(Company Registration No. 197501110N)

Unaudited Financial Statement and Dividend Announcement for the financial period ended 30 September 2014

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, SAC Capital Private Limited, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**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.

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PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1,Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) 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.

1(a)(i) Income Statement

	1st Qtr ended 30 Sep 2014 $'000	1st Qtr ended 30 Sep 2013 $'000	Increase/ (Decrease) %
Revenue	2,326	4,809	(51.6)
Cost of sales	(1,506)	(2,222)	(32.2)
Gross profit	820	2,587	(68.3)
Other income	605	1,659	(63.5)
Distribution expenses	(777)	(1,184)	(34.4)
Administrative expenses	(2,046)	(1,908)	7.2
Other expenses	(14)	(18)	(22.2)
Results from operating activities	(1,412)	1,136	N.M.
Finance costs	(245)	(210)	16.7
Share of results of joint ventures	(101)	-	N.M.
(Loss)/Profit before income tax	(1,758)	926	N.M.
Income tax credit	60	60	-
(Loss)/Profit for the period	(1,698)	986	N.M.
Attributable to:			
Owners of the Company	(1,602)	745	N.M.
Non-controlling interests	(96)	241	N.M.
	(1,698)	986	N.M.

N.M. - not meaningful.

(Company Registration No. 197501110N)

Unaudited Financial Statement and Dividend Announcement for the financial period ended 30 September 2014

Statement of Comprehensive Income

	1st Qtr ended 30 Sep 2014 $'000	1st Qtr ended 30 Sep 2013 $'000	Increase/ (Decrease) %
(Loss)/Profit for the period	(1,698)	986	N.M.
Other comprehensive income:			
Foreign currency translation differences from foreign subsidiaries	237	(65)	N.M.
Realisation of foreign currency translation on disposal of subsidiaries	-	165	N.M.
Other comprehensive income for the period	237	100	137.0
Total comprehensive income for the period	(1,461)	1,086	N.M.
Attributable to:			
Owners of the Company	(1,450)	855	N.M.
Non-controlling interests	(11)	231	N.M.
	(1,461)	1,086	N.M.

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

	1st Qtr ended 30 Sep 2014 $'000	1st Qtr ended 30 Sep 2013 $'000
Interest expenses	245	210
Interest income	(41)	(100)
Depreciation of property, plant and equipment	40	53
Amortisation of intangible assets	373	384
Utilisation of prepayment for rights on use of plant and machinery	29	29
Gain on disposal of subsidiaries (net)	-	(826)
Gain on disposal of assets classified as held for sale	-	(65)
Provision for warranty expense	102	146
Currency exchange loss/(gain) - net	236	(125)
Income tax credit	(60)	(60)

N.M. - not meaningful.

(Company Registration No. 197501110N)

Unaudited Financial Statement and Dividend Announcement for the financial period ended 30 September 2014

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.

Statements of Financial Position

	Group		Company	
	30 Sep 2014	30 Jun 2014	30 Sep 2014	30 Jun 2014
	$'000	$'000	$'000	$'000
Non-current assets				
Financial assets, available-for-sale	2,222	2,222	2,222	2,222
Property, plant and equipment	398	439	202	222
Intangible assets	15,800	16,173	-	-
Subsidiaries	-	-	23,671	23,671
Associates	13	13	13	13
Joint ventures	249	219	383	251
Trade receivables	1,013	1,150	-	-
Other non-current assets	11,580	11,664	15,975	15,923
	31,275	31,880	42,466	42,302
Current assets				
Inventories	1,203	1,020	-	-
Trade and other receivables	7,090	7,016	165	132
Other current assets	2,026	1,984	282	421
Cash and bank balances	7,052	8,265	5,848	6,861
	17,371	18,285	6,295	7,414
Total assets	48,646	50,165	48,761	49,716
Equity attributable to owners of the Company				
Share capital	153,074	153,074	153,074	153,074
Reserves	840	688	180	180
Accumulated losses	(116,749)	(115,147)	(107,780)	(107,211)
	37,165	38,615	45,474	46,043
Non-controlling interests	(8,867)	(8,856)	-	-
Total equity	28,298	29,759	45,474	46,043
Non-current liabilities				
Other payables	-	-	333	332
Accruals	847	758	-	-
Financial liabilities	7,897	8,037	168	184
Derivative instrument	50	50	-	-
Deferred tax liabilities	2,948	3,008	-	-
	11,742	11,853	501	516
Current liabilities				
Trade and other payables	5,433	5,407	2,226	2,684
Accruals	2,188	2,148	481	395
Financial liabilities	699	695	65	64
Current tax payable	2	2	2	2
Provision for other liabilities and charges	284	301	12	12
	8,606	8,553	2,786	3,157
Total liabilities	20,348	20,406	3,287	3,673
Total equity and liabilities	48,646	50,165	48,761	49,716

