TT International Limited
Unaudited Financial Statements for the Second Quarter and Half Year Ended 30 September 2016

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

1(a)(i). An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

		Group					
		Quarter Ended			Half Year Ended		
	Note	30/9/2016	30/9/2015	+/(-)	30/9/2016	30/9/2015	+/(-)
		S$'000	S$'000	%	S$'000	S$'000	%
Revenue	1(a)(1)	76,378	87,075	(12.3)	161,347	184,140	(12.4)
Other operating income	1(a)(2)	1,252	2,739	(54.3)	3,171	4,597	(31.0)
		77,630	89,814	(13.6)	164,518	188,737	(12.8)
Changes in inventories of finished goods	1(a)(1)	(5,965)	(5,539)	7.7	(5,162)	3,656	nm
Purchase of goods	1(a)(1)	(48,206)	(56,898)	(15.3)	(111,389)	(143,913)	(22.6)
Staff costs		(10,073)	(10,379)	(2.9)	(19,658)	(20,715)	(5.1)
Depreciation		(8,210)	(7,988)	2.8	(16,419)	(16,298)	0.7
Other operating expenses	1(a)(3)	(12,291)	(18,153)	(32.3)	(26,127)	(27,920)	(6.4)
Loss from operations		(7,115)	(9,143)	(22.2)	(14,237)	(16,453)	(13.5)
Finance income	1(a)(4)	394	246	60.2	771	260	nm
Finance expense	1(a)(5)	(6,931)	(5,218)	32.8	(13,464)	(13,747)	(2.1)
Net finance expense		(6,537)	(4,972)	31.5	(12,693)	(13,487)	(5.9)
Loss before income tax		(13,652)	(14,115)	(3.3)	(26,930)	(29,940)	(10.1)
Income tax expense		(67)	(51)	31.4	(48)	(55)	(12.7)
Loss for the period		(13,719)	(14,166)	(3.2)	(26,978)	(29,995)	(10.1)
Attributable to:							
Owners of the Company		(7,359)	(9,523)	(22.7)	(13,940)	(20,065)	(30.5)
Non-controlling interests		(6,360)	(4,643)	37.0	(13,038)	(9,930)	31.3
Loss for the period		(13,719)	(14,166)	(3.2)	(26,978)	(29,995)	(10.1)
EBITDA		1,110	(1,140)	nm	2,211	(126)	nm

For information:

	S$ million	S$ million	S$ million	S$ million
(1) ***Non-cash expenses***				
Depreciation	8.2	8.0	16.4	16.3
Unrealised foreign exchange (gain)/loss	(0.8)	1.6	(0.4)	2.9
Amortisation of transaction cost	0.4	-	0.9	1.8
Accretion of notional interest expense on Scheme liabilities	2.3	1.1	4.5	4.3
	10.1	10.7	21.4	25.3
(2) ***Other Scheme related expenses***				
Legal and professional fees relating to Scheme	-	0.3	0.3	0.6
Scheme interest expense	1.0	0.9	1.7	1.9
	1.0	1.2	2.0	2.5

Excluding items (1) to (2) above, the group would have recorded a loss of S$2.6 million and S$3.6 million for 2QFY2017 and 1HFY2017 respectively (loss of S$2.3 million and S$2.2 million for 2QFY2016 and 1HFY2016 respectively).

nm - denotes 'not meaningful'

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

	Group					
	Quarter Ended			Half Year Ended		
	30/9/2016	30/9/2015	+/(-)	30/9/2016	30/9/2015	+/(-)
	S$'000	S$'000	%	S$'000	S$'000	%
Loss for the period	(13,719)	(14,166)	(3.2)	(26,978)	(29,995)	(10.1)
Other comprehensive income						
Items that are or may be reclassified subsequently to profit or loss :-						
Translation differences relating to financial statements of foreign subsidiaries	1,531	(794)	nm	1,860	(2,008)	nm
Other comprehensive income for the period, net of income tax	1,531	(794)	nm	1,860	(2,008)	nm
Total comprehensive income for the period, net of tax	(12,188)	(14,960)	(18.5)	(25,118)	(32,003)	(21.5)
Total comprehensive income attributable to:						
Owners of the Company	(5,687)	(9,892)	(42.5)	(12,360)	(21,663)	(42.9)
Non-controlling interests	(6,501)	(5,068)	28.3	(12,758)	(10,340)	23.4
Total comprehensive income for the period	(12,188)	(14,960)	(18.5)	(25,118)	(32,003)	(21.5)

nm - denotes 'not meaningful'

