



**Oceanus Group Limited**

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(Incorporated in the Republic of Singapore under Registration Number: 199805793D)

**UNAUDITED FIRST QUARTER FINANCIAL STATEMENTS AND ANNOUNCEMENT FOR THE 3 MONTHS ENDED 31 MARCH 2015 OF OCEANUS GROUP LIMITED (“OCEANUS”) AND ITS SUBSIDIARIES (COLLECTIVELY KNOWN AS THE “OCEANUS GROUP”)**

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

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

	3 months ended		Favourable/ (Adverse) %
	31/3/2015 RMB'000	31/3/2014 RMB'000	
Sales of aquaculture products			
Sales of live marine products	-	119	(100)
Sales of processed marine products	140	-	100
	<b>140</b>	<b>119</b>	18
<b>Continuing operations</b>			
Gain arising from changes in fair value less cost to sell of biological assets	35	12,506	(100)
Sales of processed marine products	140	-	100
	175	12,506	(99)
Cost of sales	(104)	-	(100)
Other operating income	43	155	(72)
Feed used	(201)	(4,408)	95
Electricity and fuel	(706)	(3,472)	80
Staff costs	(2,608)	(4,618)	44
Foreign exchange gain/(loss)	(20,412)	11,398	NM
Other operating expenses	(1,851)	(3,622)	49
Depreciation	(15,811)	(16,034)	1
Finance costs	(19,520)	(10,972)	(78)
<b>Loss before income tax</b>	<b>(60,995)</b>	<b>(19,067)</b>	<b>&gt;(100)</b>
Income tax	(63)	(48)	(31)
<b>Loss for the period from continuing operations</b>	<b>(61,058)</b>	<b>(19,115)</b>	<b>&gt;(100)</b>
<b>Discontinued operation</b>			
Profit for the period from discontinued operations	78	1,977	>100
<b>Loss for the period</b>	<b>(60,980)</b>	<b>(17,138)</b>	<b>&gt;(100)</b>
<b>EBITDA</b>	<b>(25,649)</b>	<b>9,868</b>	<b>NM</b>

\*EBITDA - Profit Before Interest, Tax, Depreciation and Amortisation.

Loss for the period is arrived at after charging / (crediting) the following items:

	3 months ended		Favourable/ (Adverse)
	31/3/2015 RMB'000	31/3/2014 RMB'000	%
<b><u>Continuing operations</u></b>			
Interest expense			
(i) Coupon rate 5%	3,588	3,831	6
(ii) Notional interest	14,909	6,591	>(100)
(iii) Loan interest	607	145	>(100)
(iv) Withholding tax	416	405	(3)
Depreciation of property, plant and equipment	15,811	16,034	1
Amortisation of prepaid leases	123	159	23
Operating lease expenses	406	429	5
Foreign exchange (gain)/loss	20,412	(11,398)	NM
<b><u>Discontinued operations</u></b>			
Gain on disposal of prepaid lease	-	(4,208)	(100)
Foreign exchange (gain)/loss	(102)	2,205	NM

*N/M: Not meaningful*

**(b) A Statement of Comprehensive Income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<u>3 months ended</u>	
	<u>31/3/2015</u>	<u>31/3/2014</u>
	<u>RMB'000</u>	<u>RMB'000</u>
Loss for the period	(60,980)	(17,138)
Other comprehensive income		
Exchange differences on translation of foreign operations	<u>43,510</u>	<u>(16,398)</u>
<b>Total comprehensive income for the period</b>	<b><u>(17,470)</u></b>	<b><u>(33,536)</u></b>
Attributable to:		
Equity holders of the Company	<u>(17,470)</u>	<u>(33,536)</u>

