

**Epicentre Holdings Limited**

**(Company Registration No. 200202930G)**

**Unaudited Half Year Financial Statement and Dividend Announcement For The Period Ended 31 December 2014**

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

|   | <b>Group</b>             |                          |                              |
|---|--------------------------|--------------------------|------------------------------|
|   | <b>1H2015</b><br>S\$'000 | <b>1H2014</b><br>S\$'000 | Increase/<br>(Decrease)<br>% |
| Revenue   | 95,804                   | 93,025                   | 3.0                          |
| Cost of sales   | (86,827)                 | (84,069)                 | 3.3                          |
| <b>Gross Profit</b>   | 8,977                    | 8,956                    | 0.2                          |
| Other operating income  | 1,878                    | 1,344                    | 39.7                         |
| Administrative expenses   | (8,785)                  | (9,145)                  | (3.9)                        |
| Selling and distribution costs                                    | (1,673)                  | (1,898)                  | (11.9)                       |
| Finance costs   | (99)                     | (37)                     | 167.6                        |
| <b>Profit/(loss) before income tax</b>                            | 298                      | (780)                    | (138.2)                      |
| Income tax  | (66)                     | (123)                    | (46.3)                       |
| <b>Profit/(loss) after income tax</b>                             | 232                      | (903)                    | NM                           |
| <b>Other comprehensive income:</b>                                |                          |                          |                              |
| Foreign currency differences on translation of foreign operations | (162)                    | (69)                     | 134.8                        |
| <b>Total comprehensive income for the period</b>                  | 70                       | (972)                    | NM                           |
| <b>Profit/(loss) attributable to:</b>                             |                          |                          |                              |
| Owners of the parent  | 232                      | (903)                    | NM                           |
| Non-controlling interests   | -                        | -                        | -                            |
|   | 232                      | (903)                    | NM                           |
| <b>Total comprehensive income attributable to:</b>                |                          |                          |                              |
| Owners of the parent  | 113                      | (994)                    | NM                           |
| Non-controlling interests   | (43)                     | 22                       | NM                           |
|   | 70                       | (972)                    | NM                           |

NM: Not Meaningful

1(a)(ii) Profit/(loss) after income tax is arrived at after charging / (crediting) the following:

|  | <b>Group</b>  |               |                         |
|--|---------------|---------------|-------------------------|
|  | <b>1H2015</b> | <b>1H2014</b> | Increase/<br>(Decrease) |
|  | S\$'000       | S\$'000       | %                       |
| Depreciation of plant and equipment            | 571           | 625           | (8.6)                   |
| Amortisation of intangible assets              | 25            | -             | -                       |
| Amortisation of club membership                | -             | 56            | -                       |
| Loss on disposal of plant & machinery          | 1             | -             | -                       |
| Staff cost                                     | 3,616         | 4,127         | (12.4)                  |
| Net foreign exchange loss                      | 115           | 35            | 228.6                   |
| Write-back of allowance for stock obsolescence | (31)          | -             | -                       |
| Inventory written off                          | 7             | 3             | 133.3                   |

