

**UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2015**

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

**1(a) A consolidated statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group		Inc/ (Dec)
	12 Months ended 31/12/2015	12 Months ended 31/12/2014	
	S\$	S\$	%
<b>Continuing operations</b>			
Revenue	2,925,116	130,596	2,139.8
Other losses, net	(534,143)	(6,217,990)	(91.4)
Other income	602,121	319,625	88.4
Employee benefits expense	(1,039,547)	(1,036,674)	(0.3)
Depreciation	(92,632)	(81,246)	14.0
Other operating expenses	(1,105,065)	(1,141,613)	(3.2)
Finance cost	(32,102)	(5,110)	528.3
<b>Profit/(loss) before tax</b>	<b>723,748</b>	<b>(8,032,412)</b>	(109.0)
Income tax (expense)/credit	(4,326)	24,979	(117.3)
<b>Profit/(loss) from continuing operations, net of tax</b>	<b>719,422</b>	<b>(8,007,433)</b>	(109.0)
<b>Discontinued operations</b>			
Loss from discontinued operations, net of tax	(52,655)	(759,564)	(93.1)
<b>Net profit/(loss) for the year</b>	<b>666,767</b>	<b>(8,766,997)</b>	(107.6)
<b>Other comprehensive income, net of tax:</b>			
Items that may be reclassified subsequently to profit or loss :			
<b>Financial assets, available-for-sale:</b>			
Reclassification to profit or loss on impairment of financial assets, available-for-sale	-	686,069	(100.0)
<b>Currency translation differences:</b>			
Arising from consolidation	226	589	(61.6)
Other comprehensive income, net of tax	226	686,658	(100.0)
<b>Total comprehensive income for the year</b>	<b>666,993</b>	<b>(8,080,339)</b>	(108.3)
<b>Profit/(loss) attributable to:</b>			
Equity holders of the Company	667,519	(8,727,137)	(107.6)
Non-controlling interest	(752)	(39,860)	(98.1)
	<b>666,767</b>	<b>(8,766,997)</b>	(107.6)
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company	667,745	(8,040,479)	(108.3)
Non-controlling interest	(752)	(39,860)	(98.1)
	<b>666,993</b>	<b>(8,080,339)</b>	(108.3)

## Notes to the Consolidated Statement of Comprehensive Income

Profit/(loss), net of tax is arrived after (charging)/crediting the following items:

	Group		
	12 months ended 31/12/2015	12 months ended 31/12/2014	Inc/ (Dec)
	S\$	S\$	%
Interest income			
- Debt securities and outstanding rental	83,497	-	100.0
- Bank deposits and trading account	274	73	275.3
	83,771	73	275.3
Management consultancy fee	2,925,116	-	100.0
Foreign exchange loss	-	(18,100)	(100.0)
Gain/(loss) on disposal of financial assets, available-for-sale	183,562	(1,020,449)	(118.0)
Deferred tax (expense)/credits :			
- Current year	(7,374)	4,425	(266.6)
- Overprovision of tax in respect of prior years	3,048	20,554	(85.2)
	(4,326)	24,979	(117.3)
Interest expense	(32,102)	(5,110)	528.2
Rental expense (operating leases)	(392,469)	(388,478)	1.0
Impairment loss on financial assets, available-for- sale	(717,705)	(5,205,610)	(86.2)
Impairment loss on other receivables	(96,472)	(130,596)	(26.1)
Gain on disposal of subsidiary	179,158	-	100.0