1(a)(iii). The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year.

Notes to the Income Statement

Note 1(a)(1)

	Group			
	Quarter Ended		Half Year Ended	
	30/9/2016	30/9/2015	30/9/2016	30/9/2015
Gross profit:	S$'000	S$'000	S$'000	S$'000
Revenue	76,378	87,075	161,347	184,140
Changes in inventories of finished goods	(5,965)	(5,539)	(5,162)	3,656
Purchase of goods	(48,206)	(56,898)	(111,389)	(143,913)
Gross profit	22,207	24,638	44,796	43,883
Gross profit margin	29.1%	28.3%	27.8%	23.8%

Note 1(a)(2)

	Group			
	Quarter Ended		Half Year Ended	
	30/9/2016	30/9/2015	30/9/2016	30/9/2015
Other operating income include:	S$'000	S$'000	S$'000	S$'000
Events and other activities	651	685	1,965	1,195
Miscellaneous income	601	2,054	1,206	3,402
	1,252	2,739	3,171	4,597

Note 1(a)(3)

	Group			
	Quarter Ended		Half Year Ended	
	30/9/2016	30/9/2015	30/9/2016	30/9/2015
Other operating expenses include:	S$'000	S$'000	S$'000	S$'000
Net realised and unrealised exchange (gain)/loss	(522)	1,695	(401)	2,931
Allowance for doubtful receivables made	6	17	6	17
Allowance for inventory obsolescence made/(written back)	240	81	100	(197)
Amortisation of intangible assets	15	15	29	29
(Gain)/loss on disposal of property, plant and equipment	(7)	-	60	(751)
Loss on disposal of subsidiary	-	-	-	547

Note 1(a)(4)

	Group			
	Quarter Ended		Half Year Ended	
	30/9/2016	30/9/2015	30/9/2016	30/9/2015
Finance income include interest income from:	S$'000	S$'000	S$'000	S$'000
Bank deposits	394	246	771	260
	394	246	771	260

Note 1(a)(5)

	Group			
	Quarter Ended		Half Year Ended	
	30/9/2016	30/9/2015	30/9/2016	30/9/2015
Finance expense	S$'000	S$'000	S$'000	S$'000
Interest expense paid/payable on:				
Term loans, bills payable & trust receipts	4,640	4,122	8,954	9,365
Finance lease liabilities	18	21	33	39
	4,658	4,143	8,987	9,404
Accretion of interest expense:				
- Sustainable debt	624	(717)	1,238	1,064
- RCBs - loan component	1,649	1,792	3,239	3,279
	2,273	1,075	4,477	4,343
	6,931	5,218	13,464	13,747

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.

