



Chaswood Resources Holdings Ltd.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200401894D)

HALF YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2016

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR AND FULL YEAR RESULTS

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

THE GROUP	HALF YEAR ENDED 30 JUNE			
	2016	2015	Increase/(Decrease)	
	(Unaudited) RM'000	(Unaudited) RM'000	RM'000	%
Revenue	83,079	79,120	3,959	5.0%
Cost of sales	(27,085)	(26,248)	(837)	3.2%
Gross profit/Gross margin	55,994	52,872	3,122	5.9%
<u>Other Items of Income</u>				
Interest income	22	21	1	5.1%
<u>Other Items of Expense</u>				
Marketing and distribution costs	(3,652)	(1,645)	(2,007)	122.0%
Administrative expenses	(50,654)	(49,286)	(1,368)	2.8%
Finance costs	(1,564)	(1,016)	(548)	53.9%
Other losses	(20)	-	(20)	N.M
Other expenses	(3,406)	(3,433)	27	-0.8%
Loss before taxation	(3,280)	(2,487)	(793)	31.9%
Income tax expense	(793)	(797)	4	-0.5%
Loss after taxation	(4,073)	(3,284)	(789)	24.0%
Other comprehensive loss net of tax:- Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	(1,644)	1,860	(3,504)	N.M
Total comprehensive loss	(5,717)	(1,424)	(4,293)	301.5%
Loss attributable to owners of the company, net of tax	(4,073)	(3,163)	(910)	28.8%
Loss attributable to non-controlling interests, net of tax	-	(121)	121	N.M
Loss after tax	(4,073)	(3,284)	(789)	24.0%
Total comprehensive loss attributable to owners of the company, net of tax	(5,705)	(1,417)	(4,288)	302.6%
Total comprehensive loss attributable to non-controlling interests, net of tax	(12)	(7)	(5)	71.4%
Total comprehensive loss	(5,717)	(1,424)	(4,293)	301.5%

N.M: Not Meaningful



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1(a)(ii) Other Information

The Group's profit net of tax is arrived at after charging/(crediting):

THE GROUP	HALF YEAR ENDED 30 JUNE		
	2016 (Unaudited) RM'000	2015 (Unaudited) RM'000	Increase/ (Decrease) %
Depreciation of property and equipment	3,143	3,311	-5.1%
Amortisation of franchise fees	263	122	115.6%
Loss on disposal of property and equipment	20	-	N.M
Exchange gain / (loss)	33	-	N.M
Interest Income	(22)	(21)	N.M



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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.

	The Group		The Company	
	30 June 2016 RM'000 (Unaudited)	31 December 2015 RM'000 (Audited)	30 June 2016 RM'000 (Unaudited)	31 December 2015 RM'000 (Audited)
ASSETS				
Non-Current Assets				
Property and Equipment	58,316	62,177	-	-
Intangible Assets	16,390	16,547	-	-
Investment in Subsidiaries	-	-	150,000	150,000
Total Non-Current Assets	74,706	78,724	150,000	150,000
Current Assets				
Inventories	3,592	3,810	-	-
Trade and Other Receivables	6,552	6,199	885	2,091
Other Assets	17,215	14,836	-	-
Cash and Cash Equivalents	10,730	14,814	-	-
Total Current Assets	38,089	39,659	885	2,091
Total Assets	112,795	118,383	150,885	152,091
EQUITY AND LIABILITIES				
Equity				
Share Capital	24,464	20,776	162,132	158,444
Capital Reserves	(651)	4,669	(1,421)	2,543
Retained Earnings/(Accumulated Losses)	(9,313)	(5,240)	(11,386)	(9,851)
Total Equity Attributable to Owners of the Parent	14,500	20,205	149,325	151,136
Non-Controlling Interest	(139)	(127)	-	-
Total Equity	14,361	20,078	149,325	151,136
Non-Current Liabilities				
Deferred Tax Liabilities	2,639	2,639	-	-
Other Financial Liabilities	32,378	32,072	-	-
Total Non-Current Liabilities	35,017	34,711	-	-
Current Liabilities				
Provision for Taxation	414	1,636	-	-
Trade and Other Payables	46,659	45,202	1,560	955
Other Financial Liabilities	15,950	16,362	-	-
Other Liabilities, current	394	394	-	-
Total Current Liabilities	63,417	63,594	1,560	955
Total Liabilities	98,434	98,305	1,560	955
Total Equity and Liabilities	112,795	118,383	150,885	152,091



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1(b)(ii) Aggregate amount of the Group's borrowings and debts securities.