**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	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
	S\$	S\$	S\$	S\$
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	20,589	66,476	17,321	47,799
Trade and other receivables	3,132,035	146,349	306,080	146,220
Interest receivable on debt securities	65,540	-	-	-
Amounts due from subsidiaries	-	-	2,620,200	64,371
Financial assets, available-for-sale	1	1,038,583	-	-
Other current assets	16,878	17,860	14,792	14,558
	3,235,043	1,269,268	2,958,393	272,948
Assets of disposal group classified as held-for-sale	-	472,667	-	400,000
	3,235,043	1,741,935	2,958,393	672,948
<b>Non-current assets</b>				
Investments in subsidiaries	-	-	7	7
Financial assets, available-for-sale	-	319,454	-	-
Debt securities	2,236,453	-	-	-
Property, plant and equipment	282,360	374,990	258,860	345,491
	2,518,813	694,444	258,867	345,498
<b>Total assets</b>	<b>5,753,856</b>	<b>2,436,379</b>	<b>3,217,260</b>	<b>1,018,446</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Other payables	570,429	615,833	520,966	568,033
Bond interest payable	10,699	-	10,699	-
Finance lease liabilities	42,164	40,916	25,497	24,250
	623,292	656,749	557,162	592,283
Liabilities directly associated with disposal group classified as held-for-sale	-	184,094	-	-
	623,292	840,843	557,162	592,283
<b>Non-current liabilities</b>				
Finance lease liabilities	50,664	93,513	36,080	61,568
Convertible redeemable bonds	2,053,672	-	2,053,672	-
Deferred income tax liabilities	19,447	15,121	8,305	15,121
	2,123,783	108,634	2,098,057	76,689
<b>Total liabilities</b>	<b>2,747,075</b>	<b>949,477</b>	<b>2,655,219</b>	<b>668,972</b>
<b>NET ASSETS</b>	<b>3,006,781</b>	<b>1,486,902</b>	<b>562,041</b>	<b>349,474</b>
<b>EQUITY</b>				
Share capital	22,227,388	21,549,245	22,227,388	21,549,245
Capital reserves	134,131	-	134,131	-
Other reserves	406	180	-	-
Accumulated losses	(19,355,144)	(20,022,663)	(21,799,478)	(21,199,771)
<b>Equity attributable to owners of the Company</b>	<b>3,006,781</b>	<b>1,526,762</b>	<b>562,041</b>	<b>349,474</b>
Non-controlling interest	-	(39,860)	-	-
<b>TOTAL EQUITY</b>	<b>3,006,781</b>	<b>1,486,902</b>	<b>562,041</b>	<b>349,474</b>

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

The Group has finance lease liabilities and convertible redeemable bonds amounting to S\$92,828 and S\$2,053,672 respectively as at 31 December 2015.

	Group		Group	
	31/12/2015		31/12/2014	
	Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
<b>Finance lease liabilities</b>				
Amount repayable in one year or less	42,164	-	40,916	-
Amount repayable after one year	50,664	-	93,513	-
	92,828	-	134,429	-
<b>Convertible redeemable bonds</b>				
Amount repayable after one year	-	2,053,672	-	-

**Details of any collateral**

The Group's finance lease liabilities are secured by the motor vehicle and photocopiers.

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

	Group	
	12 months ended 31/12/2015	12 months ended 31/12/2014
	S\$	S\$
<b>Cash flows from operating activities</b>		
Profit/(loss) from continuing operations, net of tax	719,422	(8,007,433)
(Loss) from discontinued operations, net of tax	(52,655)	(759,564)
Net profit/(loss) for the year	666,767	(8,766,997)
Adjustments for:		
Income tax credit expense/(credit)	4,326	(24,979)
Depreciation	93,192	84,350
Convertible redeemable bond interest	26,645	-
Hire purchase interest	5,458	5,110
Interest income	(69,767)	(73)
Impairment loss on trade and other receivables	96,472	299,602
Impairment loss on financial assets, available-for-sale	717,705	4,519,540
Impairment loss on amount due from related parties	-	264,802
Reclassification to profit or loss on impairment of financial assets, available-for-sale	-	686,069
(Write-back)/allowance for unutilised leave	(8,000)	9,000
Allowance for bonus	143,000	-
(Gain)/loss on disposal of financial asset, available-for-sale	(183,562)	1,020,449
Gain on disposal of subsidiary	(179,158)	-
Unrealised currency translation loss	-	18,100
Operating cash flows before changes in working capital	1,313,078	(1,885,027)
Changes in working capital:		
Trade and other receivables, and other current assets	(2,913,692)	(93,625)
Other payables	(98,548)	349,814
Cash flows used in operating activities	(1,699,162)	(1,628,838)
Hire purchase interest paid	(5,458)	(5,110)
Bank deposit/trading account interest received	274	73
Income tax paid, net	-	(4,951)
<b>Net cash flows used in operating activities</b>	<b>(1,704,346)</b>	<b>(1,638,826)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	-	(75,714)
Purchase of financial assets, available-for-sale	-	(300,000)
Net cash inflow on disposal of a subsidiary	219,168	-
Debt securities made to third party	(2,232,500)	-
Proceeds from disposal of financial assets, available-for-sale	823,894	1,216,362
<b>Net cash flows (used in)/provided by investing activities</b>	<b>(1,189,438)</b>	<b>840,648</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of convertible redeemable bonds	2,850,000	-
Repayment of finance lease liabilities	(41,602)	(24,445)
<b>Net cash flows provided by/(used in) financing activities</b>	<b>2,808,398</b>	<b>(24,445)</b>

