,293	15,990
Less: Bank balances and fixed deposits pledged	(1,868)	(3,976)
Cash and cash equivalents ⁽¹⁾	24,425	12,014

Note:

1. As at 30 June 2016, the cash and cash equivalents of the Disposal Group amounted to approximately S\$1.81 million.

The net cash flows attributable to the discontinuing operations are as follows:

	For the 6 months ended	
	30/6/2016	30/6/2015
	S\$'000	S\$'000
Net cash flows used in operating activities	(700)	(3,073)
Net cash flows used in investing activities	(657)	(264)
Net cash flows used in financing activities	-	(1,715)
Total cash outflows	(1,357)	(5,052)

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Changes in Equity

The Group	Share capital S\$'000	Revenue reserve S\$'000	Translation reserve S\$'000	Reserve of disposal group classified as held for sale S\$'000	Total equity S\$'000
As at 1 January 2016	26,034	13,150	724	-	39,908
Loss for the period	-	(4,334)	-	-	(4,334)
Other comprehensive income:-					
Foreign currency translation	-	-	1	(170)	(169)
Total comprehensive income for the period	-	(4,334)	1	(170)	(4,503)
Total distributions to and transactions with owners in their capacity as owners:-					
Dividends on ordinary shares	-	(7,213)	-	-	(7,213)
Others:-					
Reserve of disposal group classified as held for sales	-	-	(724)	724	-
As at 30 June 2016	26,034	1,603	1	554	28,192
As at 1 January 2015	26,034	19,449	417	-	45,900
Loss for the period	-	(801)	-	-	(801)
Other comprehensive income:-					
Foreign currency translation	-	-	131	-	131
Total comprehensive income for the period	-	(801)	131	-	(670)
As at 30 June 2015	26,034	18,648	548	-	45,230

The Company	Share capital S\$'000	Revenue reserve S\$'000	Total equity S\$'000
As at 1 January 2016	26,034	11,303	37,337
Loss for the period	-	(2,194)	(2,194)
Total comprehensive income for the period	-	(2,194)	(2,194)
Total distributions to and transactions with owners in their capacity as owners:-			
Dividends on ordinary shares	-	(7,213)	(7,213)
As at 30 June 2016	26,034	1,896	27,930
As at 1 January 2015	26,034	10,791	36,825
Profit for the period	-	594	594
Total comprehensive income for the period	-	594	594
As at 30 June 2015	26,034	11,385	37,419

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as 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 immediate preceding financial year.

There were no changes in the Company's share capital in the 6 months ended 30 June ("1H") 2016. There were no outstanding convertibles or treasury shares as at 30 June 2016 and 2015.

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

Total number of issued shares excluding treasury shares was 240,443,565 as at 30 June 2016 (31 December 2015: 240,443,565 shares).

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

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during 1H2016.

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

The figures have neither been audited nor reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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 adopted the same accounting policies and methods of computation in the financial statements for the current financial period compared with the audited financial statements as at 31 December 2015 except for the adoption of certain revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that became mandatory from 1 January 2016.

The adoption of these FRS and INT FRS did not result in any substantial changes to the Group's accounting policies or any significant impact on the financial statements for the current period reported on.

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.

Refer to paragraph 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.

	For the 6 months ended	
	30/6/2016 Cents	30/6/2015 Cents
The Group		
Basic ⁽¹⁾	(1.80)	(0.33)
Diluted ⁽²⁾	(1.80)	(0.33)

Notes:-

(1) Basic earnings per ordinary share were calculated based on the loss for the period of S\$4.33m (1H2015: S\$0.80m) divided by the weighted average number of shares in issue of 240,443,565 for 1H2016 (1H2015: 240,443,565 shares).

(2) There were no potential dilutive ordinary shares in 1H2016 and 1H2015.

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.

	The Group		The Company	
	30/6/2016 Cents	31/12/2015 Cents	30/6/2016 Cents	31/12/2015 Cents
Net asset value per ordinary share	11.72	16.60	11.62	15.53

Note:-

The net asset value per ordinary share were calculated based on the net assets divided by 240,443,565 ordinary shares as at 30 June 2016 (31 December 2015: 240,443,565).

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 (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.