**1 (c)(i) A balance sheet (for the Issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.**

	Group		Company	
	31/3/2015 RMB'000	31/12/2014 RMB'000	31/3/2015 RMB'000	31/12/2014 RMB'000
<b>ASSETS</b>				
<b><u>Current assets</u></b>				
Cash and bank balances	1,120	4,678	62	274
Trade receivables	-	-	-	-
Other receivables	13,859	13,930	26,502	24,768
Inventories	133	-	-	-
Biological assets	76	41	-	-
	<u>15,188</u>	<u>18,649</u>	<u>26,564</u>	<u>25,042</u>
<b><u>Non-current assets</u></b>				
Property, plant and equipment	422,404	438,156	-	-
Prepaid leases	10,662	10,785	-	-
Investment in subsidiaries	-	-	795,000	795,000
	<u>433,066</u>	<u>448,941</u>	<u>795,000</u>	<u>795,000</u>
<b>Total assets</b>	<b><u>448,254</u></b>	<b><u>467,590</u></b>	<b><u>821,564</u></b>	<b><u>820,042</u></b>
<b>LIABILITIES AND EQUITY</b>				
<b><u>Current liabilities</u></b>				
Trade payables	12,454	15,176	-	-
Other payables	75,193	71,290	65,712	63,368
Loans and borrowings	37,718	36,535	37,718	36,535
Current tax payable	23,948	23,948	-	-
Convertible loan	302,936	301,649	302,936	301,649
Derivative liabilities	113,490	118,749	113,490	118,749
	<u>565,739</u>	<u>567,347</u>	<u>519,856</u>	<u>520,301</u>
<b><u>Non-current liabilities</u></b>				
Convertible loan	-	-	-	-
Derivative liabilities	-	-	-	-
Deferred tax liabilities	5,570	5,828	5,570	5,828
	<u>5,570</u>	<u>5,828</u>	<u>5,570</u>	<u>5,828</u>
<b>Total liabilities</b>	<b><u>571,309</u></b>	<b><u>573,175</u></b>	<b><u>525,426</u></b>	<b><u>526,129</u></b>
<b><u>Capital and reserves</u></b>				
Share capital	2,373,685	2,373,685	2,373,685	2,373,685
Capital reserve	(1,137,504)	(1,137,504)	11,229	11,229
Currency translation reserve	103,722	60,212	40,811	18,259
Warrant reserve	101,651	101,651	101,651	101,651
Statutory surplus reserve	39,262	39,262	-	-
Accumulated losses	(1,603,871)	(1,542,891)	(2,231,238)	(2,210,911)
Equity attributable to equity holders of the Company	<u>(123,055)</u>	<u>(105,585)</u>	<u>296,138</u>	<u>293,913</u>
<b>Total liabilities and equity</b>	<b><u>448,254</u></b>	<b><u>467,590</u></b>	<b><u>821,564</u></b>	<b><u>820,042</u></b>

**1(c)(ii) Aggregate amount of the Group's borrowings and debt securities.**

	Group			
	As at 31 March 2015		As at 31 December 2014	
	Secured	Unsecured	Secured	Unsecured
	RMB'000	RMB'000	RMB'000	RMB'000
Amount payable in one year or less, or demand	-	37,718	-	36,535
Amount repayable after one year	-	302,936	-	301,649
<b>Total</b>	<b>-</b>	<b>340,654</b>	<b>-</b>	<b>338,184</b>

**Details of any collateral**

The Unsecured amount repayable in one year or less of RMB340 million mainly relates to a restructured 3-year Convertible Loan which was completed in a Proposed Restructuring Exercise approved by the Extraordinary General Meeting (EGM) held on 10 July 2012.

The restructured Convertible Loan was classified as non-current liabilities for the period under review as they will expire on 13 July 2015. The due date for the repayment of such amount will be extended to 31 December 2016 upon the new Proposed Restructuring which will be decided by the Extraordinary General Meeting (EGM) on 22 May 2015.