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

	Group	
	12 months ended 31/12/2015	12 months ended 31/12/2014
	S\$	S\$
Net decrease in cash and cash equivalents	(85,386)	(822,623)
Cash and cash equivalents at beginning of financial year	105,975	928,598
<b>Cash and cash equivalents at end of financial year</b>	<b>20,589</b>	<b>105,975</b>
Cash and cash equivalents as per Statement of Financial Position	20,589	66,476
Cash and cash equivalents classified as "Assets held-for-sale"	-	39,499
<b>Total cash and cash equivalents as per Consolidated Statement of Cash Flows</b>	<b>20,589</b>	<b>105,975</b>
List of significant non-cash transactions:		
Conversion of convertible redeemable bonds to ordinary shares	678,143	-

**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	Capital reserves	Fair value adjustment reserve	Currency translation reserve	Total other reserves	(Accumulated losses)/ Retained earnings	Equity attributable to the owners of the Company	Non-controlling interest	Total equity
	S\$		S\$	S\$	S\$	S\$		S\$	\$
Balance at 1 January 2015	21,549,245	-	-	180	180	(20,022,663)	1,526,762	(39,860)	1,486,902
Issuance of new ordinary shares	678,143	-	-	-	-	-	678,143	-	678,143
Share options	-	134,131	-	-	-	-	134,131	-	134,131
Total comprehensive income	-	-	-	226	226	667,519	667,745	(752)	666,993
Disposal of subsidiary								40,612	40,612
<b>Balance at 31 December 2015</b>	<b>22,227,388</b>	<b>134,131</b>	<b>-</b>	<b>406</b>	<b>406</b>	<b>(19,355,144)</b>	<b>3,006,781</b>	<b>-</b>	<b>3,006,781</b>
Balance at 1 January 2014	21,549,245	-	(686,069)	(409)	(686,478)	(11,295,526)	9,567,241	-	9,567,241
Total comprehensive income	-	-	686,069	589	686,658	(8,727,137)	(8,040,479)	(39,860)	(8,080,339)
<b>Balance at 31 December 2014</b>	<b>21,549,245</b>	<b>-</b>	<b>-</b>	<b>180</b>	<b>180</b>	<b>(20,022,663)</b>	<b>1,526,762</b>	<b>(39,860)</b>	<b>1,486,902</b>

**Company**

	Share capital	Capital reserves	Accumulated losses	Total equity
	S\$		S\$	S\$
Balance at 1 January 2015	21,549,245	-	(21,199,771)	349,474
Issuance of shares	678,143	-	-	678,143
Share options	-	134,131	-	134,131
Total comprehensive income	-	-	(599,707)	(599,707)
<b>Balance at 31 December 2015</b>	<b>22,227,388</b>	<b>134,131</b>	<b>(21,799,478)</b>	<b>562,041</b>

Company	Share capital	Capital reserves	Retained earnings/ (Accumulated losses)	Total equity
Balance at 1 January 2014	21,549,245	-	(13,626,067)	7,923,178
Total comprehensive income	-	-	(7,573,704)	(7,573,704)
<b>Balance at 31 December 2014</b>	<b>21,549,245</b>	<b>-</b>	<b>(21,199,771)</b>	<b>349,474</b>

**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.**

Share capital has increased by S\$678,143 in FY2015 arising from the conversion of convertible redeemable bonds of S\$750,000 to 187,500,000 conversion shares. The number of shares that may be issued on conversion of the gross outstanding convertible redeemable bonds of S\$2.25 million amount to 562,500,000 conversion shares.