1(b)(i) A consolidated 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              |                      |
|--|----------------------|----------------------|----------------------|----------------------|
|  | 31-Dec-14<br>S\$'000 | 30-Jun-14<br>S\$'000 | 31-Dec-14<br>S\$'000 | 30-Jun-14<br>S\$'000 |
| <b>Non-current assets</b>                          |                      |                      |                      |                      |
| Intangible assets                                  | 104                  | 119                  | -                    | -                    |
| Plant & equipment                                  | 1,633                | 1,605                | 453                  | 577                  |
| Investment in subsidiaries                         | -                    | -                    | 834                  | 834                  |
|  | <b>1,737</b>         | <b>1,724</b>         | <b>1,287</b>         | <b>1,411</b>         |
| <b>Current assets</b>                              |                      |                      |                      |                      |
| Inventories  | 13,239               | 17,119               | -                    | -                    |
| Trade and other receivables                        | 7,034                | 5,096                | 4,534                | 6,182                |
| Prepayments  | 326                  | 332                  | 21                   | 59                   |
| Current income tax recoverable                     | -                    | 118                  | -                    | -                    |
| Cash and cash equivalents                          | 10,247               | 6,063                | 340                  | 321                  |
|  | <b>30,846</b>        | <b>28,728</b>        | <b>4,895</b>         | <b>6,562</b>         |
| <b>Less: Current liabilities</b>                   |                      |                      |                      |                      |
| Trade and other payables                           | 15,188               | 11,533               | 3,874                | 2,988                |
| Provisions   | 296                  | 329                  | -                    | -                    |
| Deferred revenue                                   | 81                   | 8                    | -                    | -                    |
| Finance lease payable                              | -                    | 6                    | -                    | 6                    |
| Current income tax payable                         | 70                   | 70                   | -                    | -                    |
| Bank borrowings                                    | 7,420                | 9,116                | 2,393                | 2,862                |
|  | <b>23,055</b>        | <b>21,062</b>        | <b>6,267</b>         | <b>5,856</b>         |
| Net current assets/(liabilities)                   | <b>7,791</b>         | <b>7,666</b>         | <b>(1,372)</b>       | <b>706</b>           |
| <b>Less: Non-current liabilities</b>               |                      |                      |                      |                      |
| Deferred tax liabilities                           | 69                   | 69                   | 15                   | 15                   |
| Deferred income                                    | 68                   | -                    | -                    | -                    |
|  | <b>137</b>           | <b>69</b>            | <b>15</b>            | <b>15</b>            |
| <b>Net assets/(liabilities)</b>                    | <b>9,391</b>         | <b>9,321</b>         | <b>(100)</b>         | <b>2,102</b>         |
| <b>Equity</b>                                      |                      |                      |                      |                      |
| Share capital                                      | 6,709                | 6,709                | 6,709                | 6,709                |
| Treasury shares                                    | (69)                 | (69)                 | (69)                 | (69)                 |
| Foreign currency translation account               | (239)                | (120)                | -                    | -                    |
| Retained earnings/(Accumulated losses)             | 3,462                | 3,230                | (6,740)              | (4,538)              |
| <b>Equity attributable to owners of the parent</b> | <b>9,863</b>         | <b>9,750</b>         | <b>(100)</b>         | <b>2,102</b>         |
| Non-controlling interests                          | (472)                | (429)                | -                    | -                    |
| <b>Total equity</b>                                | <b>9,391</b>         | <b>9,321</b>         | <b>(100)</b>         | <b>2,102</b>         |

1(b)(ii) Aggregate amount of group's borrowings and debt securities

|                              | <b>Group</b>               |                              |                            |                              |
|------------------------------|----------------------------|------------------------------|----------------------------|------------------------------|
|                              | <b>31-Dec-14</b>           |                              | <b>30-Jun-14</b>           |                              |
|                              | <b>Secured<br/>S\$'000</b> | <b>Unsecured<br/>S\$'000</b> | <b>Secured<br/>S\$'000</b> | <b>Unsecured<br/>S\$'000</b> |
| <b>Finance lease payable</b> |                            |                              |                            |                              |
| Repayable within 1 year      | -                          | -                            | 6                          | -                            |
|                              | -                          | -                            | 6                          | -                            |
| <b>Borrowings</b>            |                            |                              |                            |                              |
| Repayable within 1 year      | -                          | 7,420                        | -                          | 9,116                        |
|                              | -                          | 7,420                        | -                          | 9,116                        |
|                              |                            |                              |                            |                              |

Details of collaterals

The bank loans are secured by Corporate guarantees.

The finance lease obligations of the Group are secured by the rights to the leased motor vehicles.

1(c) A consolidated statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

|  | <b>Group</b>             |                          |
|--|--------------------------|--------------------------|
|  | <b>1H2015</b><br>S\$'000 | <b>1H2014</b><br>S\$'000 |
| Profit/(loss) before income tax                                | 298                      | (780)                    |
| Adjustments for:   |                          |                          |
| Inventory written off  | 7                        | 3                        |
| Write-back of allowance for inventory obsolescence             | (31)                     | -                        |
| Depreciation of plant and equipment                            | 571                      | 625                      |
| Amortisation of club membership                                | -                        | 56                       |
| Amortisation of intangible assets                              | 25                       | -                        |
| Loss on disposal of plant and equipment                        | 1                        | -                        |
| Reversal of reinstatement cost                                 | (33)                     | (99)                     |
| Interest expense   | 99                       | 37                       |
| Operating cash flows before working capital changes            | 937                      | (158)                    |
| <b>Working capital changes:</b>                                |                          |                          |
| Inventories  | 3,905                    | (11,143)                 |
| Trade and other receivables                                    | (1,848)                  | (1,301)                  |
| Prepayments  | 6                        | (87)                     |
| Trade and other payables                                       | 3,693                    | 11,260                   |
| Cash generated from/(used in) operations                       | 6,693                    | (1,429)                  |
| Interest expense   | (99)                     | (37)                     |
| Income tax paid  | (35)                     | (153)                    |
| <b>Net cash flow from/(used in) operating activities</b>       | <b>6,559</b>             | <b>(1,619)</b>           |
| <b>Investing activities</b>                                    |                          |                          |
| Proceeds from disposal of plant and equipment                  | 4                        | -                        |
| Purchase of plant and equipment                                | (617)                    | (238)                    |
| Additions of intangible assets                                 | (10)                     | -                        |
| Net cash used in investing activities                          | (623)                    | (238)                    |
| <b>Financing activities</b>                                    |                          |                          |
| Repayment of finance lease payables                            | (6)                      | (39)                     |
| Repayment of bank borrowings                                   | (20,348)                 | (11,417)                 |
| Proceeds from bank borrowings                                  | 18,651                   | 13,886                   |
| Net cash (used in)/from financing activities                   | (1,703)                  | 2,430                    |
| Net increase in cash and cash equivalents                      | 4,233                    | 573                      |
| Cash and cash equivalents at beginning of financial period     | 6,063                    | 11,626                   |
| Effects of exchange rates changes on cash and cash equivalents | (49)                     | (63)                     |
| <b>Cash and cash equivalents at end of financial period</b>    | <b>10,247</b>            | <b>12,136</b>            |

