



P99 HOLDINGS

P99 HOLDINGS LIMITED

(Formerly known as China Fashion Holdings Limited)
(Registration No: 200311696K)

Unaudited Full Year Financial Statement and Dividend Announcement for the Year Ended 31 December 2016

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Thomas Lam, Associate Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.

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

- 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.**

	Group		Change
	Unaudited Year ended 31/12/2016	Audited Year ended 31/12/2015	
	S\$'000	S\$'000	%
Revenue	-	-	n/a
Cost of sales	-	-	n/a
Gross Profit	-	-	n/a
Other operating income	5	304	(98.4)
Expenses			
Administrative expenses	(1,874)	(1,743)	7.5
Other operating expenses	(5)	(140)	(96.4)
Finance costs	(2)	(1)	100.0
Loss before income tax	(1,876)	(1,580)	18.7
Income tax expense	-	-	n/a
Total loss for the financial year	(1,876)	(1,580)	18.7
Other comprehensive income/(loss), net of tax			
Foreign currency translation gain/(loss)	-	-	n/a
Total comprehensive loss for the financial year	(1,876)	(1,580)	18.7

*n/a – not applicable
n.m. – not meaningful*

Profit/(loss) before taxation is stated after crediting / (charging) the following:

	Group		Change
	Unaudited Year ended 31/12/2016	Audited Year ended 31/12/2015	
	S\$'000	S\$'000	
Other receivables written off	-	(134)	n.m.
Depreciation of plant and equipment	(5)	(6)	(16.7)
Foreign exchange (loss)/gain	(1)	297	n.m.
Interest Income	-	4	n.m.
Other Income	6	3	100.0

n.m. – not meaningful

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	
Unaudited 31/12/2016	Audited 31/12/2015	Unaudited 31/12/2016	Audited 31/12/2015
S\$'000	S\$'000	S\$'000	S\$'000

ASSETS

Non-current assets

Plant and equipment	-	5	-	5
Total non-current assets	-	5	-	5

Current assets

Other receivables and other current assets	1	10	1	10
Cash and cash equivalents	9,982	10,625	9,982	10,625
Total current assets	9,983	10,635	9,983	10,635

Total assets	9,983	10,640	9,983	10,640
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EQUITY AND LIABILITIES

Capital and reserves

Share capital	48,540	48,540	48,540	48,540
Foreign currency translation reserve	3,003	3,003	2,891	2,891
Accumulated losses	(44,141)	(42,265)	(43,301)	(41,425)
Total equity	7,402	9,278	8,130	10,006

Current liabilities

Other payables	2,456	1,362	1,728	634
Other creditors	125	-	125	-
Total equity and liabilities	9,983	10,640	9,983	10,640

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

Amount repayable in one year or less, or on demand

As at 31/12/2016		As at 31/12/2015	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	125	-	-

Amount repayable after one year

As at 31/12/2016		As at 31/12/2015	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	-	-

Details of any collateral

None.

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	
	Unaudited Year ended 31/12/2016	Audited Year ended 31/12/2015
	S\$'000	S\$'000
Cash Flows from Operating activities		
(Loss)/Profit before tax	(1,876)	(1,580)
Adjustments for:		
Depreciation of property, plant and equipment	5	6
Other receivables written off	-	134
Interest income	-	(4)
Operating cash flows before working capital changes	<u>(1,871)</u>	<u>(1,444)</u>
Changes in working capital:		
Other receivables and other current assets	9	230
Other payables	1,094	411
Cash used in operating activities	<u>(768)</u>	<u>(803)</u>
Interest paid	-	-
Net cash used in operating activities	<u>(768)</u>	<u>(803)</u>
Cash Flows from Investing activities		
Interest received	-	4
Net cash generated from investing activities	<u>-</u>	<u>4</u>
Cash Flows from Financing activities		
Funds from shareholders and a director	-	120
Funds from other creditors	125	-
Net cash generated from financing activities	<u>125</u>	<u>120</u>
Net decrease in cash and cash equivalents	(643)	(679)
Cash and cash equivalents at beginning of the financial year	10,625	11,304
Effects of changes in foreign exchange rates	-	-
Cash and cash equivalents at end of the financial year	<u>9,982</u>	<u>10,625</u>

Cash and cash equivalents comprise of fixed deposits and cash and bank balances, and monies held in escrow account.

Group	
Unaudited Year ended 31/12/2016	Audited Year ended 31/12/2015
S\$'000	S\$'000

Represented by:

Cash and bank balances	18	661
Escrow account	9,964	9,964
	<u>9,982</u>	<u>10,625</u>

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.

