

# 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 2014

*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.**

	Company		Change
	Unaudited Year ended 31/12/2014 S\$'000	Audited Year ended 31/12/2013 S\$'000	
Revenue	-	-	n/a
Cost of sales	-	-	n/a
<b>Gross Profit</b>	-	-	n/a
Other operating income	3,843	-	n.m.
<b>Expenses</b>			
Distribution and marketing costs	-	-	n/a
Administrative expenses	(1,323)	(2,260)	(41.5)
Other operating expenses	(11)	(8,791)	n.m.
Finance costs	(17)	(0)	n.m.
<b>Profit/(Loss) before income tax</b>	<b>2,492</b>	<b>(11,051)</b>	<b>n.m.</b>
Income tax expense	-	-	n/a
<b>Total Profit/(Loss) for the financial year</b>	<b>2,492</b>	<b>(11,051)</b>	<b>n.m.</b>
<b>Other comprehensive income/(loss), net of tax</b>			
Foreign currency translation gain/(loss)	-	-	n/a
<b>Total comprehensive Profit/(Loss) for the financial year</b>	<b>2,492</b>	<b>(11,051)</b>	<b>n.m.</b>

n/a – not applicable

n.m. – not meaningful

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

	Company		Change
	Unaudited Year ended 31/12/2014	Audited Year ended 31/12/2013	
	S\$'000	S\$'000	
Loss on deconsolidation of subsidiaries	-	(58)	n.m.
Impairment of profit warranty receivable	-	(8,224)	n.m.
Reversal of Impairment of profit warranty receivable	2,658	-	n.m.
Depreciation of plant and equipment	(11)	(55)	(80.0)
Foreign exchange gain/(loss)	375	(616)	(160.9)
Interest Income	179	-	n.m.
Other Income	630	-	n.m.

*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.**

Company	
Unaudited 31/12/2014	Audited 31/12/2013
S\$'000	S\$'000

**ASSETS**

**Non-current assets**

Property, plant and equipment	11	17
Total non-current assets	11	17

**Current assets**

Other receivables and other current assets	374	6,967
Cash and cash equivalents	11,303	2,312
Total current assets	11,677	9,279

**Total Assets**

<b>11,688</b>	<b>9,296</b>
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**EQUITY AND LIABILITIES**

**Equity**

**Capital and reserves attributable to equity holders of the Company**

Share capital	48,540	48,540
Foreign currency translation reserve	2,891	2,891
Accumulated losses	(39,846)	(42,338)
<b>Total equity</b>	<b>11,585</b>	<b>9,093</b>

**Current liabilities**

Trade and other payables	103	203
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**Total Equity and Liabilities**

<b>11,688</b>	<b>9,296</b>
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**1(b)(ii) Aggregate amount of group's borrowings and debt securities.**

**Amount repayable in one year or less, or on demand**

As at 31/12/2014		As at 31/12/2013	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	-	-

**Amount repayable after one year**

As at 31/12/2014		As at 31/12/2013	
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.**

	<b>Company</b>	
	<b>Unaudited Year ended 31/12/2014</b>	<b>Audited Year ended 31/12/2013</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash Flows from Operating activities</b>		
Profit/(Loss) before tax	2,492	(11,051)
Adjustments for:		
Depreciation of property, plant and equipment	11	55
Impairment of investment in subsidiaries	-	269
Unrealised Foreign exchange (gain)/loss	(375)	675
Interest income	(179)	-
Interest expenses	-	-
Reversal of impairment of profit warranty receivable	(2,658)	-
Operating cash flows before working capital changes	(709)	(10,052)
Changes in working capital:		
Other receivables and other current Assets	(1,004)	8,613
Trade and other payables	(100)	20
Net cash used in operating activities	(1,813)	(1,419)
<b>Cash Flows from Investing activities</b>		
Purchase of property, plant and equipment	(5)	(1)
Repayment of exchangeable loan	7,597	-
Settlement of profit warranty receivables	2,658	-
Net cash generated from investing activities	10,250	(1)
<b>Cash Flows from Financing activities</b>		
Proceeds from issuance of shares	-	4,002
Share issue expense	-	(203)
Interest income received	179	-
Interest paid	-	-
Net cash generated from financing activities	179	3,799
Net increase in cash and cash equivalents	8,616	2,379
Effects of changes in foreign exchange rates	375	(194)
Cash and cash equivalents at beginning of the financial year	2,312	127
Cash and cash equivalents at end of the financial year	11,303	2,312