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

	Group	
	3 months ended	
	31/3/2015	31/3/2014
	RMB'000	RMB'000
<b>Cash Flows from Operating Activities</b>		
Loss before income tax	(60,917)	(17,090)
Adjustments for:		
Gain arising from changes in fair value less cost to sell of biological assets	(35)	(12,506)
Depreciation of property, plant and equipment	15,811	16,034
Interest income	-	-
Interest expense	19,520	10,972
Amortisation of prepaid leases	123	159
Gain on disposal of prepaid lease	-	(4,208)
Net foreign exchange difference	23,620	(9,617)
<b>Operating cash flows before working capital changes</b>	<b>(1,878)</b>	<b>(16,256)</b>
Trade receivables	-	-
Other receivables	71	(811)
Inventories	(133)	-
Biological assets	-	119
Trade payables	(2,722)	2,640
Other payables	(706)	6,793
<b>Cash used in operations</b>	<b>(5,368)</b>	<b>(7,515)</b>
Interest received	-	-
Interest paid	-	-
Income taxes paid	(63)	(48)
<b>Cash flows (used in) from operating activities</b>	<b>(5,431)</b>	<b>(7,563)</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	-	-
Deposit received from disposal of property, plant and equipment	-	4,900
<b>Cash flows (used in) from investing activities</b>	<b>-</b>	<b>4,900</b>
<b>Financing activities</b>		
Proceeds on loan from investors	1,873	-
<b>Cash flows (used in) from financing activities</b>	<b>1,873</b>	<b>-</b>
<b>Net changes in cash and cash equivalent</b>	<b>(3,558)</b>	<b>(2,663)</b>
Cash and cash equivalent at beginning of the period	4,678	5,531
Cash and cash equivalents at end of the period	1,120	2,868

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

	3 months ended	
	31/03/2015	31/03/2014
	RMB'000	RMB'000
Cash and bank balances	<b>1,120</b>	<b>2,868</b>

**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	Capital reserve	Currency translation reserve	Warrant reserve	Statutory surplus reserve funds	Accumulated losses	Total attributable to equity holders of the Company	Non controlling interest	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>The Group</b>									
Balance as at 1 January 2014	2,373,685	(1,137,504)	27,742	101,651	39,262	(1,347,408)	57,428	-	57,428
Loss for the year	-	-	-	-	-	(195,483)	(195,483)	-	(195,483)
<b>Other comprehensive income</b>									
Foreign currency translation	-	-	32,470	-	-	-	32,470	-	32,470
<b>Total comprehensive income/(loss) for the period</b>	-	-	32,470	-	-	(195,483)	(163,013)	-	(163,013)
<b>Balance as at 31 December 2014</b>	<b>2,373,685</b>	<b>(1,137,504)</b>	<b>60,212</b>	<b>101,651</b>	<b>39,262</b>	<b>(1,542,891)</b>	<b>(105,585)</b>	<b>-</b>	<b>(105,585)</b>
Balance as at 1 January 2015	2,373,685	(1,137,504)	60,212	101,651	39,262	(1,542,891)	(105,585)	-	(105,585)
Loss for the period	-	-	-	-	-	(60,980)	(60,980)	-	(60,980)
<b>Other comprehensive income</b>									
Foreign currency translation	-	-	43,510	-	-	-	43,510	-	43,510
<b>Total comprehensive income for the period</b>	-	-	43,510	-	-	(60,980)	(17,470)	-	(17,470)
<b>Balance as at 31 March 2015</b>	<b>2,373,685</b>	<b>(1,137,504)</b>	<b>103,722</b>	<b>101,651</b>	<b>39,262</b>	<b>(1,603,871)</b>	<b>(123,055)</b>	<b>-</b>	<b>(123,055)</b>