Amount repayable in one year or less, or on demand

	30 June 2016		31 December 2015	
	RM'000 (Secured)	RM'000 (Unsecured)	RM'000 (Secured)	RM'000 (Unsecured)
Finance lease payables	89	-	142	-
Interest bearing loans and borrowings	14,206	-	14,560	-
	<u>14,295</u>	<u>-</u>	<u>14,702</u>	<u>-</u>

Amount repayable after one year

	30 June 2016		31 December 2015	
	RM'000 (Secured)	RM'000 (Unsecured)	RM'000 (Secured)	RM'000 (Unsecured)
Finance lease payables	98	-	98	-
Exchangeable bonds	7,871	-	7,739	-
Interest bearing loans and borrowings	18,909	-	18,111	-
	<u>26,878</u>	<u>-</u>	<u>25,948</u>	<u>-</u>

Details of any collateral

- (1) The bills payable and bank overdrafts are secured by:-
 - (i) Fixed and floating charges over all the present and future assets of certain subsidiaries;
 - (ii) Pledge of fixed deposits with licensed banks; and
 - (iii) Corporate guarantees of the Company and Chaswood Resources Sdn Bhd.
- (2) The term loans are secured by:-
 - (i) Fixed and floating charge over all present and future assets of certain subsidiaries; and
 - (ii) Pledge of fixed deposits with licensed banks of the Group.

Certain of the term loans are also covered by:

 - (i) Corporate guarantees of the Company and Chaswood Resources Sdn Bhd; and
 - (ii) Legal assignment to the lender of all rights, titles, benefits and interests in insurance policies of certain subsidiaries.
- (3) The obligations under finance lease payables are secured by the lessor's charge over the leased assets.
- (4) The Exchangeable Bonds are secured by a corporate guarantee of the Company.



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

	1ST HALF YEAR 30 JUN	
	Unaudited 2016 RM'000	Unaudited 2015 RM'000
Cash Flows From Operating Activities		
Loss before tax	(3,280)	(2,487)
Adjustment for:		
Amortisation of franchise agreement cost	263	122
Depreciation of property and equipment	3,143	3,311
Loss on disposal of property and equipment	20	-
Interest income	(22)	(21)
Interest expense	1,564	1,016
Operating Profit Before Working Capital Changes	1,688	1,941
Inventories	218	(18)
Trade and Other Receivables	(353)	(2,397)
Other Assets, Current	(2,379)	(1,163)
Trade and Other Payables	782	4,029
Net Cash Flows From Operations	(44)	2,392
Tax Paid	(2,014)	(2,336)
Net Cash Flows From Operating Activities	(2,058)	56
Balance carried forward	(2,058)	56



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1(c) Consolidated Statement of Cash Flows (for the group) (Continued)

	1ST HALF YEAR 30 JUN	
	Unaudited 2016 RM'000	Unaudited 2015 RM'000
Balance brought forward	(2,058)	56
Cash Flows From Investing Activities		
Purchases of Property and Equipment	(634)	(2,677)
Net Proceeds from Disposal	396	-
Acquisition of subsidiaries	-	(10,226)
Interest Received	22	21
Net Cash Flows Used in Investing Activities	(216)	(12,882)
Cash Flows From Financing Activities		
Decrease in Bills Payable	-	(404)
Drawdown of Borrowings	5,082	12,763
Repayment of Borrowings	(4,864)	(3,104)
Repayment of Finance Lease Payables	(58)	(132)
Cash Restricted in Use	(23)	784
Net proceeds from issuance of redeemable exchangeable bonds	-	4,013
Interest Paid	(1,564)	(1,016)
Net Cash Flows From Financing Activities	(1,427)	12,904
Net Increase/(Decrease) in Cash and Cash Equivalents	(3,701)	78
Foreign Exchange Differences	(56)	1,860
Cash and Cash Equivalents At the Beginning Of The Financial Period	7,699	240
Cash and Cash Equivalents At the End Of The Financial Period	3,942	2,178
<u>Cash and cash equivalents:-</u>		
Not restricted in use	7,896	8,755
Restricted in use	2,834	2,680
	10,730	11,435
<u>Cash and cash equivalents in the Statement of Cash Flows:-</u>		
Amount as shown above	10,730	11,435
Bank Overdraft	(3,954)	(6,577)
Cash restricted in use over 3 months	(2,834)	(2,680)
At the end of the financial period	3,942	2,178



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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.