	Note	Group		Company	
		30/9/2016	31/3/2016	30/9/2016	31/3/2016
		S$'000	S$'000	S$'000	S$'000
Non-current assets					
Property, plant and equipment		599,109	613,561	436	473
Investment properties		9,858	9,829	-	-
Subsidiaries		-	-	36,895	36,895
Intangible assets:					
Goodwill on consolidation		35,881	34,864	-	-
Trademarks and rights		9,422	9,451	-	-
Deferred tax assets		3,125	3,126	-	-
Unsecured loan to a subsidiary		-	-	89,900	89,900
		657,395	670,831	127,231	127,268
Current assets					
Inventories		51,695	56,857	-	-
Trade and other receivables	1(b)(1)	75,805	67,217	73,919	54,044
Cash and cash equivalents	1(c)(1)	8,899	18,626	26	30
		136,399	142,700	73,945	54,074
Total assets		793,794	813,531	201,176	181,342
Equity					
Share capital		175,622	171,929	175,622	171,929
Reserves		(154,700)	(142,340)	(321,197)	(313,631)
Equity attributable to owners of the Company		20,922	29,589	(145,575)	(141,702)
Non-controlling interests		86,218	98,974	-	-
Total equity		107,140	128,563	(145,575)	(141,702)
Non-current liabilities					
Borrowings	1(b)(3)	151,045	146,940	65,431	65,624
Derivative financial liabilities		750	750	835	835
Deferred tax liabilities		41,382	41,372	-	-
		193,177	189,062	66,266	66,459
Current liabilities					
Trade and other payables	1(b)(2)	185,838	184,794	131,651	108,928
Borrowings	1(b)(3)	305,110	308,517	148,834	147,657
Provisions	1(b)(4)	179	246	-	-
Current tax payable		2,350	2,349	-	-
		493,477	495,906	280,485	256,585
Total liabilities		686,654	684,968	346,751	323,044
Total equity and liabilities		793,794	813,531	201,176	181,342

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

	Group			
	30/9/2016		31/3/2016	
	Secured	Unsecured	Secured	Unsecured
	S$'000	S$'000	S$'000	S$'000
Borrowings payable in one year or less, or on demand	288,777	16,333	292,175	16,342
Borrowings repayable after one year	63,653	87,392	59,611	87,329

Details of any collateral

Secured financial liabilities comprise:

(i) Bank loans of S$28.7 million are secured against the trade receivables and inventories of a subsidiary; and other bank borrowings of S$6.6 million are secured by legal mortgages on subsidiaries' leasehold and freehold properties.

(ii) Hire purchase of S$1.2 million is secured by a charge over motor vehicles.

(iii) Term Loan of S$115.7 million is secured by legal mortgage on subsidiaries' leasehold properties.

Under the terms of the Scheme, the total amount due to Scheme Creditors is secured by a fixed and floating charge over all assets of the Company, subject to any prior rights of other creditors. The substantial shareholders of the Company had also provided personal guarantees for the unsecured borrowings amounting to S$38.5 million.

Scheme Creditors

Following the sanction of the Scheme of Arrangement by the Court of Appeal on 13 October 2010 (the "Scheme"), except for those payables deemed essential for the Company's ordinary course of business, the Company's debts owing to certain creditors (the "Scheme Creditors") have been restructured under the Scheme.

On 25 October 2011, the Non-sustainable Debts (as determined on 18 October 2011) were converted into Redeemable Convertible Bonds ("RCBs") of an aggregate principal amount of S$139,377,000, on terms as set out under the Scheme, and were issued by the Company in registered form to the Scheme Creditors on a pari passu basis.

Following the resolution of a disputed debt and crystallisation of certain disputed debts, the Company had, pursuant to the terms of the Scheme, subsequently issued new RCBs to Scheme Creditors on 3 April 2013 and 14 May 2014 respectively. As at 31 March 2014, the Company had issued a total aggregate RCBs of face value amounting to S$155,142,000 (from RCBs of face value amounting $139,634,000 issued on 3 April 2013).

On 17 April 2014, the Company made an offer to each Scheme creditor to convert a number of RCBs into the Company's new ordinary shares ("Dilution Shares") at a conversion price of S$0.14 in the Company by way of a first dilution exercise (the "First Dilution Exercise") in accordance with the Scheme Terms.

In accordance with the Bondholders' exercising of their rights under the First Dilution Exercise to convert the RCBs entitled for the conversion of Dilution Shares, the Company had, on 14 May 2014 (the First Dilution Date), issued 20,285,041 Dilution Shares which were quoted on the SGX-ST on 15 May 2014. As a result, the RCBs issued to Scheme Creditors were reduced by a face value amounting to S$2,840,000 (being the face value of the RCBs being converted to the Company's new ordinary shares as a result of the First Dilution Exercise) on 14 May 2014. As such, the total amount of RCBs with a total face value amounting S$152,302,000 were issued to Scheme Creditors (instead of S$155,142,000) in exchange for those issued previously on the same terms.