	Share capital	Capital reserve	Currency translation reserve	Warrant reserve	Accumulated losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b><u>The Company</u></b>						
Balance as at 1 January 2014	2,373,685	11,229	(712)	101,651	(2,114,644)	371,209
Loss for the year	-	-	-	-	(96,267)	(96,267)
<b>Other comprehensive income</b>						
Foreign currency translation	-	-	18,971	-	-	18,971
<b>Total comprehensive income/(loss) for the period</b>	-	-	18,971	-	(96,267)	(77,296)
<b>Balance as at 31 December 2014</b>	<b>2,373,685</b>	<b>11,229</b>	<b>18,259</b>	<b>101,651</b>	<b>(2,210,911)</b>	<b>293,913</b>
Balance at 1 January 2015	2,373,685	11,229	18,259	101,651	(2,210,911)	293,913
Loss for the period	-	-	-	-	(20,327)	(20,327)
<b>Other comprehensive income</b>						
Foreign currency translation	-	-	22,552	-	-	22,552
<b>Total comprehensive income/(loss) for the period</b>	-	-	22,552	-	(20,327)	2,225
<b>Balance as at 31 March 2015</b>	<b>2,373,685</b>	<b>11,229</b>	<b>40,811</b>	<b>101,651</b>	<b>(2,231,238)</b>	<b>296,138</b>



**1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There was no change in the Company's share capital since the end of the previous period reported on.

As of 31 March 2015, there were 1,018,565,587 outstanding warrants. If all the outstanding warrants were converted to shares, there will be 4,656,507,134 shares issued.

The Company did not have any treasury shares as at 31 March 2015.

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

The total number of issued shares as at 31 March 2015 is 3,637,941,547 shares (31 December 2014: 3,637,941,547 shares).

**(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 reviewed or audited 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 financial period as those applied in the Group's most recently audited financial statements for the year ended 31 December 2013.

**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.

	3 months ended	
	31/03/2015	31/03/2014
a) EPS based on weighted average number of shares (RMB cents/ share)	(1.68)	(0.47)
b) EPS based on fully diluted basis (RMB cents/ share)	(1.68)	(0.47)
Weighted average number of shares applicable to earnings per share	3,637,941,547	3,637,941,547
Weighted average number of shares fully diluted basis	3,637,941,547	3,637,941,547

Basic earnings per share is calculated by dividing earnings for the period attributable to the equity holders of the Company by the weighted average number of ordinary shares issued during the financial period under review.

The dilutive earning per share is shown as the same amount as the basic earnings per share because the warrants are considered anti dilutive and ignored in the computation of diluted earnings per share.

7. Net asset value (for the Issuer and Group) per ordinary share based on issued share capital excluding treasury shares of the Issuer at the end of the:-  
 (a) current financial period reported on; and  
 (b) immediately preceding financial year.

	Group		Company	
	31/03/2015	31/12/2014	31/03/2015	31/12/2014
Net asset value per ordinary share based on issued share capital as at end of the period (RMB cents/share)	(3.38)	(2.90)	8.14	8.08

Net asset value for the Group and the Company as at 31 March 2015 and 31 December 2014 are computed based on 3,637,941,547 at the end of the financial period under review.

The computation of the net asset value took into account the RMB303 million from the existing warrant holders. If the warrant holders convert their warrants which will extinguish the loans and change the net asset value positively.

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.

## REVIEW OF RESULTS OF OPERATIONS

The Group 1Q2015 Adjusted EBITDA\* is a loss of RMB5.15 million.

In RMB'000	Q1/2015	Q4/2014
<b>Net loss</b>	<b>(60,980)</b>	<b>(55,625)</b>
Add/(deduct)		
Income tax	63	-
Depreciation	15,811	15,989
Amortisation of prepaid lease	123	149
Interest expense	19,520	26,662
<b>EBITDA</b>	<b>(25,463)</b>	<b>(12,825)</b>
Foreign exchange (gain)/loss	20,310	3,213
Reversal loss on construction work in progress	-	(1,520)
(Reversal)/Write-down in value of inventories, net	-	(1,026)
Bad debt recovered	-	(1,030)
<b>Adjusted EBITDA</b>	<b>(5,153)</b>	<b>(13,188)</b>

\*Adjusted EBITDA demonstrates the real operating gain excluding non-cash items e.g. depreciation, amortization, interest expense and unrealized foreign exchange gain or loss etc.