The Group	Attributable to owners of the Company				Non-Controlling Interests	Total Equity
	Share Capital	Other Reserve	Retained Earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2016	20,776	4,669	(5,240)	20,205	(127)	20,078
Total comprehensive income/(loss) for the year						
Loss for the financial year	-	-	(4,073)	(4,073)	-	(4,073)
Share Placement	3,688	(3,688)	-	-	-	-
Effect of translation of net assets of foreign subsidiaries	-	(1,632)	-	(1,632)	(12)	(1,644)
Total comprehensive income/(loss) for the year	3,688	(5,320)	(4,073)	(5,705)	(12)	(5,717)
Balance as at 30 June 2016 (unaudited)	24,464	(651)	(9,313)	14,500	(139)	14,361
Balance as at 1 January 2015	20,776	(108)	8,546	29,214	(152)	29,062
Total comprehensive income/(loss) for the year						
Loss for the financial year	-	-	(13,786)	(13,786)	(3)	(13,789)
Effect of translation of net assets of foreign subsidiaries	-	4,667	-	4,667	28	4,695
Total comprehensive income/(loss) for the year	-	4,667	(13,786)	(9,119)	25	(9,094)
Issuance of redeemable exchangeable bonds	-	110	-	110	-	110
Balance as at 31 December 2015	20,776	4,669	(5,240)	20,205	(127)	20,078



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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.

The Company

	Share Capital RM'000	Other Reserve RM'000	(Accumulated Losses) RM'000	Total Equity RM'000
Balance as at 1 January 2016	158,444	2,543	(9,851)	151,136
Total comprehensive income/(loss) for the year				
Loss for the financial year	-	-	(1,535)	(1,535)
Share Placement	3,688	(3,688)	-	-
Foreign currency translation	-	(276)	-	(276)
Total comprehensive income/(loss) for the year	3,688	(3,964)	(1,535)	(1,811)
Balance as at 30 June 2016 (unaudited)	162,132	(1,421)	(11,386)	149,325
Balance as at 1 January 2015	158,444	155	(9,041)	149,558
Total comprehensive income/(loss) for the year				
Loss for the financial period	-	-	(810)	(810)
Foreign currency translation	-	2,388	-	2,388
Total comprehensive income / (loss) for the year	-	2,388	(810)	1,578
Balance as at 31 December 2015	158,444	2,543	(9,851)	151,136



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- 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.

The issued and paid-up share capital of the Company are as follow:

Issued and paid up share capital	Number of shares	Issued and paid up share capital (RM)
Share capital as at 30 June 2016	250,605,231	162,131,973
	As at 30 June 2016	As at 30 June 2015
	Shares ('000)	Shares ('000)
Additional shares that would be issued on conversion of all convertible instruments	10,000	10,000

The Group has issued redeemable exchangeable bonds ("Exchangeable Bonds") of an aggregate principal amount of S\$3.0 million in three (3) tranches of S\$1.0 million, S\$0.5 million and S\$1.5 million on 25 April 2014, 5 December 2014 and 27 January 2015 respectively. Based on the exchangeable price of S\$0.30 per new shares, the Company will be obliged to issue up to 10,000,000 new shares ("New Shares") in the event that the investor exercises its right to exchange the entire Exchangeable Bonds into New Shares.



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

	As at 30 June 2016	As at 31 December 2015
Total number of issued shares excluding treasury shares	250,605,231	226,817,819

The Company entered into a subscription agreement ("Subscription Agreement") with the Subscribers to allot and issue an aggregate of 23,787,412 new ordinary shares in the share capital of the Company ("Placement Shares") at an issue price of S\$0.051 per Placement Share ("Placement Price"), amounting to an aggregate consideration of approximately S\$1,213,158 and this has been approved at the Extraordinary General Meeting ("EGM") convened on 24 February 2016. 23,787,412 Placement shares were issued and allotted on 4 March 2016. As at the date of this announcement, the net proceeds have been fully utilised for the intended purposes of (i) settling the Group's general overheads, (ii) settling amounts owing to trade payables and other operating expenses, which are or were incurred in the normal course of business of the Group and (iii) repayment of loans.

The Company has no treasury shares as at 30 June 2016 and 31 December 2015.

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 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 accounting policies and methods of computation are consistent with the latest audited financial statements for the year ended 31 December 2015.