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

Amount repayable in one year or less, or on demand

30 September 2014 ($'000)		30 June 2014 ($'000)	
Secured	Unsecured	Secured	Unsecured
242	457	238	457

Amount repayable after one year

30 September 2014 ($'000)		30 June 2014 ($'000)	
Secured	Unsecured	Secured	Unsecured
6,946	951	6,972	1,065

Details of collateral

As at the date of the statement of financial position, total borrowings included secured liabilities of $7,188,000 (30 June 2014: $7,210,000) for the Group. Secured bank loans amounting to $426,000 (30 June 2014: $466,000) are secured by security charges which provide for fixed charge on certain assets of a subsidiary and corporate guarantees given by the Company. Other finance lease liabilities of the Group amounting to $257,000 (30 June 2014: $275,000) are secured by the rights to leased motor vehicles.

On 2 April 2012, the Company entered into a convertible loan agreement with Disa Digital Safety Pte Ltd ("Disa") and Sculptor Investors pursuant to which, the Sculptor Investors agreed to grant to Disa an initial loan of an aggregate principal amount of $7,000,000 (“1st Tranche”), and a further option for a loan of an aggregate principal amount of $7,000,000 (“2nd Tranche”), both of which are convertible either into the Company’s ordinary shares (“Shares”), or new ordinary shares in the capital of Disa in the event of a trade sale or an initial public offering of Disa at the discretion of the Sculptor Investors. The Sculptor Investors may at any time after three years from the completion date of the 1st Tranche, require Disa to repay the Sculptor Investors' contributions to the 1st Tranche and 2nd Tranche (if applicable) including any outstanding interest. In the event that any balance on the 1st Tranche and 2nd Tranche (if applicable) is not converted into the Company’s shares or Disa’s shares within 5 years from the completion dates of the 1st Tranche and 2nd Tranche respectively, all outstanding balance including any outstanding interest is to be repaid in cash to the Sculptor Investors. The convertible loan bears interest at 5% per annum, repayable at the end of 5 years and is secured by the Company’s corporate guarantee.

The remaining unsecured, interest bearing loan of $1,408,000 (30 June 2014: $1,522,000) is repayable over 48 equal instalments commencing from 1 November 2013.

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Unaudited Financial Statement and Dividend Announcement for the financial period ended 30 September 2014

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.

1(c)(i) Consolidated Statement of Cash Flows

	1st Qtr ended 30 Sep 2014 $'000	1st Qtr ended 30 Sep 2013 $'000
Cash flows from operating activities		
(Loss)/Profit for the period	(1,698)	986
Adjustments for:		
- Interest expenses	245	210
- Interest income	(41)	(100)
- Depreciation of property, plant and equipment	40	53
- Amortisation of intangible assets	373	384
- Utilisation of prepayment for rights on use of plant and machinery	29	29
- Gain on disposal of subsidiaries (net) (Note B)	-	(826)
- Gain on disposal of assets classified as held for sale	-	(65)
- Provision for warranty expense	102	146
- Income tax credit	(60)	(60)
- Share of results of joint ventures	101	-
Operating (loss)/profit before working capital changes	(909)	757
Changes in working capital:		
- Inventories	(183)	75
- Trade and other receivables	72	317
- Other current assets	12	17
- Trade and other payables	89	429
- Provision for other liabilities and charges	(86)	(158)
- Exchange differences arising from consolidation	207	(73)
Cash (used in)/from operations	(798)	1,364
Income tax paid	-	-
Net cash (used in)/from operating activities	(798)	1,364
Cash flows from investing activities		
Interest received	38	100
Purchase of property, plant and equipment	(1)	(10)
Proceeds from sale of assets classified as held for sale	-	883
Investment in joint ventures	(131)	-
Disposal of subsidiaries, net of cash disposed (Note B)	-	*
Net cash (used in)/from investing activities	(94)	973