	Share capital	Foreign currency translation reserve	Non-distributable statutory reserve	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group					
Balance as at 1 January 2016	48,540	3,003	-	(42,265)	9,278
Loss for the financial year	-	-	-	(1,876)	(1,876)
Other comprehensive income	-	-	-	-	-
Issuance of shares in connection with a share placement	-	-	-	-	-
Share issue expense	-	-	-	-	-
Balance as at 31 December 2016	48,540	3,003	-	(44,141)	7,402
Balance as at 1 January 2015	48,540	3,003	-	(40,685)	10,858
Loss for the financial year	-	-	-	(1,580)	(1,580)
Other comprehensive income	-	-	-	-	-
Issuance of shares in connection with a share placement	-	-	-	-	-
Share issue expense	-	-	-	-	-
Balance as at 31 December 2015	48,540	3,003	-	(42,265)	9,278
Company					
Balance as at 1 January 2016	48,540	2,891	-	(41,425)	10,006
Loss for the financial year	-	-	-	(1,876)	(1,876)
Other comprehensive income	-	-	-	-	-
Issuance of shares in connection with a share placement	-	-	-	-	-
Share issue expense	-	-	-	-	-
Balance as at 31 December 2016	48,540	2,891	-	(43,301)	8,130
Balance as at 1 January 2015	48,540	2,891	-	(39,847)	11,584
Loss for the financial year	-	-	-	(1,578)	(1,578)
Other comprehensive income	-	-	-	-	-
Issuance of shares in connection with a share placement	-	-	-	-	-
Share issue expense	-	-	-	-	-
Balance as at 31 December 2015	48,540	2,891	-	(41,425)	10,006

- 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.**

	Company	
	Number of shares	Share capital S\$'000
Issued and fully paid:		
As at 30 June 2016	216,408,402	48,540
As at 31 December 2016	<u>216,408,402</u>	<u>48,540</u>

The Company does not have any outstanding convertibles or treasury shares as at 31 December 2016 and 31 December 2015.

- 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	
	31/12/2016	31/12/2015
Total number of issued shares excluding treasury shares	216,408,402	216,408,402

- 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 as there was no treasury share during or as at the end of the current financial period reported on.

- 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 the Company's 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 computations in the financial statements for the year ended 31 December 2016 as those of the audited financial statements as at 31 December 2015.

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 of the new or revised Financial Reporting Standards ("FRS") that are effective for the financial period beginning 1 January 2016 and are relevant to its operations. The adoption of these new and revised FRS has no material effect on the amounts reported for the current or prior reporting periods.

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.

**(a) Based on the weighted average number of ordinary shares in issue; and
(b) On a fully diluted basis (detailing any adjustments made to the earnings).**

Earnings per ordinary share ("EPS") for the period based on consolidated net profit / (loss) attributable to shareholders	Group	
	Unaudited Year ended 31 December 2016	Audited Year ended 31 December 2015
	S\$	S\$

(a) Based on the weighted average number of ordinary shares in issue	(0.87) cent	(0.73) cent
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(b) On a fully diluted basis	(0.87) cent	(0.73) cent
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The earnings per ordinary share for the financial year ended 31 December 2016 is calculated based on the weighted average number of ordinary shares in issue of 216,408,402 (31 December 2015 : 216,408,402).

The diluted earnings per share are the same as the basic earnings per share as there were no outstanding convertibles securities for both financial years ended 31 December 2016 and 31 December 2015.

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	
Unaudited 31/12/2016	Audited 31/12/2015	Unaudited 31/12/2016	Audited 31/12/2015
S\$	S\$	S\$	S\$

Net asset value per ordinary share based on number of shares issued at the end of the financial period (S\$ cents)	3.42	4.29	3.76	4.62
Net asset value	7,402,000	9,278,000	8,130,000	10,006,000

Net asset value per ordinary shares is calculated based on 216,408,402 shares for financial years ended 31 December 2016 and 31 December 2015.

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.

Statement of Comprehensive Income

No revenue was recognised in FY2016 as the Company became a Cash Company on 1st December 2014.

Other operating income decreased by S\$299,000 from S\$304,000 for FY2015 to S\$5,000 for FY2016. The decrease was mainly due to the absence of realised exchange gain converting USD to SGD in FY2015.

There were no distribution and marketing expenses for the period under review as the Company did not have any sales operation in FY2016.