**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.**

| Group   | Share Capital | Treasury Shares | Retained Earnings | Translation Reserves | Equity attributable to owners of the parent | Non-controlling interests | Total Equity |
|---|---------------|-----------------|-------------------|----------------------|---|---------------------------|--------------|
|   | S\$'000       | S\$'000         | S\$'000           | S\$'000              | S\$'000                                     | S\$'000                   | S\$'000      |
| Balance at 1.7.2014   | 6,709         | (69)            | 3,230             | (120)                | 9,750                                       | (429)                     | 9,321        |
| Profit after income tax   | -             | -               | 232               | -                    | 232   | -                         | 232          |
| Foreign currency differences on translation of foreign operations | -             | -               | -                 | (119)                | (119)                                       | (43)                      | (162)        |
| Total comprehensive income for the period                         | -             | -               | 232               | (119)                | 113   | (43)                      | 70           |
| Balance at 31.12.2014   | 6,709         | (69)            | 3,462             | (239)                | 9,863                                       | (472)                     | 9,391        |
| Balance at 1.7.2013   | 6,709         | (69)            | 6,125             | (82)                 | 12,683                                      | (442)                     | 12,241       |
| Loss after income tax   | -             | -               | (903)             | -                    | (903)                                       | -                         | (903)        |
| Foreign currency differences on translation of foreign operations | -             | -               | -                 | (91)                 | (91)  | 22                        | (69)         |
| Total comprehensive income for the period                         | -             | -               | (903)             | (91)                 | (994)                                       | 22                        | (972)        |
| Balance at 31.12.2013   | 6,709         | (69)            | 5,222             | (173)                | 11,689                                      | (420)                     | 11,269       |

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.

| <b>Company</b>                            | Share Capital<br>S\$'000 | Treasury Shares<br>S\$'000 | Retained Earnings<br>S\$'000 | Total Equity<br>S\$'000 |
|---|--------------------------|----------------------------|------------------------------|-------------------------|
| Balance at 1.7.2014                       | 6,709                    | (69)                       | (4,538)                      | 2,102                   |
| Loss after income tax                     | -                        | -                          | (2,202)                      | (2,202)                 |
| Total comprehensive income for the period | 6,709                    | (69)                       | (6,740)                      | (100)                   |
| Balance at 31.12.2014                     | 6,709                    | (69)                       | (6,740)                      | (100)                   |
| Balance at 1.7.2013                       | 6,709                    | (69)                       | (3,289)                      | 3,351                   |
| Profit after income tax                   | -                        | -                          | 683                          | 683                     |
| Total comprehensive income for the period | 6,709                    | (69)                       | (2,606)                      | 4,034                   |
| Balance at 31.12.2013                     | 6,709                    | (69)                       | (2,606)                      | 4,034                   |

- 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 Company's share capital arising from rights issue, bonus issue, 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 30 June 2014.

The Company has no outstanding convertibles to be converted into shares as at 31 December 2014 and 30 June 2014.