1(c)(i) Consolidated Statement of Cash Flows (continue)

	1st Qtr ended 30 Sep 2014 $'000	1st Qtr ended 30 Sep 2013 $'000
Cash flows from financing activities		
Interest paid	(147)	(73)
Repayment of finance lease	(18)	(8)
Repayment of loan to a third party	(114)	-
Repayment of bank borrowings	(41)	(664)
Net cash used in financing activities	(320)	(745)
Net (decrease)/increase in cash and cash equivalents	(1,212)	1,592
Cash and cash equivalents at beginning of the period	8,204	3,142
Net effects of exchange rate changes on cash and cash equivalents	(1)	(2)
Cash and cash equivalents at end of the period (Note A)	**6,991**	**4,732**

1(c)(ii) Notes to Consolidated Statement of Cash Flows

Note A:

For the purpose of the consolidated statement of cash flows, the consolidated cash and cash equivalents comprise the following:

	1st Qtr ended 30 Sep 2014 $'000	1st Qtr ended 30 Sep 2013 $'000
Cash at bank and on hand	6,991	4,732
Short-term bank deposits	61	61
Cash and bank balances per Group statement of financial position	7,052	4,793
Less: Deposits placed with banks as security	(61)	(61)
Cash and cash equivalents per consolidated statement of cash flows	**6,991**	**4,732**

Note B:

On 6 September 2013, the Company announced the disposal of its wholly-owned subsidiary, Hinterland Property Development Pte Ltd ("HPD"), at a consideration of $1 in cash. The effect of disposal of HPD is set out below:

	$'000
Property, plant and equipment	1
Cash at bank *	-
Other receivables	29
Trade and other payables	(751)
Provisions for other liabilities and charges	(270)
Net identifiable liabilities	(991)
Realisation of foreign currency translation differences	165
Gain on disposal	(826)

** The net cash outflow on cash disposed was less than one hundred dollar.*

1(d)(i) A statement (for the issuer and group) showing either (a) all changes in equity or (b) 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.

Statements of Changes in Equity

Group

	Share capital	Foreign currency translation reserve	Share option reserve	Other capital reserves	Accumulated losses	**Total attributable to owners of the Company**	Non-controlling interests	**Total equity**
FY 2015	$'000	$'000	$'000	$'000	$'000	**$'000**	$'000	**$'000**
Balance as at 1 July 2014	153,074	(228)	21	895	(115,147)	**38,615**	(8,856)	**29,759**
Total comprehensive income								
- Loss for the period	-	-	-	-	(1,602)	**(1,602)**	(96)	**(1,698)**
Other comprehensive income for the period								
- Foreign currency translation differences from foreign subsidiaries	-	152	-	-	-	**152**	85	**237**
Total comprehensive income for the financial period	-	152	-	-	(1,602)	**(1,450)**	(11)	**(1,461)**
Balance as at 30 September 2014	**153,074**	**(76)**	**21**	**895**	**(116,749)**	**37,165**	**(8,867)**	**28,298**
FY 2014								
Balance as at 1 July 2013	146,418	53	135	300	(111,966)	**34,940**	(8,827)	**26,113**
Total comprehensive income								
- Profit for the period	-	-	-	-	745	**745**	241	**986**
Other comprehensive income for the period								
- Foreign currency translation differences from foreign subsidiaries	-	110	-	-	-	**110**	(10)	**100**
Total comprehensive income for the financial period	-	110	-	-	745	**855**	231	**1,086**
Others								
Disposal of subsidiaries	-	-	-	595	(595)	**-**	-	**-**
Balance as at 30 September 2013	**146,418**	**163**	**135**	**895**	**(111,816)**	**35,795**	**(8,596)**	**27,199**

Company

	Share capital	Share option reserve	Other capital reserves	Accumulated losses	**Total equity**
FY 2015	$'000	$'000	$'000	$'000	**$'000**
Balance as at 1 July 2014	153,074	21	159	(107,211)	**46,043**
Total comprehensive income for the financial period	-	-	-	(569)	**(569)**
Balance as at 30 September 2014	**153,074**	**21**	**159**	**(107,780)**	**45,474**
FY 2014					
Balance as at 1 July 2013	146,418	94	160	(104,096)	**42,576**
Total comprehensive income for the financial period	-	-	-	1,729	**1,729**
Balance as at 30 September 2013	**146,418**	**94**	**160**	**(102,367)**	**44,305**

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 issue, 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.