**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.**

The total number of issued shares excluding treasury shares as at 31 December 2015 and 31 December 2014 were 401,500,100 and 214,000,100 ordinary shares respectively.

**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.

**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 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.**

Except as stated in Note 5, the Group has applied the same accounting policies and methods of computation as in the most recently audited annual financial statements for the financial year ended 31 December 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.**

The Group has adopted all applicable Financial Reporting Standards ("FRS") which became effective for the financial year beginning on or after 1 January 2015. The adoption of these new and revised FRS had no material effect on the Group's and Company's results for the current financial year.

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.**

	Group	
	12 months ended 31/12/2015	12 months ended 31/12/2014
<b>Earnings/(Loss) per ordinary share of the group after deducting any provision for preference dividends (Singapore cents per share) :</b>		
(a) Based on weighted average number of ordinary shares on issue; and	0.27 cents	(4.08) cents
(b) On a fully diluted basis	0.22 cents	(4.08) cents
Weighted average number of ordinary shares outstanding for basic loss per share	250,609,689	214,000,100

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	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Net asset value per ordinary share (Singapore cents) based on issued share capital at the end of:	0.75 cents	0.69 cents	0.14 cents	0.16 cents

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.**

**I) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

**Revenue**

Revenue increased by approximately S\$2.79 million from S\$131,000 for the year ended 31 December 2014 ("FY2014") to S\$2.92 million for the year ended 31 December 2015 ("FY2015"). Revenue for FY2015 and FY2014 consist of management consultancy fees earned by a subsidiary.

**Other losses – net**

Other losses decreased by approximately S\$5.68 million or 91.4% from S\$6.22 million for FY2014 to S\$534,000 for FY2015. Other losses in FY2015 were due to the impairment loss of S\$718,000 in financial assets, available-for-sale ("AFS") which was partially offset by the gain on disposal of financial assets, AFS of S\$184,000. Other losses in FY2014 were mainly due to



loss on disposal of financial assets, available-for-sale (“AFS”) of S\$1.02 million as well as impairment loss of S\$5.20 million on financial assets, AFS, as a result of further significant and prolonged decline in the fair values of the quoted and unquoted investments.

#### **Other income**

Other income increased by approximately S\$282,000 or 88.4% from S\$320,000 for FY2014 to S\$602,000 for FY2015. The Group recorded a gain of approximately S\$179,000 on disposal of a former subsidiary and debt securities interest income of approximately S\$70,000 in FY2015. There were no such items in FY2014. The increase was also contributed by the additional rental income and rental interest totalling S\$56,000 earned from sub-tenants.

#### **Depreciation**

Depreciation increased by approximately S\$11,000 or 14.0% from S\$81,000 for FY2014 to S\$92,000 for FY2015 due to the full year’s depreciation of property, plant and equipment purchased in FY2015.

#### **Finance cost**

Finance cost increased by approximately S\$27,000 or 528.3% from S\$5,000 for FY2014 to S\$32,000 for FY2015, mainly due to outstanding interest incurred on convertible redeemable bonds that are outstanding as at 31 December 2015.

#### **Income tax expense**

The Group recognised income tax expense of approximately S\$4,000 for FY2015, mainly due to income tax arising from the debt securities interest earned by a subsidiary. However in FY2014, a tax credit of S\$25,000 was recorded due to the over-provision of deferred income tax arising from accelerated depreciation.

#### **Reclassification to profit or loss on impairment of financial assets, available-for-sale**

This item decreased by S\$686,000 or 100.0% from S\$686,000 for FY2014 to NIL for FY2015. In FY2014, this was mainly due to the fair value loss of an unquoted investment that was recognised and transferred from the fair value adjustment reserve to the income statement on recognition of impairment loss. There was no such reclassification for FY2015.

