



P99 HOLDINGS LIMITED

(Formerly known as China Fashion Holdings Limited)
(Registration No: 200311696K)

Unaudited Half-Year Financial Statements and Dividend Announcement for the Six Months Ended 30 June 2016

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Thomas Lam, Associate Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.

PART I - 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 comparative statement for the corresponding period of the immediately preceding financial year.**

	Group		Change %
	Unaudited	Unaudited	
	Six Months Ended		
	30/6/2016	30/6/2015	
	S\$'000	S\$'000	
Revenue	-	-	n.m.
Cost of sales	-	-	n.m.
Gross profit	-	-	n.m.
Other operating income	3	172	(98.0)
Administrative expenses	(893)	(537)	66.3
Other operating expenses	(5)	(4)	25.0
Finance costs	-	(1)	n.m.
(Loss)/Profit before income tax	(895)	(370)	n.m.
Income tax expense	-	-	n.m.
Total (Loss)/Profit for the financial period	(895)	(370)	n.m.
Other comprehensive income, net of tax			
- Foreign currency translation gain	-	-	n.m.
Total comprehensive (Loss)/Profit for the period	(895)	(370)	n.m.

n.m – not meaningful

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

Profit/(Loss) before taxation is stated after crediting / (charging) the following:

	Group		Change %
	Unaudited	Unaudited	
	Six Months Ended		
	30/6/2016	30/6/2015	
	S\$'000	S\$'000	
Depreciation of plant and equipment	(5)	(4)	25.0
Foreign exchange (loss)/gain	(1)	169	(100.6)
Interest expense	-	(1)	n.m.

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.

Group		Company	
Unaudited 30/6/2016	Audited 31/12/2015	Unaudited 30/6/2016	Audited 31/12/2015
S\$'000	S\$'000	S\$'000	S\$'000

ASSETS

Non-current assets

Plant and equipment	-	5	-	5
Total non-current assets	-	5	-	5

Current assets

Other receivables and other current assets	10	10	10	10
Cash and cash equivalents	10,069	10,625	10,069	10,625
Total current assets	10,079	10,635	10,079	10,635

Total assets	10,079	10,640	10,079	10,640
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EQUITY AND LIABILITIES

Capital and reserves

Share capital	48,540	48,540	48,540	48,540
Foreign currency translation reserve	3,003	3,003	2,891	2,891
Accumulated losses	(43,160)	(42,265)	(42,320)	(41,425)
Total equity	8,383	9,278	9,111	10,006

Current liabilities

Trade and other payables	1,696	1,362	968	634
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Total equity and liabilities	10,079	10,640	10,079	10,640
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1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 30/6/2016		As at 31/12/2015	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	-	-

Amount repayable after one year

As at 30/6/2016		As at 31/12/2015	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	-	-

Details of any collateral

None.

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.

	Group	
	Unaudited	Unaudited
	Six Months Ended	
	30/6/2016	30/6/2015
	S\$'000	S\$'000
Cash flows from operating activities		
(Loss)/Profit before income tax	(895)	(370)
<u>Adjustments for:-</u>		
Depreciation of plant and equipment	5	4
Unrealised Foreign exchange (gain)/loss	1	(169)
Interest expense	-	1
Operating cash flows before changes in working capital	(889)	(534)
<u>Changes in working capital:-</u>		
Other receivables and other current assets	-	45
Trade and other payables	334	(6)
Net cash (used in)/generated from operating activities	(555)	(495)
Investing activities		
Purchase of plant and equipment	-	-
Net cash used in investing activities	-	-
Financing activities		
Interest paid	-	(1)
Net cash (used in)/generated from financing activities	-	(1)
Net decrease/increase in cash and cash equivalents	(555)	(496)
Effect of foreign exchange rate changes	(1)	169
Cash and cash equivalents at beginning of period	10,625	11,304
Cash and cash equivalents at end of period	10,069	10,977
Represented by:		
Cash and bank balances	10,069	10,977

- 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.