There is no sale of live marine products in Q1 2015 as the newly bred juvenile abalones need to grow to slightly bigger size in the next quarter to fetch good prices.

The sales of processed marine products represents the canned abalone sales in Q1 2015 amounting to RMB140,000.

The Group reported a net loss of RMB 60.9 million for Q1 2015 against net loss of RMB 17.1 million for the same period last year. The adverse variance of RMB43.8 million was mainly due to the followings:

- (1) There was only a minimal gain arising from changes in fair value less cost to sell of biological assets as compared to Q1 2014. This is because the juveniles bred in last quarter was valued at zero and will not be valued until they are caged which occurs during September – October each year. All sale of juveniles before they are caged will be booked into the accounts upon such sales.
- (2) As the financial results are expressed in RMB as the presentation currency, the strengthening of the RMB against SGD as at 31 March 2015 will result in a foreign exchange loss.
- (3) Increase in finance cost was mainly due to increase number of loans from investors as at 31 March 2015 as compared to same period last year.

The above non-cash items when adjusted showed an improved EBITDA. This improvement of the adjusted EBITDA was also due to the following:

- (4) Direct production cost (Feed used, Electricity and Staff cost) decreased by RMB9 million or 72% to RMB3.5 million in Q1 2015. The decrease was as a result of the cost cutting measures implemented by the new management of the Group and decrease in grow-out abalone population.

An analysis of the results by key business segments is as follows:-

**(a) Live Marine Products**

**Biological Assets: standing population & valuation as at 31 March 2015**

**I. Total Population (figures expressed in Thousands)**

Sizes:

Large Size (5.8-8.2cm)  
 Medium Size (3.8-5.7cm)  
 Smaller Size (2.0-3.7cm)  
 Uncaged (Approximate)

<b>Total</b>	
Unit	RMB'000
7	21
80	55
-	-
36,480	-
<b>36,567</b>	<b>76</b>

Uncaged - relates to year 2014 cohort with sizes below 2cm, they are valued at zero value.

**II. Caged Abalone Population (in '000 units)**

- Larger sizes (5.8cm and above)  
 - Medium sizes (3.8-5.7cm)  
 - Smaller sizes (2.0-3.7cm)  
 Total Abalones

<b>1Q 2015</b>	<b>1Q 2014</b>	<b>Favourable/ (Adverse)</b>
7	254	(97%)
80	12,756	(99%)
-	55,801	(100%)
<u>87</u>	<u>68,811</u>	(100%)

**III. Tanks Utilized.**

No. of Juvenile tanks used  
 No. of Grow-out tanks used

1,209	2,071	(42%)
18	4,040	(100%)
<u>1,227</u>	<u>6,111</u>	(80%)

Most of the grow-out abalones had been sold in the last quarter in view of its quality issues, cost cutting and lack of price competitiveness.

The juvenile abalone bred in last quarter, which valued at zero, will be sold in next quarter. Only top quality juvenile abalones are retained. This will substantially shorten the product life cycle, improve operation's cash flow and maximize cost efficiency.

The freed up tanks will be used for leasing, other joint ventures such as prawn and fish farming.

## Live Marine Products (cont'd)

In RMB'000	3 months ended		Favourable/ (Adverse)
	31/3/2015	31/3/2014	
<b>External sales</b>	-	119	(100%)
<b>Gain on fair value</b>	35	12,506	(100%)
<b>Other operating income</b>	2	155	(99%)
<b>Feed used</b>	(201)	(4,408)	95%
<b>Electricity and fuel</b>	(706)	(3,472)	80%
<b>Staff costs</b>	(739)	(2,933)	75%
<b>Depreciation</b>	(15,811)	(16,034)	1%
<b>Foreign exchange gain/(loss)</b>	10,236	(4,073)	NM
<b>Other operating expenses</b>	(650)	(1,957)	67%
<b>Net Loss</b>	(7,834)	(29,088)	73%

There was no sale for 1Q2015. The management intends to keep the juvenile abalones that were newly bred to grow to bigger sizes to fetch good prices at sale.