#### **Loss attributable to Non-controlling interest**

Loss attributable to non-controlling interest decreased by S\$39,000 or 98.1% from approximately S\$40,000 for FY2014 to approximately S\$1,000 for FY2015 due to the disposal of a former subsidiary with non-controlling interest in March 2015.

## **II) CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

#### **Cash and cash equivalents**

Cash and cash equivalents decreased by approximately S\$46,000 or 69.0% from S\$66,000 as at 31 December 2014 to S\$20,000 as at 31 December 2015. The decrease was mainly due to approximately S\$1.70 million and S\$1.16 million being used in operating activities and investing activities respectively and partially offset by S\$2.78 million generated from financing activities.

#### **Trade and other receivables**

Trade and other receivables increased by approximately S\$2.99 million from S\$146,000 as at 31 December 2014 to S\$3.14 million as at 31 December 2015, mainly due to management consultancy fees receivable and rental receivable from sub-tenants. The Company has initiated a writ of summons against one of the sub-tenants in December 2015 to recover rent and service fees that are outstanding from March 2015 to December 2015. The case is currently ongoing with no significant developments since the Company’s announcement on this matter on 7 January 2016.

#### **Financial assets, available-for-sale (current)**

Financial assets, available-for sale (current) decreased by 100% from S\$1.04 million as at 31 December 2014 to S\$1 as at 31 December 2015 as investments in quoted securities were fully disposed during FY2015 while investments in unquoted securities were fully impaired due to significant and prolonged decline in fair values.

#### **Assets of disposal group classified as held-for-sale**

No such item as at 31 December 2015 as the disposal of a former subsidiary was completed in March 2015. As at 31 December 2014, it represented the assets of the former subsidiary which disposal was only completed in March 2015.

#### **Financial assets, available-for-sale (non-current)**

Financial assets, available-for sale (non-current) decreased by S\$319,000 or 100% from S\$319,000 as at 31 December 2014 to NIL as at 31 December 2015 due to the full impairment of an unquoted security as a result of significant and prolonged decline in its fair value.

#### **Debt securities and interest receivable on debt securities**

This relates to a debt facility of S\$2.35 million for a period of 5 years in September 2015.

#### **Property, plant and equipment**

Property, plant and equipment decreased by approximately S\$93,000 or 24.7% from S\$375,000 as at 31 December 2014 to S\$282,000 as at 31 December 2015 due to the depreciation of \$93,000 charged during FY2015.

#### **Other payables**

Other payables decreased by approximately S\$45,000 or 7.4% from S\$616,000 as at 31 December 2014 to S\$570,000 as at 31 December 2015. This was mainly due to the reversal of deposit received upon completion of disposal of subsidiary in March 2015 and payment of renovation cost but was partially offset by the accrual of bonus as at 31 December 2015.

#### **Finance lease liabilities (current and non-current)**

Finance lease liabilities as at 31 December 2015, arose due to the hire purchase of motor vehicle in FY2013 and photocopiers in FY2014.

#### **Liabilities directly associated with disposal group classified as held-for-sale**

No such item as at 31 December 2015 as the disposal of a former subsidiary was completed in March 2015. As at 31 December 2014, it represented the liabilities of the former subsidiary which disposal was only completed in March 2015.

#### **Convertible Redeemable Bonds and bond interest payable**

The proposed issuance of 2% convertible redeemable bonds due 2018 with an aggregate principal amount of up to S\$35 million comprising seven tranches of bonds was approved by shareholders at an Extraordinary General Meeting held on 8 September 2015. Each tranche comprises five equal Sub-Tranches of S\$1 million each. The Sub-Tranche 1, Sub-Tranche 2 and Sub-Tranche 3 of Tranche 1 bonds of S\$1 million each were issued respectively on 17 September 2015, 7 October 2015 and 8 October 2015. As at 31 December 2015, S\$750,000 bonds have been converted to 187.5 million ordinary shares. The present value of the bonds after conversion amounted to S\$2.05 million using an effective interest rate of 5.5% p.a., an average rate compiled from quotations of 10 leading banks and financial institutions.