On 20 March 2015, Scheme Creditors gave their approval to the extension of the date of repayment of the Sustainable Debt by up to one year.

On 17 April 2015, the Company made an offer to each Scheme Creditor to convert a number of RCB into the Company's new ordinary shares ("Dilution Shares") at a conversion price of S$0.15 in the Company by way of a second dilution exercise (the "Second Dilution Exercise") in accordance with the Scheme Terms. On 14 May 2015 ("Second Dilution Date"), 35 bondholders had exercised their rights to convert their RCBs into Dilution Shares. On the Second Dilution Date, 21,187,159 Dilution Shares (representing approximately 2.07% of the enlarged issued share capital of the Company) were issued and quoted on the SGX-ST on 15 May 2015.

On 19 April 2015, Contingent Debt of S$127,757,000 have been deemed irrevocably, unconditionally and permanently waived by the contingent creditors. A contingent claim of S$2,282,000 pending verification have been fully resolved and crystallised. Crystallised debts and disputed debts has been reduced by S$135,000 and S$2,684,000 respectively. As at 31 March 2016, the Company's scheme debts has been decreased from S$404,856,000 to S$268,262,000. It comprises of S$242,582,000 of Crystallised Debts and S$25,680,000 of Disputed Debts. The Crystallised Debts is splitted into sustainable debts of S$135,956,000 and RCBs of S$106,626,000.

On 15 April 2016, Scheme Creditors gave their approval to the extension of the date of repayment of the Sustainable Debt by up to one year.

On 18 April 2016, the Company made an offer to each Scheme Creditor to convert a number of RCB into the Company's new ordinary shares ("Dilution Shares") at a conversion price of S$0.16 in the Company by way of a third dilution exercise (the "Third Dilution Exercise") in accordance with the Scheme Terms. On 13 May 2016 ("Third Dilution Date"), 35 bondholders had exercised their rights to convert their RCBs into Dilution Shares. On the Third Dilution Date, 23,078,216 Dilution Shares (representing approximately 2.20% of the enlarged issued share capital of the Company) were issued and quoted on the SGX-ST on 16 May 2016.

As a result, the RCBs were reduced by a face value amounting to S$3,693,000 (being the face value of the RCBs being converted to the Company's new ordinary shares as a result of the Third Dilution Exercise) on 13 May 2016. As such, the total amount of RCBs with a total face value of S$102,933,000 were issued to Scheme Creditors (instead of S$149,124,000) in exchange for those issued previously on the same terms.

Notes to the Balance Sheet

Note 1(b)(1) Trade and other receivables

	Group		Company	
	30/9/2016	31/3/2016	30/9/2016	31/3/2016
Trade and other receivables include:	S$'000	S$'000	S$'000	S$'000
Trade receivables	23,827	23,979	75	75
Deposits, prepayments and other receivables	51,688	42,945	505	858
Tax recoverable	290	293	289	289
Amounts due from subsidiaries	-	-	73,050	52,822
	75,805	67,217	73,919	54,044

Deposits, prepayment and other receivables increased mainly due to increase in advance payment to suppliers, suppliers' rebates and other receivables in overseas subsidiaries.