A) Changes in share capital during the financial period
There were no changes to the share capital during the financial period. The issued share capital of the Company as at 30 September 2014 comprises 4,913,729,645 (30 June 2014: 4,913,729,645; 30 September 2013: 3,930,983,716) ordinary shares.

B) Share options - Equation Executives' Share Option Scheme ("**ESOS**")
As at 30 September 2014, share options granted pursuant to the ESOS for the subscription of 550,000 (30 June 2014: 550,000; 30 September 2013: 600,000) ordinary shares in the share capital of the Company were outstanding. 50,000 ordinary shares of the share options were forfeited during the financial year ended 30 June 2014.

Save for the above, there are no unissued shares of the Company under option as at the end of the financial period.

C) Treasury shares
No treasury shares were held by the Company as at 30 September 2014, 30 June 2014 and 30 September 2013.

D) Convertible loans
The convertible loans are convertible at the lenders option into 444,602,525 (30 June 2014: 444,602,525; 30 September 2013: 413,315,855) ordinary shares of the Company (refer 1(b)(ii)).

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 number of issued shares as at 30 September 2014 is 4,913,729,645 (30 June 2014: 4,913,729,645) ordinary shares.

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

The Company does not have any treasury shares.

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 our auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

The figures have not been audited or reviewed by our auditors.

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 disclosed under paragraph 5 below, the Group has applied the same accounting policies and methods of computation for the current financial period compared with the 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.

The Group has adopted the new/revised FRSs and Interpretations of FRSs ("INT FRSs") that are effective for accounting period beginning on or before 1 July 2014. The adoption of these new/revised FRSs and INT FRSs did not result in any material change to the Group's accounting policies or any significant impact on the financial statements.

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	
	1st Qtr ended 30 Sep 2014	1st Qtr ended 30 Sep 2013
Earning per share		
(a) Basic earnings per share (cents per share)	(0.03)	0.02
- Weighted average number of ordinary shares in issue for basic earnings per share	4,913,729,645	3,930,983,716
(b) Diluted earnings per share (cents per share)	(0.03)	0.02
- Adjusted weighted average number of ordinary shares in issue for diluted earnings per share	4,913,729,645	3,930,983,716

For the purpose of calculation of the diluted earnings per ordinary share, the weighted average number of ordinary shares in issue is adjusted to take into account the dilutive effect arising from the dilutive share options, with the potential ordinary shares weighted for the period outstanding. As the effect is anti-dilutive, the diluted earnings per share is the same as the basic earnings per share.

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	
	As at 30 Sep 2014	As at 30 Jun 2014	As at 30 Sep 2014	As at 30 Jun 2014
Net asset value per ordinary share attributable to owners of the Company and non-controlling interests based on issued share capital (cents)	0.58	0.61	0.93	0.94

The net asset value per ordinary share attributable to owners of the Company and non-controlling interests is computed based on 4,913,729,645 (30 June 2014: 4,913,729,645) ordinary shares.

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.

(A) Income Statement (First Quarter Ended 30 September 2014 ("Q1 FY2015") versus First Quarter Ended 30 September 2013 ("Q1 FY2014")

i) Revenue
The Group's revenue decreased by $2.5 million (51.6%) from $4.8 million in Q1 FY2014 to $2.3 million in Q1 FY2015 ("QoQ"). This was mainly due to decrease in sales in Supply of construction materials segment ($1.6 million) and Consumer electronic products segment ($1.0 million); partially mitigated by the increase in sales in Energy management services ($0.1 million). The decrease in sales in Supply of construction materials segment was mainly due to one-off cash income ($1.6 million) in relation to sand business which was non-recurring and took place in Q1 FY2014. Consumer electronic products segment reported lower sales was mainly due to weak consumer sentiment in Europe in Q1 FY2015. Increase in sales in Energy management services segment was mainly due to higher revenue generated from consultancy services. The breakdown of revenue is represented in Table A below:

Table A

	1st Qtr ended 30 Sep 2014 $'000	% to total revenue	1st Qtr ended 30 Sep 2013 $'000	% to total revenue
Consumer electronic products	2,051	88.2%	3,036	63.1%
Supply of construction materials	-	N.M.	1,553	32.3%
E-waste/Recycling	115	5.0%	140	2.9%
Energy management services	159	6.8%	53	1.1%
Technology	1	N.M.	27	0.6%
	2,326	100.0%	4,809	100.0%

N.M. - not meaningful.

ii) Cost of sales and gross profits
Cost of sales ("COGS") decreased by $0.7 million from $2.2 million in Q1 FY2014 to $1.5 million in Q1 FY2015. The decrease was mainly due to lower sales which resulted in lower COGS recorded in the Consumer electronic products segment ($0.8 million). This decrease was partially offset by increase in the Energy management services segment ($0.1 million) which was in line with the higher sales in Q1 FY2015.

The Group reported gross profit margin ("GP%") of 35.3% in Q1 FY2015, as compared to a GP% of 53.8% in Q1 FY2014. The higher GP% recorded for Q1 FY2014 was mainly due to one-off cash income ($1.6 million) received from sand business (as mentioned in revenue section above). Without this one-off cash income, the GP% for Q1 FY2014 should have been 31.8% (adjusted). The higher GP% recorded in Q1 FY2015 was mainly contributed by better products mix with lower unit costs and higher GP in the Consumer electronic products segment during the financial period under review.

Due to the reasons explained above, the Group recorded a lower gross profit of $0.8 million in Q1 FY2015 as compared to higher gross profit of $2.6 million in Q1 FY2014.

iii) Other income
Other income decreased by $1.1 million from $1.7 million in Q1 FY2014 to $0.6 million in Q1 FY2015. The decrease was mainly due to (i) one-off gain of $0.8 million on disposal of subsidiaries; (ii) gain on disposal of assets classified as held for sale of $0.1 million; and (iii) trade payables written off of $0.1 million. These items were non-recurring and took place in Q1 FY2014.

The Group's revenue of Q1 FY2014 amounted to $175,000 was reclassified from Revenue to Other Income to conform to the current period's presentation and to better reflect the nature of the transactions. The reclassifications had no impact on profit for the period and equity.

iv) Distribution expenses
Distribution expenses decreased by $0.4 million from $1.2 million in Q1 FY2014 to $0.8 million in Q1 FY2015. This was mainly due to (i) lower sales related expenses of $0.2 million as a result of lower sales in Consumer electronic products segment; and (ii) lower staff costs of $0.2 million due to internal restructuring in the Group.

v) Administrative expenses
Administrative expenses increased by $0.1 million from $1.9 million in Q1 FY2014 to $2.0 million in Q1 FY2015. This was mainly attributable to foreign exchange movement of $0.3 million; partially mitigated by lower staff costs of $0.2 million.

vi) Other expenses
Other expenses remained fairly the same in QoQ comparison.

vii) Finance costs
Finance costs remained fairly the same in QoQ comparison. The slight increase in finance costs was mainly due to a new finance lease drawdown during the quarter ended 30 June 2014.

Due to the reasons above, the Group recorded a net loss of $1.7 million in Q1 FY2015.

(B) Statements of Financial Position

Total assets of the Group decreased by $1.6 million from $50.2 million as at 30 June 2014 to $48.6 million as at 30 September 2014, mainly due to the following:

i) Property, plant and equipment remained fairly the same at $0.4 million as at 30 June 2014 and 30 September 2014.

ii) Intangible assets pertaining to the core technology and development costs of Disa Anti-Theft system decreased by an amortisation charge of $0.4 million from $16.2 million as at 30 June 2014 to $15.8 million as at 30 September 2014.

iii) Joint ventures remained fairly the same at $0.2 million as at 30 June 2014 and 30 September 2014. This was mainly due to increase investment in joint ventures of $0.1 million which was partially offset by share of results of joint ventures of $0.1 million during the financial period.