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

Company	
Unaudited Year ended 31/12/2014	Audited Year ended 31/12/2013
S\$'000	S\$'000

**Represented by:**

Cash and bank balances	1,079	2,312
Escrow account	10,224	n/a
	11,303	2,312

- 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

**Company**

Balance as at 1 January 2014	48,540	2,891	-	(42,338)	9,093
Profit for the financial year	-	-	-	2,492	2,492
Other comprehensive income	-	-	-	-	-
Issuance of shares in connection with a share placement	-	-	-	-	-
Share issue expense	-	-	-	-	-
<b>Balance as at 31 December 2014</b>	<b>48,540</b>	<b>2,891</b>	<b>-</b>	<b>(39,846)</b>	<b>11,585</b>
Balance as at 1 January 2013	44,741	1,747	-	(31,287)	15,201
Loss for the financial year	-	-	-	(11,051)	(11,051)
Other comprehensive income	-	-	-	-	-
- Foreign currency translation gain	-	1,144	-	-	1,144
Issuance of shares in connection with a share placement	4,002	-	-	-	4,002
Share issue expense	(203)	-	-	-	(203)
<b>Balance as at 31 December 2013</b>	<b>48,540</b>	<b>2,891</b>	<b>-</b>	<b>(42,338)</b>	<b>9,093</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.**

Company	
Number of shares	Share capital
	S\$'000

Issued and fully paid:

As at 1 January 2014	216,408,402	48,540
Issuance of shares in connection with a share placement	-	-
As at 31 December 2014	216,408,402	48,540

The Company does not have any outstanding convertibles or treasury shares as at 31 December 2014 and 31 December 2013.

- 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	
31/12/2014	31/12/2013

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 were no sales, transfers, disposal, cancellation and/or use of treasury shares in the year ended 31 December 2014.

- 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 Company has applied the same accounting policies and methods of computations in the financial statements for the year ended 31 December 2014 as those of the audited financial statements as at 31 December 2013 except as described in section 5 below.

**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 Company changed its functional currency from Renminbi ("RMB") to Singapore dollars ("SGD") in the financial year FY2014. The reason for the change is to measure its transactions using the currency of the primary economic environment where majority of funds from financing activities are transacted in SGD.

The comparative figures of the Company's previous financial statements for the corresponding period of the immediately preceding financial year were measured using RMB which was the functional currency then, and represented in the current financial statements in SGD.

**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	Company	
	Year ended 31 December 2014	Year ended 31 December 2013
	S\$	S\$

(a) Based on the weighted average number of ordinary shares in issue	1.15 cent	(5.25) cent
(b) On a fully diluted basis	1.15 cent	(5.25) cent

The earnings per ordinary share for the financial year ended 31 December 2014 is calculated based on the weighted average number of ordinary shares in issue of 216,408,402 (31 December 2013 : 210,484,566).

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 2014 and 31 December 2013.

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.**

Company	
31/12/2014	31/12/2013
S\$	S\$

Net asset value per ordinary share  
based on number of shares issued at  
the end of the financial year

5.35 cents

4.20 cents

Net asset value per ordinary shares is calculated based on 216,408,402 shares and 216,408,402 shares for financial years ended 31 December 2014 and 31 December 2013 respectively.

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**

The company became a "Cash Company" in FY2014 under Rule 1017 of the Catalist Rules. Please refer to the SGX announcements dated 1<sup>st</sup> December 2014 and 31<sup>st</sup> December 2014.

No revenue was recognised in FY2014.

Other operating income was S\$3,843,000 in FY2014 (FY2013: Nil), mainly due to reversal of impairment of profit warranty receivable from the arbitration award and interest and other income received from Techwin Group Limited pursuant to settlement agreement dated 13 June 2014. In addition, foreign exchange gain was S\$375,000 in FY2014 as compared to a loss of S\$616,000 in FY2013, mainly due to the weakening of the Singapore dollar against the US dollar.

There were no distribution and marketing expenses for the period under review as we did not have any sales operation in FY2014.

Administrative expenses decreased by approximately S\$937,000 from S\$2,260,000 in FY2013 to S\$1,323,000 in FY2014. The decrease was mainly due to decrease in staff and other administrative costs during FY2014.

Other operating expenses decreased to S\$11,000 in FY2014 from S\$8,791,000 in FY2013. Other operating expenses in FY2014 consisted mainly of depreciation expense, the other operating expenses in FY2013 consisted mainly of impairment of profit warranty receivable.