Administrative expenses increased by approximately S\$131,000 from S\$1,743,000 in FY2015 to S\$1,874,000 in FY2016. The increase was mainly due to legal fees pursuant to the Proposed Acquisition (as defined below).

Other operating expenses decreased to S\$4,500 in FY2016 from S\$140,000 in FY2015. The decrease was mainly due to partial settlement sum from Verto Group Enterprise Ltd written off in FY2015.

Finance costs increased by approximately S\$1,000 in FY2016.

As a result of the aforementioned, the Group's net loss before income tax was S\$1,876,000 for FY2016 as compared to a loss of S\$1,580,000 in FY2015. There was no income tax payable in view of net loss position.

Statement of Financial Position

The Group's non-current assets decreased by approximately S\$5,000 due to the depreciation expense relating to plant and equipment.

Other receivables and other current assets decreased to S\$1,000 as at 31 December 2016 from S\$10,000 as at 31 December 2015.

Cash and cash equivalents for the Group decreased to S\$9,982,000 as at 31 December 2016 from S\$10,625,000 as at 31 December 2015, registering a net decrease of S\$643,000.

The Group's share capital remained constant at S\$48,540,000 as at 31 December 2016 and 31 December 2015.

Foreign currency translation reserve also remained constant at S\$3,003,000 as at 31 December 2016 and 31 December 2015.

Trade and other payables increased to S\$2,336,000 as at 31 December 2016 from S\$1,242,000 as at 31 December 2015 due to accrued professional fees in relation to the Proposed Acquisition with Giant Maze Limited and the proposed acquisition of Barito Pte Ltd in FY2015.

Other creditors related to an interest-bearing third party loan of S\$125,000 for working capital to finance the operation expenses of the Company.

The Group had a positive working capital of S\$7,402,000 as at 31 December 2016, as compared to S\$9,273,000 as at 31 December 2015.

Statement of Cash Flows

The Group reported a cash outflow of S\$763,000 in FY2016 from its operating activities, after accounting for movements in working capital, as compared to S\$803,000 in FY2015 due to decrease in other receivables and other current assets offset by an increase in trade and other payables.

The Group had no cash inflow from investing activities in FY2016. Net cash generated from investing activities of S\$4,000 in FY2015 related to interest income.

Net cash generated from financing activities of S\$125,000 came from an interest-bearing third party loan in FY2016.

The Group's cash and cash equivalents decreased by S\$643,000 in FY2016 from S\$10,625,000 as at 31 December 2015 to S\$9,982,000 as at 31 December 2016.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

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.

On 3 October 2016, the Company announced that it had entered into a conditional sale and purchase agreement to acquire 100% of the issued share capital of UES Holdings Pte. Ltd. from Giant Maze Limited for an aggregate purchase consideration of S\$65,000,000 (the “**Proposed Acquisition**”).

The Company had on 11 November 2016 appointed SAC Capital Private Limited as financial adviser to the Company in respect of the Proposed Acquisition.

On 16 December 2016, the Company was granted a 1-year extension of time to meet the requirements for a new listing by 30 November 2017, subject to, *inter alia*, the provision of the written confirmation and undertaking from the Board as disclosed in the Company’s announcement on 18 December 2016.

Please refer to the relevant announcements for further details.

The Company will make further announcement(s) to update the Shareholders on the Proposed Acquisition as and when appropriate.

11. Dividend

(a) Current financial period reported on

No dividend has been declared or recommended for the financial year ended 31 December 2016.

(b) Corresponding period of the immediately preceding financial year

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

(c) Date payable

Not applicable.

12. If no dividend has been declared (recommended), a statement to that effect.

No dividend has been declared or recommended for the financial year ended 31 December 2016.

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

The Group does not have any general mandate from shareholders for IPTs pursuant to Rule 920. There was no IPT with value of more than S\$100,000 entered into during the financial period under review.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

- 14. Segmented revenue and results for operating 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.**

There is no segmented revenue and results as the Group has no sales operations.

- 15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Please refer to paragraph 8 above.

- 16. A breakdown of sales.**

Not applicable.

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

There is no annual dividend for FY2016 and FY2015.

- 18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Not applicable. There is no person occupying a managerial position in the Company and/or its subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company and/or its subsidiaries as at 31 December 2016 pursuant to Rule 704(10) of the Catalist Rules.

- 19. Confirmation pursuant to Rule 720(1) of the Catalist Listing Manual.**

The Company has procured undertakings from all its directors and executive officers, under Rule 720(1).

BY ORDER OF THE BOARD

Tan Sin Huat, Dennis
Executive Director

21 February 2017