Note 1(b)(2) Trade and other payables

	Group		Company	
	30/9/2016	31/3/2016	30/9/2016	31/3/2016
Trade and other payables include:	S$'000	S$'000	S$'000	S$'000
Trade payables	46,546	46,791	-	-
Accrued operating expenses	108,290	111,602	51,375	52,420
Deposits from customers	1,350	4,873	-	-
Advance payments by customers	2,376	2,426	-	-
Other payables	23,655	18,502	4,560	4,322
Amount due to a director	3,621	600	-	-
Amounts due to subsidiaries				
- Trade	-	-	1,085	1,074
- Non-trade	-	-	74,631	51,112
	185,838	184,794	131,651	108,928

Note 1(b)(3) Borrowings

	Group		Company	
	30/9/2016	31/3/2016	30/9/2016	31/3/2016
	S$'000	S$'000	S$'000	S$'000
Non-current				
Amounts due to Scheme Creditors :				
- RCBs - loan component	58,394	58,943	65,425	65,617
Secured term loans (non-bank) (Note a)	4,467	-	-	-
Unsecured bank loans	-	11	-	-
Unsecured loans from non-controlling shareholders of subsidiaries	87,392	87,318	-	-
Finance lease liabilities	792	668	6	7
	151,045	146,940	65,431	65,624
Current				
Amounts due to Scheme Creditors :				
- Sustainable debts (Crystallised)	131,261	130,023	134,898	133,830
- RCBs - loan component (Uncrystallised)	10,130	10,035	13,935	13,825
	141,391	140,058	148,833	147,655
Secured bank overdrafts	-	703	-	-
Secured bank loans	35,807	35,155	-	-
Secured term loans (non-bank) (Note a)	111,243	115,865	-	-
Unsecured bank loans	382	371	-	-
Unsecured loan from non-controlling shareholder of a subsidiary	430	343	-	-
Bills payable and trust receipts	521	628	-	-
Bondholders' loans (Note b)	15,000	15,000	-	-
Finance lease liabilities	336	394	1	2
	305,110	308,517	148,834	147,657

Note:
a Decrease in secured term loans (non-bank) is due to repayment and amortisation of loans of S$6.6 million net of additional loan of S$6.4 million granted to a local subsidiary.
b These relate to loans extended to a subsidiary of the Company (to develop the Big Box) by Bondholders. The loans are unsecured and bears interest at 10.0% per annum.

Note 1(b)(4) Provisions

	Group		Company	
	30/9/2016	31/3/2016	30/9/2016	31/3/2016
Provisions for:	S$'000	S$'000	S$'000	S$'000
Warranties	179	246	-	-
	179	246	-	-