Share Capital	Foreign Currency Translation Reserve	Accumulated Losses	Total
S\$'000	S\$'000	S\$'000	S\$'000

Group

Balance as at 1 January 2016

Loss for the financial period
Other comprehensive loss, net of tax
– Foreign currency translation gain
Total comprehensive loss for the period

Balance as at 30 June 2016

48,540	3,003	(42,265)	9,278
-	-	(895)	(895)
-	-	-	-
-	-	(895)	(895)
48,540	3,003	(43,160)	8,383

Balance as at 1 January 2015

Loss for the financial period
Other comprehensive loss, net of tax
– Foreign currency translation gain
Total comprehensive loss for the period

Balance as at 30 June 2015

48,540	3,003	(40,685)	10,858
-	-	(370)	(370)
-	-	-	-
-	-	(370)	(370)
48,540	3,003	(41,055)	10,488

Company

Balance as at 1 January 2016

Loss for the financial period
Other comprehensive loss, net of tax
– Foreign currency translation gain
Total comprehensive loss for the period

Balance as at 30 June 2016

48,540	2,891	(41,425)	10,006
-	-	(895)	(895)
-	-	-	-
-	-	(895)	(895)
48,540	2,891	(42,320)	9,111

Balance as at 1 January 2015

Loss for the financial period
Other comprehensive loss, net of tax
– Foreign currency translation gain
Total comprehensive loss for the period

Balance as at 30 June 2015

48,540	2,891	(39,847)	11,584
-	-	(370)	(370)
-	-	-	-
-	-	(370)	(370)
48,540	2,891	(40,217)	11,214

- 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 immediately preceding financial year.**

There was no change in the issued and paid-up share capital of the Company from 31 December 2015 up to 30 June 2016. The Company's share capital was S\$48,540,000 comprising 216,408,402 shares as at 31 December 2015 and 30 June 2016.

The Company did not have any outstanding convertibles or treasury shares as at 30 June 2016 (30 June 2015: Nil).

- 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 immediately preceding year.**

	Company	
	30/6/2016	31/12/2015
Total number of issued shares excluding treasury shares	216,408,402	216,408,402

The Company did not have any treasury shares as at 30 June 2016 (31 December 2015: Nil).

- 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.**

Not applicable. There were no sales, transfers, disposals, cancellation and/or use of treasury shares during and as at the end of the current financial period reported on.

- 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 computations in the financial statements for the period ended 30 June 2016 as those of the audited financial statements as at 31 December 2015.

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.

The Group has adopted all of the new or revised Financial Reporting Standards ("FRS") that are effective for the financial period beginning 1 January 2016 and are relevant to its operations. The adoption of these new and revised FRS has no material effect on the amounts reported for the current or prior reporting periods.

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 in issue; and
(b) On a fully diluted basis (detailing any adjustments made to the earnings).**

Earnings per ordinary share ("EPS") for the period based on consolidated net profit attributable to shareholders	Group	
	Six Months Ended 30/6/2016	Six Months Ended 30/6/2015
	S\$	S\$
Net (Loss)/Profit attributable to shareholders of the Company	(895,000)	(370,000)
(a) Based on the weighted average number of ordinary shares in issue (SGD cents)	(0.41)	(0.17)
(b) On a fully diluted basis (SGD cents)	(0.41)	(0.17)

The EPS for the financial period ended 30 June 2016 is calculated based on the weighted average number of ordinary shares in issue of 216,408,402 (30 June 2015: 216,408,402).

The basic and fully diluted EPS are the same as there were no outstanding convertible securities for the financial period ended 30 June 2016 and 30 June 2015.

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	
30/6/2016	31/12/2015	30/6/2016	31/12/2015
S\$	S\$	S\$	S\$

Net asset value per ordinary share based on number of shares issued at the end of the financial period (SGD cents)

3.87 4.29 4.21 4.62

Net asset value 8,383,000 9,278,000 9,111,000 10,006,000

The net asset value per ordinary shares as at 30 June 2016 and 31 December 2015 are calculated based on 216,408,402 ordinary shares in issue as at end of the respective financial period/year.

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.

Six months ended 30 June 2016 ("HY2016") vs six months ended 30 June 2015 ("HY2015")

Statement of Comprehensive Income

No revenue was recognised in HY2016 as the Company became a Cash Company on 1st December 2014.

Other income was S\$3,000 in HY2016 (HY2015: S\$172,000), mainly comprised the receipt from government rebate schemes. There was an absence of approximately S\$169,000 of foreign exchange gain incurred in HY2015.