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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 new and revised Financial Reporting Standards (FRS) and Interpretations of FRS (INT FRS) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2015. The adoption of these new/revised FRS and INT FRS does not result in substantial change to the Group's and Company's accounting policies or have 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 period, after deducting any provision for preference dividends.**

Basic Earnings Per Share

	The Group	
	Half Year Ended 30 June	
	2016	2015
Net loss attributable to equity holders of the Company (RM'000)	(4,073)	(3,163)
Weighted average number of ordinary shares in issue ('000)	250,605	226,818
Loss per share (RM sen)	<u>(1.6)</u>	<u>(1.4)</u>

There is no dilutive effect from the exchangeable bonds as they are anti-dilutive because their conversion to ordinary shares would decrease loss 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.**

	The Group		The Company	
	As at	As at	As at	As at
	30 June	31 December	30 June	31 December
	2016	2015	2016	2015
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Net asset value per ordinary share (RM sen)	<u>5.7</u>	<u>8.9</u>	<u>59.6</u>	<u>66.6</u>

Net asset value per ordinary share of the Group and the Company was calculated based on 250,605,231 shares (2015: 226,817,819 shares) in issue at the end of the financial year/period.



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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.**

Review of Financial Performance

Revenue

Revenue increased by approximately RM3.9 million, or 5% as compared to 1H2015. The China subsidiaries which were acquired in April 2015 contributed to the increased revenue of approximately RM12.4 million. However, the Group's revenue from the existing operations has decreased due to the weak consumer sentiment in Malaysia affected by the implementation of Goods and Services Tax (GST), low crude oil prices and the weakened Malaysian currency since 2015. These have affected consumer spending in Malaysia (where majority of the Group's outlets are located).

Gross profit and gross profit margin

Gross profit increased by approximately RM3.1 million, or 5.9% from approximately RM52.9 million in 1H2015 to approximately RM56.0 million in 1H2016, in line with the increase in revenue. Gross profit margin increased from approximately 66.8% in 1H2015 to approximately 67.4% in 1H2016 mainly due to better food cost management and price negotiation with suppliers.

Marketing and Distribution Costs

Marketing and distribution costs were higher by approximately RM2.0 million from approximately RM1.6 million in 1H2015 to approximately RM3.7 million in 1H2016. The lower costs in 1H2015 was mainly due to the waiver of royalty fees of approximately RM2.1 million from franchisor pursuant to the acquisition of the China operations in 2015.

Administrative expenses

Administrative expenses increased by approximately RM1.4 million, or 2.8%, from approximately RM49.3 million in 1H2015 to approximately RM50.7 million in 1H2016. The increase was mainly attributable to higher expenses of approximately RM7.2 million pursuant to the acquisition of the China operations. The higher administrative expenses from China operations were partially offsetted by lower administrative expenses from the Group's other operations of approximately RM5.9 million resulted from cost cutting exercises implemented.



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Finance costs

Finance costs increased by approximately RM0.5 million, or 53.9%, from approximately RM1.0 million in 1H2015 to approximately RM1.6 million mainly due to the higher interest expense in relation to the drawdown of new term loans to finance the acquisition of the China operations coupled with new term loans for the financing of the Indonesia expansion.

Other expenses

Other expenses, which consist of depreciation and amortisation of franchise fees decreased by approximately RM0.03 million or 0.8% from approximately RM3.43 million in 1H2015 to approximately RM3.41 million in 1H2016. The decrease in other expenses was mainly due to lower depreciation and amortization of franchise fees of approximately RM0.87 million from the closure of outlets in 2015, offsetted by the increase in depreciation and franchise fee amortization from the China operations amounted to approximately RM0.85 million.

Income tax

There was tax charge for 1H2015 and 1H2016 despite the losses before tax mainly due to certain expenses such as impairment allowance on franchise fee and/or equipment write-off, which were not tax deductible.



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Review of Financial Position

Non-current assets

Property and equipment decreased from approximately RM62.1 million as at 31 December 2015 to approximately RM58.3 million as at 30 June 2016 mainly due to depreciation charges of approximately RM3.4 million.

Intangible assets comprise of franchise fee and goodwill arising from acquisition. The decrease from approximately RM16.5 million as at 31 December 2015 to approximately RM16.4 million as at 30 June 2016 was due to the amortisation of franchise fee.

Current assets

Trade and other receivables increased from approximately RM6.2 million as at 31 December 2015 to approximately RM6.6 million as at 30 June 2016 mainly due to increase in uncredited credit card collections.

Inventories decreased from approximately RM3.8 million as at 31 December 2015 to approximately RM3.6 million as at 30 June 2016 mainly due to lower inventory holding.

Other assets relate to (i) deposits placed with the lessors for the leases of the Group's outlets which are due within one year and (ii) prepayments and booking fees for identified sites for new outlets. The increase from RM14.8 million as at 31 December 2015 to RM17.2 million as at 30 June 2016 was mainly due to additional payment of rental deposits.

Current liabilities

Trade and other payables increased from RM45.2 million as at 31 December 2015 to RM46.7 million as at 30 June 2016 as the Group has obtained more favourable credit term from trade and other payables.