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

	Group			
	Quarter Ended		Half Year Ended	
	30/9/2016	30/9/2015	30/9/2016	30/9/2015
	S$'000	S$'000	S$'000	S$'000
Cash flows from operating activities				
Loss for the period	(13,719)	(14,166)	(26,978)	(29,995)
Adjustments for:				
Loss on disposal of subsidiary	-	-	-	547
Allowance for doubtful receivables made	(6)	17	(6)	17
Allowance for inventory obsolescence made/(written back)	240	81	100	(197)
Depreciation and amortisation	8,225	8,003	16,448	16,327
(Gain)/loss on disposal of property, plant and equipment	(7)	-	60	(751)
Exchange (gain)/loss, unrealised	(798)	1,564	(427)	2,921
Inventories written (back)/off	(28)	89	(20)	87
Finance expense	6,931	5,218	13,464	13,747
Finance income	(394)	(246)	(771)	(260)
Income tax expense	67	51	48	55
Operating cash flow before working capital changes	511	611	1,918	2,498
Changes in working capital:				
Inventories	5,642	3,405	5,121	(2,111)
Trade and other receivables	(5,143)	(9,311)	(8,154)	(15)
Trade and other payables	(1,747)	(1,763)	459	(14)
Bills payable and trust receipts	(46)	(89)	(107)	(134)
Deposits and advance payments from customers	860	(427)	(3,573)	(3,485)
Provisions	(32)	(147)	(68)	(26)
Cash generated from/(used in) operations	45	(7,721)	(4,404)	(3,287)
Income tax paid	-	(154)	(14)	(259)
Interest paid on bills payable and trust receipts	(9)	(3)	(21)	(18)
Interest income received	394	246	771	260
Net cash generated from/(used in) operating activities	430	(7,632)	(3,668)	(3,304)
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	23	1,575	100	2,959
Proceeds from transfer of business			-	7,293
Purchase of property, plant and equipment	(527)	(527)	(1,544)	(2,267)
Acquisition of subsidiary, net of cash acquired	-	-	-	(53,238)
Net cash (used in)/ generated from investing activities	(504)	1,048	(1,444)	(45,253)
Cash flows from financing activities				
Contribution from non-controlling interests	-	-	2	57,801
Restricted bank deposits	(1)	(1,165)	4,999	(56)
Repayment of bank overdrafts	-	(216)	(703)	(355)
Interest paid on borrowings	(2,457)	(4,140)	(5,049)	(9,386)
Payment of obligations under finance leases	(42)	(57)	(169)	(154)
Proceeds/(repayment) of loans from directors	2,800	600	3,021	(739)
Proceeds from loans from non-controlling shareholders of subsidiaries	73	-	162	85
Repayment of loan from non-controlling shareholder of a subsidiary	(2)	-	(2)	-
Proceeds from interest-bearing borrowings	-	-	6,400	1,560
Repayment of borrowings	(4,162)	(500)	(7,633)	(2,681)
Net cash (used in)/generated from financing activities	(3,791)	(5,478)	1,028	46,075
Net decrease in cash and cash equivalents	(3,865)	(12,062)	(4,084)	(2,482)
Effect of foreign exchange rate changes on balances held in foreign currencies	142	(55)	59	(185)
Cash and cash equivalents at beginning of the period	6,617	23,196	6,919	13,746
Cash and cash equivalents at end of the period	2,894	11,079	2,894	11,079
Note 1(c)(1) Cash and cash equivalents (net) include:				
Cash at bank and in hand	7,203	21,567	7,203	21,567
Fixed deposits with financial institutions	1,696	1,648	1,696	1,648
Cash and cash equivalents in the balance sheet	8,899	23,215	8,899	23,215
Bank overdrafts	-	(1,132)	-	(1,132)
Restricted bank deposits	(6,005)	(11,004)	(6,005)	(11,004)
Cash and cash equivalents in the statement of cash flows	2,894	11,079	2,894	11,079

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.

Statement of Changes in Equity

Group (S$'000)	Share capital	Capital reserves	Fair value and revaluation reserves	Foreign currency translation reserves	Accumu-lated losses	Total attributable to Owners of the Company	Non-controlling interests	Total equity
At 1 April 2016	171,929	21,640	132,550	(28,287)	(268,243)	29,589	98,974	128,563
Total comprehensive income for the period	-	(8)	-	(84)	(6,581)	(6,673)	(6,257)	(12,930)
Transactions with owners, recorded directly in equity								
Contributions by owners								
Issuance of new shares upon RCBs conversion	3,693	-	-	-	-	3,693	-	3,693
Change in ownership interest in a subsidiary								
Change in ownership interest in a subsidiary	-	-	-	-	-	-	2	2
At 30 June 2016	175,622	21,632	132,550	(28,371)	(274,824)	26,609	92,719	119,328
Total comprehensive income for the period	-	(42)	-	1,714	(7,359)	(5,687)	(6,501)	(12,188)
At 30 September 2016	175,622	21,590	132,550	(26,657)	(282,183)	20,922	86,218	107,140
At 1 April 2015	168,751	121	177,476	(28,319)	(240,152)	77,877	46,372	124,249
Total comprehensive income for the period	-	-	-	(1,229)	(10,542)	(11,771)	(5,272)	(17,043)
Transactions with owners, recorded directly in equity								
Contributions by owners								
Issuance of new shares upon RCBs conversion	3,178	-	-	-	-	3,178	-	3,178
Change in ownership interest in subsidiaries								
Change in non-controlling interest in subsidiaries	-	-	-	-	-	-	57,801	57,801
Change in non-controlling interest in subsidiaries while retaining control	-	25,849	(44,959)	-	5,242	(13,868)	17,068	3,200
	-	25,849	(44,959)	-	5,242	(13,868)	74,869	61,001
At 30 June 2015	171,929	25,970	132,517	(29,548)	(245,452)	55,416	115,969	171,385
Total comprehensive income for the period	-	-	-	(369)	(9,523)	(9,892)	(5,068)	(14,960)
Change in ownership interest in subsidiaries								
Change in non-controlling interest in subsidiaries while retaining control	-	(4,330)	-	-	-	(4,330)	4,330	-
At 30 September 2015	171,929	21,640	132,517	(29,917)	(254,975)	41,194	115,231	156,425