STATEMENT OF COMPREHENSIVE INCOME

Continuing Operations

Revenue and gross profit

On 28 April 2016, the Company entered into a sale and purchase agreement with Exact Solution Management Ltd ("Exact Solution") to dispose of its entire shareholding interest in Wow Technologies (Singapore) Pte Ltd together with its subsidiaries ("Wow Group") to Exact Solution. On 13 June 2016, the Company entered into a sale and purchase agreement with Lye Chee Fei Anthony ("Anthony Lye") to dispose of its entire shareholding interest in Explomo Technical Services Pte Ltd ("Explomo") to Anthony Lye. As at 30 June 2016, the assets and liabilities pertaining to Wow Group and Explomo (excluding inactive companies of Homeland Security Services business) (together, the "Disposal Group") have been presented as "Assets of disposal group classified as held for sale" and "Liabilities of disposal group classified as held for sale" respectively in the Statement of Financial Position. The results pertaining to the Disposal Group for 1H2016 and 1H2015 are presented separately under discontinuing operations in the Statement of Comprehensive Income. The presentations are made in accordance with FRS105, Non-current Assets Held for Sale and Discontinued Operations.

As a result of the above, there was no revenue and gross profit reported from the continuing operations for 1H2016. The revenue and gross profit for 1H2015 were related mainly to the Property business, and the Company has sold all its properties held for development in the financial year ended 31 December ("FY") 2015.

Loss before taxation

Loss for the period increased by S\$0.49m or 42.5% from S\$1.16m in 1H2015 to S\$1.66m in 1H2016. The increase was due mainly to the increase in other operating expenses and absence of contribution from the events management services business, but moderated by the decrease in general and administrative expenses, selling and marketing expenses, and increase in other income.

The other operating expenses increased by S\$0.94m or 453.9% from S\$0.21m in 1H2015 to S\$1.14m in 1H2016 due mainly to the exchange loss suffered mainly from the depreciation of the Australian Dollar and the United States Dollar, fair value loss on held for trading financial assets as a result of lower market value of the quoted shares, impairment of assets held-for-sale relating to the equity investment in a private company incorporated in Hong Kong, Unilink Development Limited ("Unilink"), and moderated by lower depreciation of property, plant and equipment as a result of the absence of depreciation of the Building subsequent to its classification as assets held-for-sale in FY2015.

The general and administrative expenses decreased by S\$0.29m or 26.7% from S\$1.10m in 1H2015 to S\$0.81m in 1H2016 due mainly to the absence of expenses of a subsidiary, involved in events management services, disposed of in FY2015.

The selling and marketing expenses decreased by S\$0.25m or 87.3% from S\$0.28m in 1H2015 to S\$0.04m in 1H2016 due mainly to the absence of the selling and marketing expenses incurred for the Property business.

Other income increased by S\$0.14m or 49.8% from S\$0.28m in 1H2015 to S\$0.42m in 1H2016 due to higher interest income from banks as a result of higher cash and bank balances on hand.

Total comprehensive income

As a result of the above and the write down of deferred tax assets due to the change in expectation of its recoverability, the Group reported a total comprehensive income of a loss from continuing operations of S\$2.52m in 1H2016.

Discontinuing Operations

Revenue

The revenue increased by S\$0.81m or 13.7% from S\$5.91m in 1H2015 to S\$6.72m in 1H2016 due to the increase in revenue of Explomo attributed mainly to the commencement of a local civil defence shelter project and two (2) overseas land remediation projects, and the increase in revenue of the Consumer Electronic Products business, attributed mainly to the marketing efforts and sales of new models.

Gross profit

The gross profit increased by S\$0.16m or 9.5% from S\$1.73m for 1H2015 to S\$1.90m for 1H2016 due to the higher gross profit of the Consumer Electronic Products business. The gross margin reduced slightly due to the lower margin of Explomo's projects, but it was moderated by the higher margin of new models of the Consumer Electronic Products business.

Profit before exceptional items and taxation

The profit decreased by S\$0.04m or 11.3% from S\$0.36m in 1H2015 to S\$0.32m in 1H2016 due mainly to higher general and administrative expenses and other operating expenses in 1H2016.

The general and administrative expenses increased by S\$0.10m or 13.7% from S\$0.71m in 1H2015 to S\$0.81m in 1H2016 due mainly to staff bonus and training costs incurred by Explomo.

The other operating expenses increased by S\$0.13m or 57.5% from S\$0.22m in 1H2015 to S\$0.35m in 1H2016 due mainly to the impairment of advance to a supplier for Consumer Electronics Products business.

Exceptional items

The exceptional items were related to the impairment of goodwill and plant and equipment relating to Explomo as the net proceed from the sale of Explomo will not be sufficient to recover their carrying values.