Other financial liabilities comprise of term loan, hire purchase, bills payables and bank overdraft facilities granted by financial institutions. The decrease in bank borrowings from RM16.4 million as at 31 December 2015 to RM16.0 million as at 30 June 2016 was due to repayment of borrowings to the financial institutions during the period.

Provision for taxation

Provision for taxation decreased by RM1.2 million due to payment of tax for the previous year.



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Working capital

The Group's net current liabilities increased by approximately RM1.4 million from approximately RM23.9 million as at 31 December 2015 to approximately RM25.3 million as at 30 June 2016 mainly due to the increase in trade and other payables coupled with additional drawdown of borrowing from the financial institution during the period.

Non-current liabilities

Other financial liabilities mainly consist of term loans and hire purchase payables. The increase was mainly due to the increase in bank borrowings (amount repayable after one year) from RM32.1 million as at 31 December 2015 to RM32.4 million as at 30 June 2016 mainly due to additional bank borrowings from financial institution during the period.

Exchangeable bonds

Exchangeable bonds amounting to RM7.9 million comprises of three tranches which were issued in the following manner:

- a) First tranche of S\$1.0 million on 25 April 2014;
- b) Subsequent tranche of S\$0.5 million on 5 December 2014; and
- c) Subsequent tranches of S\$1.5 million on 27 January 2015.

Review of Statement of Cash Flows

Cash flows from operating activities

Cash inflow from operating activities before working capital amounted to approximately RM1.7 million. Net cash used in operating activities of approximately RM2.0 million was mainly due to an increase in prepaid deposits of approximately RM2.3 million, tax payment of approximately RM2 million, offsetted by the decrease in inventories of approximately RM0.2 million and higher trade and other payable of approximately RM 0.8 million.

Cash flows used in investing activities

Net cash used in investing activities of approximately RM0.2 million was mainly from the purchase of equipment of approximately RM0.6 million, offsetted by the net proceeds from the disposal of equipment of certain outlets of approximately RM0.4 million. In 1H2015, the Group had acquired its China operations for an amount of approximately RM10.2 million.

Cash flows from financing activities

Net cash used in financing activities of approximately RM1.4 million was mainly from the repayment of term loans of approximately RM4.9 million and payment of interest of approximately RM1.6 million, offsetted by the drawdown of borrowings from financial institution of approximately RM5.1 million.

In 1H2015, the Group received proceeds of approximately RM4.0 million from the subscription of the Redeemable Exchangeable Bonds which have been fully utilised. Except for an amount of approximately RM29,000 which was originally intended to use to defray expenses relating to the Exchangeable Bonds has been reallocated for the purposes of capital expenditure and working capital purposes for outlet expansion in China and/or Indonesia, the utilisation of the proceeds from the issuance of Exchangeable Bonds is substantially consistent with the intended uses as disclosed in the Circular.



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HALF YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 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.

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.

In the first half of 2016, the Group and the F&B retail industry continued to face difficult operating environment, particularly in Malaysia, with the weak consumer sentiment due to the rising cost of living, the slower global economy and low crude oil prices.

The Group expects market conditions to continue to be challenging for 2016. Notwithstanding this, the Group has taken proactive measures to implement cost rationalisation exercises which include improving operational efficiency and reducing head office expenses. The Group will also focus on strengthening its core brands i.e. TGI Fridays, Italiannies, the Apartment, Malones and Teh Tarik Place, and has put in place aggressive marketing/promotional strategies to drive sales.

11. Dividend

(a) Current Financial period Reported On

None

(b) Corresponding Period of the Immediately Preceding Financial period

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/recommendeded for the half year ended 30 June 2016.

13. Interested Person Transactions

The Group does not have any general mandate from shareholders for Interested Person Transactions.

14. Negative confirmation on pursuant to Rule 705(5)

The Board of Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the financial statements for the Half Year Ended 30 June 2016 to be false or misleading in any material aspect.



Chaswood Resources Holdings Ltd.

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15. Confirmation of undertakings pursuant to Rule 720(1)

The Company has procured the undertakings from all its directors and executive officers in the format set out in Appendix 7H under CR 720(1) of the Catalist Rules.

On behalf of the Board of Directors

Ng Teck Wah
Non-Executive Chairman

Andrew Roach Reddy
Managing Director

By order of the Board
Ng Teck Wah
Non-Executive Chairman

12 August 2016

This Announcement and its contents have been reviewed by the Company's Sponsor, CIMB Bank Berhad, Singapore Branch (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The 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 and Sponsor assume no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Eric Wong (Director, Investment Banking), CIMB Bank Berhad, Singapore Branch, 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, telephone (65) 63375115.