Administrative expenses increased by approximately S\$356,000 from S\$537,000 in HY2015 to S\$893,000 in HY2016. The increase was mainly due to increase in professional costs in conjunction with RTO exercise during HY2016.

Other operating expense increased by S\$1,000 from S\$4,000 for HY2015 to S\$5,000 for HY2016 as most plant and equipment has been written off in HY2016.

The Group's net loss before income tax was S\$895,000 for HY2016 as compared to a loss of S\$370,000 in HY2015.

Statement of Financial Position

The Group's non-current assets decreased by approximately S\$5,000 as at 30 June 2016. The decrease was mainly due to the depreciation expense relating to the plant and equipment.

Other receivables and other current assets remained constant at S\$10,000 as at 30 June 2016 and 31 December 2015.

Cash and cash equivalents for the Group decreased to S\$10,069,000 as at 30 June 2016 from S\$10,625,000 as at 31 December 2015, registering a net decrease of S\$556,000.

The Group's share capital remained constant at S\$48,540,000 as at 30 June 2016 and 31 December 2015.

Foreign currency translation reserve remained constant at S\$3,003,000 as at 30 June 2016 and 31 December 2015.

Trade and other payables increased to S\$1,696,000 as at 30 June 2016 from S\$1,362,000 as at 31 December 2015. It comprise mainly accruals of professional fees (RTO) of approximately S\$739,000 in relation to the SPA and the Supplemental Agreement in relation to the Barito Parties, which was subsequently terminated on 24 May 2016.

The Group had a positive working capital of S\$8,383,000 as at 30 June 2016, as compared to S\$9,273,000 as at 31 December 2015. Save for a non-interest bearing shareholders loan of S\$120,000 for the purpose of professional fees in relation to the proposed RTO, the Group had no borrowings as at 30 June 2016 and 31 December 2015.

Statement of Cash Flows

The Group reported a cash outflow of S\$555,000 in HY2016 from its operating activities, after accounting for movements in working capital, as compared to cash outflow of S\$495,000 in HY2015.

The Group's cash and cash equivalents decreased by S\$556,000 in HY2016 to S\$10,069,000 as at 30 June 2016, mainly due to net cash outflows from operating activities in HY2016.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders for the current reporting period.

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 24 May 2016, the Group announced that the Barito Parties have agreed to terminate the SPA and the Supplemental Agreement with the sharing of the costs and expenses of the Proposed Acquisition (the “**Termination**”).

On 23 June 2016, the Group announced that termination of the Subscription LOI with Chip Eng Seng Corporation Ltd and the Acquisition LOI of Fujian Hubang Building Materials Technology Co., Ltd. and Quanzhou Yongbang Investment and Management Co., Ltd. on 22 June 2016.

The Group is currently in negotiations in relation to a Potential RTO and if materialised will result in a RTO.

The SGX-ST has in its letter dated 23 June 2016, advised that it has no objection to granting the Company a further extension of time until 26 August 2016. However, in the event the Group fails to enter into definitive agreements in respect of the Potential RTO by 26 August 2016 or fails to complete the Potential RTO, the Company will be removed from the Official List of the SGX-ST.

The Company will announce any material developments in respect of the Potential RTO through the SGXNET.

11. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended)

No dividend has been declared or recommended for the financial period ended 30 June 2016.

(b) (i) Amount per share

Not applicable.

(ii) Previous corresponding period

None.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of the shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable

Not applicable.

- (e) The date on which Registrable Transfers received by the Company (up to 5.00 p.m. will be registered before entitlements to the dividend are determined.

Not applicable.

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

No dividend has been declared or recommended for the financial period ended 30 June 2016.

13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), 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.

The Group does not have any general mandate from shareholders for IPTs pursuant to Rule 920. There was no IPT with value of more than S\$100,000 entered into during the financial period under review.

14. Negative Confirmation by the Board pursuant to Rule 705(5).

The Board of Directors (the "Board") has confirmed that to the best of their knowledge, nothing has come to the attention of the Board which may render the unaudited interim financial results for the half year ended 30 June 2016 to be false or misleading in any material aspect.

15. Confirmation pursuant to Rule 720(1) of the Catalist Listing Manual.

The Company has procured undertakings from all its directors and executive officers under Rule 720(1).

BY ORDER OF THE BOARD

Tan Sin Huat, Dennis
Executive Director

8 August 2016