The convertible redeemable bonds that remained outstanding as at 31 December 2015 were subjected to a 2% interest rate p.a., payable in arrears on 31 December in 2015.

### **Deferred income tax liabilities**

Deferred income tax liabilities increased by S\$4,000 or 28.6% from S\$15,000 as at 31 December 2014 to S\$19,000 as at 31 December 2015, mainly due to income tax payable on debt securities interest income earned by subsidiary.

### **Share capital**

Share capital increased by S\$678,000 or 3.1% from S\$21.5 million as at 31 December 2014 to S\$22.2 million as at 31 December 2015. The face value of bonds amounted to S\$750,000, which represents a present value of S\$678,143 at an effective interest rate of 5.5% p.a., have been converted to 187.5 million ordinary shares in FY 2015.

### **Capital reserves**

Capital reserves represent the equity component of the convertible redeemable bonds issued in FY2015 in view that the bonds carry an equity element where the bond subscriber has an option to convert the bond to ordinary shares of the Company.

## **III) CONSOLIDATED STATEMENT OF CASH FLOWS**

The factors that affected the cash flows, working capital, assets or liabilities of the Group for FY2015 are reflected in the consolidated statement of cash flows on pages 5 and 6.

### **STATUS ON THE USE OF PROCEEDS RAISED FROM ISSUANCE OF CONVERTIBLE REDEEMABLE BONDS OF S\$3,000,000 IN FY2015**

Update on the use of the net proceeds of approximately S\$2.7 million raised from the issuance of convertible redeemable bonds in the last quarter of 2015 are as follows:

As at 31 December 2015, the Company allocated approximately S\$2.2 million for investments in debt securities and approximately S\$480,000 for general working capital (such as payment of remuneration of directors and employees, office rentals, insurance premiums and professional fees). The above utilisation of the net proceeds were in accordance with the intended use of proceeds disclosed in the Company's announcement dated 18 November 2014 and in the Circular to shareholders dated 24 August 2015.

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

The previous prospect statement disclosed informed of the Group's plan to actively commence business activities upon the issuance of convertible redeemable bonds.

The approval of the proposed issuance of convertible redeemable bonds by shareholders in September 2015 enabled the Group to commence on business activities in the areas of deal structuring and debt securities, thereby returning the Group to a profitable position for the financial year ended 31 December 2015.

#### **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 new year begins with commodity volatility and general stock markets rout, on the back of weaker China and global growth prospects, affecting overall business confidence. Notwithstanding the general bearish sentiment, the Group sees opportunities in its search for new businesses to invest in as this trend produces a bounty of interesting distressed assets, which the Group would be encouraged to participate if they are sensibly priced so as to bring about good returns on investments. The Group would continue to be selective in its deal structuring role where the Group has been successful in FY2015, and is on track in rebuilding its business.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any interim (final) dividend declared (recommended) for the current financial period reported on?

None.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

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

None.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No dividend has been declared / recommended for the financial year ended 31 December 2015.

**13. Interested Person Transactions**

The Group has no general mandate for interested person transactions under Rule 920(1) of the SGXST Listing Manual.

**14. Negative Assurance Confirmation On Half Year Financial Results Pursuant To Rule 705(5) Of The Listing Manual**

Not applicable.

**15. Confirmation that the issuer has procured undertakings from all its directors and executive officers pursuant to Rule 720(1) of the SGX Listing Manual.**

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the SGX Listing Manual.