iv) Other non-current assets were mainly made up of (i) prepayment for the rights, interest in and ownership of granite in Indonesia; (ii) prepayment for the rights on use of plant and machinery; and (iii) long-term loans to third parties. Other non-current assets decreased by $0.1 million from $11.7 million as at 30 June 2014 to $11.6 million as at 30 September 2014 and this was mainly due to (i) partial reclassification of loan to a third party of $0.1 million from non-current assets into current assets; and (ii) utilisation of prepayment for rights on use of plant and machinery for the financial

v) Inventories increased by $0.2 million, mainly due to increase in inventories in the Consumer electronic products segment as a result of lower sales during the financial period.

vi) Total trade and other receivables decreased by $0.1 million from $8.2 million as at 30 June 2014 to $8.1 million as at 30 September 2014. This was mainly due to collection of debts from customers and lower sales during the financial period.

vii) Decrease in cash and cash equivalents of $1.2 million (Refer to explanation in "8(C) Cash flow" below).

Total liabilities of the Group decreased by $0.1 million from $20.4 million as at 30 June 2014 to $20.3 million as at 30 September 2014, mainly due to the following:

i) Total accruals increased by $0.1 million from $2.9 million as at 30 June 2014 to $3.0 million as at 30 September 2014 and this was mainly due to accrued interests of $0.1 million on convertible loan for the financial period.

ii) Total financial liabilities decreased by $0.1 million from $8.7 million as at 30 June 2014 to $8.6 million as at 30 September 2014 and this was mainly due to repayments of loan to a third party of $0.1 million during the financial period.

iii) Deferred tax liabilities decreased by $0.1 million during the period and this was mainly due to amortisation charge for the financial period.

(C) Cash Flows

Cash and cash equivalents (net of overdraft and deposits placed with a bank as security) (refer to 1(C)(ii)) decreased by approximately $1.2 million from $8.2 million as at 30 June 2014 to $7.0 million as at 30 September 2014, mainly due to funds generated/utilised as follows:

i) Cash used in operating activities (net of non-cash items) of $0.8 million;
ii) Interest paid of $0.1 million;
iii) Investment in joint ventures of $0.1 million;
iv) Repayment of loan to a third party of $0.1 million; and
v) Repayment of bank borrowings of $0.1 million.

(D) Use of Proceeds

On 17 February 2014, the Company announced a renounceable, partially underwritten, rights issue ("Rights Issue") in the capital of the Company ("Rights Shares") at an issue price of $0.007 for each Rights Share, on the basis of one (1) Rights Share for every four (4) existing ordinary shares held by entitled shareholders. Net proceeds of $6.7 million was raised. The Company had utilised $1.8 million for investment and working capital purposes as at 30 September 2014.

	$'000
Net proceeds from Rights Issue	6,656
Less utilisation:	
- Investment	(383)
- Working capital expenditures	(1,377)
Balance as at 30 September 2014	4,896

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

No forecast or prospect statement was disclosed to shareholders previously.

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 Company's 50% joint venture company, Citrine Wireless Pte Ltd, has made good progress with its mobile internet business with potential customers and such updates will be announced in due course.

With the continued advancement in technology, particularly in interactive technology and mobile applications, coupled with the exponential demand for and use of smartphones, our further investment in this industry is a testament to our commitment to bringing about a turnaround in the Group's performance.

(Company Registration No. 197501110N)

Unaudited Financial Statement and Dividend Announcement for the financial period ended 30 September 2014

11. Dividend

(a) Current financial period reported on.

Any dividend declared 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/recommended, a statement to that effect.

No dividend has been recommended for the financial period ended 30 September 2014.

13. If the group has obtained a general mandate from shareholder for interested person transactions ("IPT"), the aggregate value of such transactions are required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained a statement to that effect.

The Company has no general IPT mandate and no IPT transactions for the period under review.

BY ORDER OF THE BOARD

CHNG WENG WAH
Executive Director/Chief Executive Officer

13 November 2014

NEGATIVE ASSURANCE CONFIRMATION PURSUANT TO RULE 705(5) OF THE SGX-ST LISTING MANUAL SECTION B: RULES OF CATALIST

We, Chng Weng Wah and Toh Hock Ghim, being two directors of Equation Corp Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the quarter ended 30 September 2014 to be false or misleading in any material aspect.

For and on behalf of the Board of Directors

CHNG WENG WAH
Executive Director/Chief Executive Officer

13 November 2014

TOH HOCK GHIM
Non-Executive and Independent Director