INDEPENDENT AUDITORS' REPORT

To the Members of Asiasons Capital Limited

We have audited the accompanying consolidated financial statements of Asiasons Capital Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") as set out on pages 37 to 138, which comprise the balance sheets of the Company and of the Group as at 31 December 2014, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the Act) and Singapore Financial Reporting Standards, 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 profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

INDEPENDENT AUDITORS' REPORT

To the Members of Asiasons Capital Limited

(cont'd)

Opinion

In our opinion, the consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2014, and the results, changes in equity and cash flows of the Group for the year ended on that date.

Emphasis of Matter

We draw attention to Note 2(a) to the financial statements which states that for the current financial year ended 31 December 2014, the Group incurred a net loss and total comprehensive loss of S$57,772,284 and S$64,805,796 respectively and there was a net cash outflow from operating activities amounting to S$1,224,628, and as of that date, the Group's current liabilities exceeded its current assets by S$13,870,348. Further, the Group has short-term borrowings amounting to S$8,458,921 as at 31 December 2014.

The above conditions indicate the existence of a material uncertainty that may cast significant doubt about the ability of the Group to continue as a going concern and to realise its assets and discharge its liabilities in the ordinary course of business. Nevertheless, the directors of the Company believe that the use of the going concern assumption in the preparation and presentation of the financial statements for the financial year ended 31 December 2014 is appropriate after taking into consideration the following factors:

(i) Management has prepared a cash flow forecast and is of the view that the Group will have sufficient cash resources to satisfy its working capital requirements and to meet its obligations as and when they fall due; and

(ii) As disclosed in Note 35 to the financial statements, subsequent to 31 December 2014:

- the Company is negotiating with a third party to dispose of a subsidiary company to improve its liquidity; and

- the Company has entered into a non-legally binding term sheet with a third party in connection with the issuance of unsecured equity linked redeemable structured convertible notes, with an aggregate principal amount of up to S$25,000,000 in three tranches.

INDEPENDENT AUDITORS' REPORT

To the Members of Asiasons Capital Limited

Emphasis of Matter (cont'd)

In the event the Group is unable to continue in operational existence for the foreseeable future, the Group may be unable to discharge its liabilities in the ordinary course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the ordinary course of business and at amounts which could differ from the amounts at which they are currently recorded in the balance sheet. In addition, the Group may have to provide for further liabilities which may arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. No such adjustments have been made to these financial statements. Our opinion is not qualified in respect of this matter.

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 subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Moore Stephens LLP
Public Accountants and
Chartered Accountants

Singapore
7 April 2015

NOTES TO THE FINANCIAL STATEMENTS

31 December 2014

These notes form an integral part of and should be read in conjunction with the accompanying financial statements:

1 General

The Company is incorporated and domiciled in Singapore with limited liability. It was listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") Catalist until its transfer from the Catalist to the Main Board of the SGX-ST on 18 August 2010. The registered office and principal place of business of the Company is 22 Cross Street, #03-54/61 South Bridge Court, China Square Central, Singapore 048421.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries and associated companies are disclosed in Notes 18 and 19 to the financial statements respectively.

The board of directors has authorised the financial statements for issue on the date of the statement by directors.

2 Significant Accounting Policies

(a) Going Concern

For the financial year ended 31 December 2014, the Group incurred a net loss and total comprehensive loss of S$57,772,284 and S$64,805,796 (2013: net loss and total comprehensive loss of S$92,697,978 and S$103,093,169) respectively and there was a net cash outflow from operating activities amounting to S$1,224,628 (2013: S$11,172,392), and as of that date, the Group's current liabilities exceeded its current assets by S$13,870,348 (2013: current assets exceeded current liabilities by S$1,269,104). Further, the Group has short-term borrowings amounting to S$8,458,921 (2013: S$12,679,749) as at 31 December 2014.

The above conditions indicate the existence of a material uncertainty that may cast significant doubt about the ability of the Group to continue as a going concern and to realise its assets and discharge its liabilities in the ordinary course of business. Nevertheless, the directors of the Company believe that the use of the going concern assumption in the preparation and presentation of the financial statements for the financial year ended 31 December 2014 is appropriate after taking into consideration the following factors:

2 Significant Accounting Policies (cont'd)

(a) Going Concern (cont'd)

(i) Management has prepared a cash flow forecast and is of the view that the Group will have sufficient cash resources to satisfy its working capital requirements and to meet its obligations as and when they fall due; and

(ii) As disclosed in Note 35 to the financial statements, subsequent to 31 December 2014:

- the Company is negotiating with a third party to dispose of a subsidiary company to improve its liquidity; and

- the Company has entered into a non-legally binding term sheet with a third party in connection with the issuance of unsecured equity linked redeemable structured convertible notes, with an aggregate principal amount of up to S$25,000,000 in three tranches.

In the event the Group is unable to continue in operational existence for the foreseeable future, the Group may be unable to discharge its liabilities in the ordinary course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the ordinary course of business and at amounts which could differ from the amounts at which they are currently recorded in the balance sheet. In addition, the Group may have to provide for further liabilities which may arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. No such adjustments have been made to these financial statements.

(b) Basis of Preparation

The consolidated financial statements of the Group and the balance sheet of the Company are prepared in accordance with Singapore Financial Reporting Standards ("FRS") and the provisions of the Singapore Companies Act, Chapter 50. The financial statements are prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2014

34 Financial Instruments (cont'd)

(c) Fair Value of the Group's Financial Assets and Liabilities that are not Measured at Fair Value on a Recurring Basis (but Fair Value Disclosure is Required)

The following summarises the significant methods and assumption used in estimating fair values of financial instruments of the Group and Company that are not measured at fair value on a recurring basis.

(i) Long term financial assets and financial liabilities

The carrying amounts of loan receivable, borrowings, obligations under finance leases and other payables approximate fair value as they bear interest at rates which approximate the current incremental borrowing rate for similar types of lending and borrowing arrangements.

(ii) Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values because of the short period to maturity.

35 Subsequent Events

Subsequent to financial year ended 31 December 2014:

- the Company is currently in negotiations with a party for the sale of a subsidiary. The said subsidiary holds certain long term assets of the Group as well as certain short and long term debts and liabilities of the Group. If successful, the proposed transaction will enable the Group to procure immediate liquidity for its long term assets and at the same time reduce some of the short and long term debt and liabilities; and

- the Company has entered into a non-legally binding term sheet with a third party in connection with the issuance of 1% unsecured equity linked redeemable structured convertible notes due 2018, with an aggregate principal amount of up to S$25,000,000 in three tranches.