**PART II- ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**  
**(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

16. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

<b>31 December 2015</b>	<b>Investment Management</b>	<b>Consultancy</b>	<b>Fund Management (discontinued)</b>	<b>Adjustments and eliminations</b>	<b>Group</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
<b>Revenue</b>					
- External revenue	-	2,925,116	18,459	(18,459)	2,925,116
<b>Results</b>					
Unallocated interest income	-	-	-	-	14,018
Unallocated depreciation	-	-	-	-	(86,632)
Interest income	69,753	-	-	-	69,753
Depreciation	(6,000)	-	(561)	561	(6,000)
Unallocated impairment on trade and other receivable	-	-	-	-	(96,472)
Impairment loss on financial assets, available-for-sale	(552,505)	(165,200)	-	-	(717,705)
Unallocated income tax credit	-	-	-	-	6,816
Income tax expense	(11,142)	-	-	-	(11,142)
Segment results	(737,704)	2,758,996	(52,655)	(1,249,215)	719,422
<b>Assets</b>					
Segment assets	2,331,497	2,825,117	504,264	92,978	5,753,856
Segment liabilities	31,002,855	747,372	324,029	(29,327,181)	2,747,075

31 December 2014	Investment Management	Consultancy	Fund Management (discontinued) re-presented	Adjustments and eliminations	Group
	S\$	S\$	S\$	S\$	S\$
<b>Revenue</b>					
- External revenue	-	130,596	540,423	(540,423)	130,596
<b>Results</b>					
Unallocated interest income	-	-	-	-	73
Unallocated depreciation	-	-	-	-	(80,746)
Depreciation	(500)	-	(3,104)	3,104	(500)
Impairment loss on trade receivables and amount due from related parties	-	(130,596)	(433,808)	433,808	(130,596)
Impairment loss on financial assets, available-for-sale	(4,091,140)	(428,400)	-	-	(4,519,540)
Reclassification to profit or loss on impairment of financial assets, available-for-sale	(686,069)	-	-	-	(686,069)
Unallocated income tax credit	-	-	-	-	24,979
Segment results	(4,032,683)	(53,119)	(759,564)	(3,162,067)	(8,007,433)
<b>Assets</b>					
Segment assets	1,233,142	165,837	472,667	564,733	2,436,379
Segment liabilities	29,266,796	747,089	184,094	(29,248,502)	949,477

### **Geographical market of the clients**

The following details show the distribution of the Group's revenues from continuing operations based on the geographical segments in which the clients are located:

	<b>Group</b>	
	<b>12 months ended 31/12/2015</b>	<b>12 months ended 31/12/2014</b>
	<b>S\$</b>	<b>S\$</b>
Singapore	846,216	-
British Virgin Islands	2,028,900	-
Indonesia	50,000	-
Australia	-	130,596
	<b>2,925,116</b>	<b>130,596</b>

With the exception of Singapore and British Virgin Islands, no other geographical segment contributed more than 10% of the Group's consolidated revenue for the financial year ended 31 December 2015.

**17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to Section 8(I) on pages 8 to 9 for the review of performance.

**18. A breakdown of sales.**

	<b>Group</b>		
	<b>12 months ended 31/12/2015</b>	<b>12 months ended 31/12/2014</b>	<b>Inc/(Dec)</b>
	<b>S\$</b>	<b>S\$</b>	<b>%</b>
Sales reported for the first half year	-	130,596	(100.0)
Operating loss after tax before deducting non-controlling interests reported for the first half year	(405,873)	(4,537,154)	(91.1)
Sales reported for the second half year	2,925,116	-	100.0
Operating gain/(loss) after tax before deducting non-controlling interests reported for the second half year	1,125,295	(3,470,279)	(133.6)

**19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

	<b>Total Annual Dividend</b>	
	<b>Latest Full Year 31/12/2015</b>	<b>Previous Full Year 31/12/2014</b>
Ordinary shares	-	-
Preference shares	-	-
Total	-	-

**20. Report Of Persons Occupying Managerial Positions Who Are Related To A Director, CEO Or Substantial Shareholder Pursuant to Rule 704 (13)**

The Board confirms that, to the best of its knowledge, as of the date hereof, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a Director or Chief Executive Officer or Substantial Shareholder of the Company.

### **BY ORDER OF THE BOARD**

**DATUK MD WIRA DANI BIN ABDUL DAIM**  
Executive Chairman and Executive Director

**QUAH SU-YIN**  
Executive Director and Chief Executive Officer

**26 February 2016**