**Share capital**

Number of shares at beginning of period  
Less: Treasury shares  
Number of shares at end of period

| <b>31-Dec-14</b>  | <b>30-Jun-14</b>  |
|-------------------|-------------------|
| 93,274,600        | 93,274,600        |
| -                 | -                 |
| <b>93,274,600</b> | <b>93,274,600</b> |
|                   |                   |

- 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.**

Total number of issued shares  
Total number of treasury shares  
Total number of issued shares (excluding treasury shares)

| <b>31-Dec-14</b>  | <b>30-Jun-14</b>  |
|-------------------|-------------------|
| 93,501,600        | 93,501,600        |
| (227,000)         | (227,000)         |
| <b>93,274,600</b> | <b>93,274,600</b> |
|                   |                   |

- 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.**

Number of treasury shares at beginning of period  
Additions during the period  
Number of treasury shares at end of period

| <b>31-Dec-14</b> | <b>30-Jun-14</b> |
|------------------|------------------|
| 227,000          | 227,000          |
| -                | -                |
| <b>227,000</b>   | <b>227,000</b>   |
|                  |                  |

No sales, transfers, disposal, cancellation and/or use of treasury shares as at 31 December 2014.



- 2 Whether the figures have been audited or reviewed and in accordance with which auditing standards 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 matter)**

Not applicable.

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

Save as disclosed in paragraph 5 below, the accounting policies and methods of computation applied by the Group are consistent with those used in its most recently audited financial statements for the financial year ended 30 June 2014.

- 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**

On 1 July 2014, the Group adopted the new and revised Financial Reporting Standards ("FRS") and interpretation of FRS ("INT FRS") that are relevant to its operations and are effective in the financial year ending 30 June 2014. The adoption of these new and revised FRS and INT FRS where relevant has no material impact on the Group's accounting policies or the financial statements for the current financial year.

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

Earnings/(loss) per share  
- basic (cents)  
- diluted (cents)

| Group  |        |
|--------|--------|
| 1H2015 | 1H2014 |
| 0.25   | (0.97) |
| 0.25   | (0.97) |

- 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.

Net tangible asset backing per ordinary share based on existing issued share capital as at the end of the period reported on (cents)  
Net asset value per ordinary share based on existing issued share capital as at the end of the period reported on (cents)

| Group     |           | Company   |           |
|-----------|-----------|-----------|-----------|
| 31-Dec-14 | 30-Jun-14 | 31-Dec-14 | 30-Jun-14 |
| 9.96      | 9.86      | (0.11)    | 2.25      |
| 10.07     | 9.99      | (0.11)    | 2.25      |

**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**

***Revenue***

Group revenue for the financial period ended 31 December 2014 ("1H2015") was \$95.8 million, an increase of 3.0%, or \$2.8 million compared to the corresponding period last year ("1H2014"). The revenue growth was largely contributed by the launch of iPhones 6 in 1Q2015, as well as the Group's strategy to focus on improving sales in existing markets. The growth was however, partially offset by the increase in price competition and lower demand in the Information Technology and Consumer Electronics segments.

***Gross Profit***

Despite the growth in revenue, gross profit for 1H2015 was \$8.98 million compared with \$8.96 million reported in 1H2014, a marginally increase of 0.2%. This increase is partly contributed from the margin for the sale of iPhones 6, offset by the lower margin recorded from the sale of third party brand products ("3PP").

In 1H2015, sales mix for Apple products and 3PP was 90% and 10% respectively, the same sales mix was also reported in 1H2014. As a result of the lower margin from the sale of 3PP leading to the reduction in the overall gross profit, as well as aggressive bundling and promotions that was undertaken by the Group, the Group gross profit reported marginal growth in 1H2015.

***Other operating income***

The increase in other operating income of \$534,000 was mainly due to the higher sponsorship income reported in 1H2015.

***Administrative expenses***

Administrative expenses decreased by \$360,000 in 1H2015 as compared to 1H2014. The decrease was mainly due to:

- a) Decrease in staff cost of approximately \$511,000 was largely due to the reduction in overall headcounts and the cost cutting measures undertaken by the Group;
- b) Net decrease in depreciation & amortization expenses of approximately \$86,000. With the discontinuation of lease upon expiry for 2 of our outlets (1 outlet for Epicentre and 1 outlet for Epilife), there was a reduction in depreciation expenses in 1H2015. Certain intangible assets have also been fully amortised in the previous financial period. This has resulted in the reduction in amortization expense in 1H2015; and
- c) Net decrease in business development and related expenses by approximately \$66,000.

The decrease in administrative expenses was however partly offset by:

- d) Increase in rental and related expenses of approximately \$182,000 which was largely due to the increase in rental from Singapore and Malaysia's operations;
- e) higher exchange loss of \$80,000 reported in 1H2015 as compared to 1H2014 due to the weakening in Malaysia Ringgit; and
- f) net increase of other general and administrative expenses included a write-off of professional fee in relation to a prior year adjustment of \$50,000.

***Selling and Distribution cost***

Selling and Distribution cost decreased by \$225,000 in 1H2015 as compared to 1H2014. This was due to the success in managing our advertising and promotion expenses during the current financial period.