Direct Production Costs refers to Feed, Electricity and Staff costs. Direct Production Cost for Q1 2015 of RMB1.6 million which is RMB9.2 million or 85% lower as compared to same period last year. The decrease was as a result of cost cutting measures implemented by the new management by consolidating operations into 3 farms in same location for better management and decreasing in grow-out abalone population.

Other operating expenses of RMB0.6 million is 67% lower compared to last year. This comprised mainly security fee and professional fee amounting to RMB218K and RMB147K respectively.

## GROUP OPERATING ITEMS

### **Other operating income**

Other operating Income for Q1 2015 comprised mainly wage credit scheme granted by IRAS.

**(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 BALANCE SHEET

**Total assets** of the group decreased RMB19.3 million from RMB467 million as at 31 December 2014 to RMB448 million as at 31 March 2015. The decrease is mainly attributed to the depreciation charge for this quarter.

**Total current liabilities** decreased by RMB1.6 million from RMB567 million as at 31 December 2014 to RMB566 million as at 31 March 2015. The net decrease was mainly due to net repayment to trade payables of RMB2.7 million and decrease in derivative liabilities of RMB5.2 million. The decrease was offset against an increase in interest payable arising from convertible loan of RMB3 million as of 31 March 2015.

**Non-current liabilities** decrease in deferred tax liabilities mainly due to the foreign exchange differences.

**Total equity** decreased from -RMB105 million at 31 December 2014 to -RMB123 million as at 31 March 2015, the decrease was due to Q1 2015 losses, offset against the increase in currency translation reserve.

## REVIEW OF CASH FLOW STATEMENT

The Group generated a negative cash flow of RMB3.6 million for the 3 months to 31 March 2015. In this quarter, the Group has received RMB1.87 million loans. These amount was solely used for working capital purposes.

### **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**

While the market has not fully recovered from the government austerity drive, prices of abalones and juveniles have shown some improvements during the year. We expect prices to remain stable at this level.

The Company continues to review its operations and cut cost where possible. Cost reduction has been significant. Operations will focus on breeding juvenile abalones for other farmers to grow out as well as marketing canned/processed abalone products under the Oceanus brand name. The Company will also continue to seek technology partners to expand and diversify its farming activities from its present reduced scale.

The Company has started discussing and evaluating potential targets for possible Merger & Acquisition as part of the strategy to grow this Company.

Lastly, the Company is dependent on the successful completion of the Restructuring Exercise recently announced via SGXNet to maintain operations as a going concern.

### **11. Dividend**

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

Any dividend declared for the current financial period reported on?

No

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

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

No

#### **(c) Date payable**

Not applicable

#### **(d) Books closure date**

Not applicable

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

Not applicable

**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.**

There is no general mandate obtained from shareholders for the interested person's transactions.

**14. Use of Net Proceed from the Rights Issue**

The Group had fully utilized the nets proceeds of S\$28,250,000 raised from Rights Issue as of 30 June 2014 as disclosed in the Company's Unaudited Second Quarter Financial Statements and Announcement for the 6 months ended 30 June 2014, as announced on SGX-NET on 8 August 2014.

**15. Negative assurance confirmation on the interim financial results pursuant to Rule 705(5) of the listing manual.**

The Board hereby confirms to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial results for the 3 months ended 31 March 2015 to be false or misleading in any material respect.

**BY ORDER OF THE BOARD**

**Ng Cher Yew**  
**Executive Chairman**  
**15 June 2015**