Company (S$'000)	Share capital	Capital reserves	Accumu-lated losses	Total equity
At 1 April 2016	171,929	121	(313,752)	(141,702)
Total comprehensive income for the period	-	-	(3,577)	(3,577)
Transactions with owners, recorded directly in equity				
Contributions by owners				
Issuance of new shares upon RCBs conversion	3,693	-	-	3,693
At 30 June 2016	175,622	121	(317,329)	(141,586)
Total comprehensive income for the period	-	-	(3,989)	(3,989)
At 30 September 2016	175,622	121	(321,318)	(145,575)
At 1 April 2015	168,751	121	(275,779)	(106,907)
Total comprehensive income for the period	-	-	(5,642)	(5,642)
Transactions with owners, recorded directly in equity				
Contributions by owners				
Issuance of new shares upon RCBs conversion	3,178	-	-	3,178
At 30 June 2015	171,929	121	(281,421)	(109,371)
Total comprehensive income for the period	-	-	(2,715)	(2,715)
At 30 September 2015	171,929	121	(284,136)	(112,086)

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 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.

	No of ordinary Shares	Share Capital S$'000
At start of the period	1,025,313,701	171,929
Issuance of new shares upon RCBs conversion during the period	23,078,216	3,693
At end of the period	1,048,391,917	175,622

Issuance of new ordinary shares during the first half year of FY2017

(1) Pursuant to an offer on 18 April 2016 to each Scheme creditor to convert a number of RCBs into the Company's new ordinary shares ("Dilution Shares") at a conversion price of S$0.16 in the Company by way of a third dilution exercise (the "Third Dilution Exercise") in accordance with the Scheme Term, 23,078,216 Dilution Shares were issued on 13 May 2016.

1(d)(iii). To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	Company	
	No. of Shares	
	30/9/2016	31/3/2016
Issued ordinary shares	1,048,391,917	1,025,313,701

1(d)(iv). A statement showing all sales, transfer, 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 not 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.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 31 March 2016.

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.

Not applicable.

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			
	Quarter Ended		Half Year Ended	
	30/9/2016	30/9/2015	30/9/2016	30/9/2015
Earning per ordinary share for the year calculated based on profit attributable to Owners of the Company:	Cents	Cents	Cents	Cents
(i) Based on the weighted average number of ordinary shares on issue	(0.71)	(0.93)	(1.34)	(1.97)
(ii) On a fully diluted basis	(0.71)	(0.93)	(1.34)	(1.97)

Diluted earnings per share is the same as basic earnings per share because the Company's outstanding RCBs and convertible instruments do not have a dilutive effect at the reporting date.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares of the issuer at the end of the (a) current financial period reported on, and (b) immediately preceding financial year.

	Group		Company	
	30/9/2016	31/3/2016	30/9/2016	31/3/2016
	Cents	Cents	Cents	Cents
Net asset value per ordinary share	2.00	2.89	(13.89)	(13.82)

The net asset value per ordinary share as at 30 September 2016 was calculated based on 1,048,391,917 ordinary shares in issue. The net asset value per ordinary share as at 31 March 2016 was calculated based on 1,025,313,701 ordinary shares in issue.

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.