Total comprehensive income

As a result of the above and the foreign currency translation loss in 1H2016 attributed to the depreciation of US Dollar against Singapore Dollar, the discontinuing operations reported a loss of S\$1.98m in 1H2016.

STATEMENT OF FINANCIAL POSITION

Non-current assets

The Group non-current assets decreased by S\$4.33m or 91.9% from S\$4.71m as at 31 December 2015 to S\$0.38m as at 30 June 2016 due mainly to the impairment of goodwill and plant and equipment relating to Explomo, write down of deferred tax assets and classification of the plant and equipment and intangible assets of the Disposal Group as held for sale under current assets as mentioned above.

Current assets

The Group current assets, including those of the Disposal Group, decreased by S\$4.34m or 8.7% from S\$49.76m as at 31 December 2015 to S\$45.42m as at 30 June 2016 due mainly to:

- decrease in total cash balances of S\$4.74m (consisting of fixed deposits and cash and bank balances);
- decrease in trade and other receivables of S\$1.15m due mainly to lower trade receivables and lower advance to suppliers of Consumer Electronics Products business as a result of lower sales near 30 June 2016 as compared to 31 December 2015;
- impairment of held for trading financial assets as explained above;
- impairment of assets held-for-sale as explained above. The assets held-for-sale were related to the Building and equity investment in Unilink; and
- moderated by the plant and equipment and intangible assets of the Disposal Group of S\$1.74m classified as current assets.

Current liabilities

The Group current liabilities, including those of the Disposal Group, increased by S\$3.23m or 22.4% from S\$14.38m as at 31 December 2015 to S\$17.61m as at 30 June 2016 due mainly to higher borrowings of about S\$4.77m but moderated by decrease in the trade and other payables of about S\$2.06m as a result of payments made in 1H2016.

STATEMENT OF CASH FLOWS

The cash flows used in operating activities of S\$1.44m in 1H2016 was attributed mainly to the decrease in trade and other payables but moderated by decrease in trade and other receivables.

The cash flows used in investing activities of S\$0.01m in 1H2016 was attributed mainly to the purchase of property, plant and equipment but partially offset by downpayment from disposal of Wow Group.

The cash flows used in financing activities of S\$2.44m in 1H2016 was due to the dividend payment made but moderated by net proceeds from borrowings.

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

The financial results for 1H2016 is in line with the Group's expectation of a loss position as stated in the profit guidance announcement dated 29 July 2016.

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.

On 13 July 2016, the Company issued a circular to its shareholders to propose the disposal of Wow Group and Explomo ("Proposed Businesses Disposals") as well as the disposal of the Building. At the extraordinary general meeting held on 28 July 2016 ("EGM"), the resolutions for the Proposed Businesses Disposals were duly passed with 100.0% voting in favour of the resolutions. The disposal of Explomo was completed on 1 August 2016 and the disposal of Wow Group is expected to be completed in August 2016.

The resolution for the proposed disposal of the Building was also duly passed with 99.98% voting in favour of the resolution at the EGM, and it is also expected to be completed in August 2016.

The Company will cease to have any operating business upon the completion of the Proposed Businesses Disposals and will be deemed a cash company under Rule 1017 of the Catalist Rules (as defined herein). The Company has applied and the Exchange has granted its approval for the Company to continue the trading of its shares on the sponsored-supervised board of the Exchange ("Catalist") upon completion of the Proposed Businesses Disposals.

The Company will continue to pursue the sale of its 26.5% equity investment in Unilink, classified as assets held-for-sale. It is also exploring and evaluating its options that is in the best interests of the shareholders and will assess potential new business opportunities and investments before deciding on the next best course of action. The shareholders will be informed in due course as and when material developments occur.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended for 1H2016.

13. If the Group has obtained a general mandate from Shareholders for IPTs, the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Save for the Proposed Explomo Disposal as mentioned above, the Group has not entered into any other interested person transactions from 1 January 2016 up to the date of this announcement.

The Group does not have a general mandate from shareholders for IPTs pursuant to Rule 920 of Section B: Rules of Catalist of the Listing Manual of the Exchange ("Catalist Rules").

14. Confirmation pursuant to Rule 705(5) of the Catalist Rules.

The Board of directors do hereby confirms that, to the best of their knowledge, nothing has come to the their attention which may render the 1H2016 financial results to be false or misleading in any material aspect.

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

The Company hereby confirms that it has procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7H.

On behalf of the Board,

Lye Chee Fei Anthony
Chief Executive Officer

Wong Weng Foo John
Chairman

12 August, 2016