***Finance cost***

Finance cost for 1H2015 comprised of interest expenses incurred for bank borrowings for the Malaysia operation, as well as for working capital purposes. Similarly, 1H2014 Finance cost was attributable from the bank borrowings for Malaysia operation and working capital purposes. Despite the decrease in bank borrowings, borrowing cost in 1H2015 was higher than 1H2014 due to higher interest rates in the current financial period.

***Income Tax***

The income tax provided for in 1H2015 was primarily related to the advance tax paid by our subsidiary in Malaysia.

Arising from the above, the Group reported a net profit after tax of \$232,000 for 1H2015, compared with a net loss of \$903,000 reported in 1H2014.

**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

***Consolidated statement of financial position review***

Non-current assets increased marginally by \$13,000 from \$1.724 million as at 30 June 2014 to \$1.737 million as at 31 December 2014. The increase was attributable to renovation cost for a new store opened at Resort World Singapore and the renovation and as well as new furniture & fittings for a store in Malaysia; partly offset by the depreciation and amortization expenses.

Current assets increased by \$2.1 million from \$28.7 million as at 30 June 2014 to \$30.8 million as at 31 December 2014. The increase was primarily due to the increase in trade receivables and cash and cash equivalents by \$1.9 million and \$4.2 million respectively, in line with the increase in revenue in 1H2015. This was partially offset by the lower inventories for an amount of approximately \$3.9 million as a result of the Group's effort to maintain its inventories level at optimal level.

Current liabilities increased by \$2 million from \$21.1 million as at 30 June 2014 to \$23.1 million as at 31 December 2014. The increase was mainly caused by the increase in trade and other payables of \$3.7 million; partly offset by the decrease in short term borrowings of \$1.7 million.

Non-current liabilities increased by \$68,000 mainly due to the deferment of revenue recognition from the sale Epicentre Membership.

***Cash flow review***

In 1H2015, the Group reported net cash inflow from operations of \$6.6 million as compared with a net cash outflow of \$1.6 million reported in 1H2014, largely attributable to the lower inventories and increase in trade payables. The operating profit of \$0.3 million reported in 1H2015 as opposed to an operating loss of \$0.8 million reported in 1H2014 had also contributed to the positive cash flow from operations.

In 1H2015, the Group renovated 1 outlet in Malaysia and open 1 new Epilife outlet in Singapore. The related cost of renovation as well as the purchase of furniture and fixtures resulted in a net cash outflow for investing activities amounting to \$623,000.

In 1H2015, the Group also made effort to reduce its short-term financing from the banks partly due to improvement in its working capital. This has resulted in a net cashflow used in financing activities of \$1.7 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.**

The Board expects the operating environment in the next 12 months to remain challenging. However, the Group remains focused to widen its distribution network in existing markets. The Group would continue to enhance its operational efficiency and monitor its operating expenses in the face of economic uncertainties and rising staff cost and premises expense. The Board further refers to the announcement released on 11 December 2014 titled "TERM SHEET IN RELATION TO PROPOSED ACQUISITION" in connection with the Group's very substantial acquisition amounting to a reverse takeover of the Company pursuant to Rule 1015 of the Catalist listing rules. The Group is currently preparing the definitive agreements and will announce any material development in connection with the proposed acquisition.

**11 If a decision regarding dividend has been made:**

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

No dividend has been declared for the financial period ended 31 December 2014.

**(b) (i) Amount per share**

No dividend has been declared for the financial period ended 31 December 2014.

**(ii) Previous corresponding period**

No dividend has been declared for the financial period ended 31 December 2013.

**(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 pm) 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 for the financial period ended 31 December 2014.

**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)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company does not have a shareholders’ mandate under Rule 920 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited.

**14 Negative Assurance Confirmation on Interim Financial Result Pursuant to Rule 705(5) of the Listing Manual**

We, the undersigned, hereby confirm to the best of our knowledge, nothing has come to attention of the Board of Directors of the Company which may render the unaudited interim financial results for the half year ended 31 December 2014 to be false or misleading in any material aspect.

**On behalf of the Board of Directors**  
**Jimmy Fong Teck Loon**  
**Executive Chairman & CEO**

**Brenda Yeo**  
**Executive Director**

By Order of the Board

Jimmy Fong Teck Loon  
Chief Executive Officer  
12 February 2015

This announcement has been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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:-

Name: Mr Lin Song, Registered Professional, RHT Capital Pte. Ltd.

Address: Six Battery Road #10-01, Singapore 049909

Tel: 6381 6757