Second quarter ended 30 September 2016 versus second quarter ended 30 September 2015

For the second quarter ended 30 September 2016 (2QFY2017), the group recorded revenue of S$76.4 million (a 12.3% decrease), gross profit of S$22.2 million (a 9.9% decrease), and loss from operations of S$7.1 million, as compared to the previous corresponding period ended 30 September 2015 (2QFY2016), which recorded revenue, gross profit and loss from operations amounting to S$87.1 million, S$24.6 million and S$9.1 million respectively.

Lower revenue (a decrease of S$10.7 million) was mainly due to reduced sales from overseas subsidiaries as a result of lower customers' spending due to weakened global economic conditions.

The Group reported loss for the period of S$13.7 million in 2QFY2017 mainly due to:

	S$ million
(i) Non-cash expenses such as depreciation, unrealised exchange gain and accretion of interests on Scheme liabilities	10.1
(ii) Other Scheme-related expenses such as interests and professional fees	1.0
Total	11.1

Excluding the effects of these items, the Group would have recorded a net loss of S$2.6 million for 2QFY2017.

First half year ended 30 September 2016 versus first half year ended 30 September 2015

For the first half year ended 30 September 2016 (1HFY2017), the group recorded revenue of S$161.3 million, gross profit of S$44.8 million and loss from operations of S$14.2 million, as compared to the previous corresponding period ended 30 September 2015 (1HFY2016), which recorded revenue, gross profit and loss from operations amounting to S$184.1 million, S$43.9 million and S$16.5 million respectively. These represent a 12.4% decrease in revenue but a 2.1% increase in gross profit.

Lower revenue (a decrease of S$22.8 million) was mainly due to decrease in lower-margin sales to overseas customers and weakened consumer sentiments of overseas market which the Group operates in.

The Group reported loss for the period of S$27.0 million in 1HFY2017 mainly due to:

	S$ million
(i) Non-cash expenses such as depreciation, unrealised exchange gain and accretion of interests on Scheme liabilities	21.4
(ii) Other Scheme-related expenses such as interests and professional fees	2.0
Total	23.4

Excluding the effects of these items, the Group would have recorded a net loss of S$3.6 million for 1HFY2017.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and 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 Group's operating environment remains challenging against a backdrop of a weak retail industry and volatile exchange rates in our major markets, increasing margin pressures, rising costs across geographical regions, as well as manpower tightening policies in Singapore.

The Group had launched its new "shop-in-shop" concept by introducing Japanese Supermart brands "Gyomu Super" and "Megumino Sato" supermarts inside its BIG BOX Hypermart, and the niche display of products by country of origin. The Group will continue to focus on building up its retail business, strengthen BIG BOX operations to increase its market share and the expansion of its Indonesian operations. These will contribute to the Group's financial performance in the long run.

The Company is being restructured under the Scheme of Arrangement (the "Scheme") sanctioned by the Court of Appeal in Singapore on 13 October 2010. The effective date of the Scheme is 19 April 2010.

The ability of the Group and the Company to continue in operation in the foreseeable future and to meet their financial obligations (both short term and long term) as and when they fall due is dependent on:

a) the successful implementation of the Scheme;
b) the profitability of future operations of the Company and its subsidiaries;
c) the controlling shareholders and key management personnel of the Company remaining substantially unchanged;
d) the ability to secure financing support as and when required: and
e) the continuing support of bank and other creditors, suppliers and other parties.

The Board is of the view that the Group will be able to meet its short-term obligations as and when they fall due despite the negative working capital position as the Company is exploring various possibilities in securing the necessary funding to discharge the Scheme and provide the Group with additional working capital.

11. Dividend

(a) Period ended 30 September 2016

Any dividend declared for the current financial period reported on?

None

(b) Period ended 30 September 2015

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 declared or recommended for the period ended 30 September 2016.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained any mandate for any interested party transactions.

14. Negative assurance confirmation by the Board pursuant to Rule 705(5) of the Listing Manual.

The Board of Directors hereby confirms that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial statements for the period ended 30 September 2016 to be false or misleading in any material aspect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

A confirmation has been provided.

Koh Sock Tin
Company Secretary

Date: 11 November 2016