Finance costs increased by approximately S\$17,000 in FY2014, mainly due to increase in bank costs for escrow agent fees.

The Company's net profit before income tax was S\$2,492,000 for FY2014 as compared to a loss of S\$11,051,000 in FY2013.



### **Statement of Financial Position**

The Company's non-current assets decreased by approximately S\$6,000 from S\$17,000 as at 31 December 2013 to S\$11,000 as at 31 December 2014. The decrease was mainly due to the depreciation expense relating to the plant and equipment.

The decrease of other receivables and other current assets from S\$6,967,000 as at 31 December 2013 to S\$374,000 as at 31 December 2014 was mainly due to the repayment of exchangeable loans from Techwin Group Limited.

Other receivables and other current assets of S\$374,000 as at 31 December 2014 mainly comprise certain sums arising from the entry of a memorandum of understanding with Verto Group Enterprise Ltd in July 2014 which was subsequently terminated in September 2014.

Cash and cash equivalents for the company increased to S\$11,303,000 as at 31 December 2014 from S\$2,312,000 as at 31 December 2013, registering a net increase of S\$8,991,000.

The Company's share capital remained constant at S\$48,540,000 as at 31 December 2014 and 31 December 2013.

Foreign currency translation reserve also remained constant at S\$2,891,000 as at 31 December 2014 and 31 December 2013 which arise from change in functional and presentation currency in FY2014.

Trade and other payables decreased to S\$103,000 as at 31 December 2014 from S\$203,000 as at 31 December 2013. The decrease was due to accrued expenses that were subsequently repaid in FY2014.

The Company had a positive working capital of S\$11,574,000 as at 31 December 2014, as compared to S\$9,076,000 as at 31 December 2013.

### **Statement of Cash Flows**

The Company reported a cash outflow of S\$1,813,000 in FY2014 from its operating activities, after accounting for movements in working capital, as compared to S\$1,419,000 in FY2013.

Net cash generated from investing activities of S\$10,250,000 in FY2014 was due to repayments of exchangeable loan from Techwin Group Limited and settlement received for profit warranty receivable.

Net cash generated from financing activities of S\$179,000 in FY2014 was largely due to interest received from Techwin Group Limited of approximately S\$173,000.

The Company's cash and cash equivalents rose by S\$8,616,000 (prior to effects of changes in foreign exchange rates of S\$375,000) to a surplus of S\$11,303,000 as at 31 December 2014, mainly due to net cash inflows from investing and financing activities in FY2014.

**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.**

Following the issuance of the Consent Final Award and the Completion, notwithstanding that the Company is the legal owner of Asia Sport Alliance Pte. Ltd. and its subsidiary ("ASA Group") of which the Company is of the view that it no longer has control over and has since 30 September 2013 deconsolidated the financial statements of ASA Group, the Company is considered a "cash company" within the meaning of Rule 1017 of the Catalist Rules with effect from 1 December 2014.

The Company is currently considering various options and will be actively pursuing the acquisition of new operating business(es) and assets with proven track record and/or good growth potential to satisfy the SGX-ST's requirements. The Company will update Shareholders on material developments as and when appropriate in relation to the acquisition of business(es).

Shareholders should note that under Rule 1017(2) of the Catalist Rules, the SGX-ST will proceed to remove an issuer from the Official List if it is unable to meet the requirements within 12 months from the time it becomes a cash company. The issuer may (through its sponsor) apply to the SGX-ST for a maximum 6-month extension to the 12-month period if it has already signed a definitive agreement for the acquisition of a new business, of which the acquisition must be completed in the 6-month extension period. The extension is subject to the issuer providing information to investors on its progress in meeting key milestones in the transaction. In the event the issuer is unable to meet its milestones, or complete the relevant acquisition despite the extension granted, no further extension will be granted and the issuer will be required to delist and a cash exit offer in accordance with Rule 1308 of the Catalist Rules be made to its shareholders within six (6) months.

**11. Dividend**

**(a) Current financial period reported on**

No dividend has been declared or recommended for the financial year ended 31 December 2014.

**(b) Corresponding period of the immediately preceding financial year**

No dividend has been declared or recommended for the financial year ended 31 December 2013.

**(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 2014.

- 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 Company does not have any general mandate from shareholders for IPTs pursuant to Rule 920.

- 14. Negative Confirmation by the Board pursuant to Rule 705(5).**

Not applicable for full year results announcement.

## **PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

- 15. 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 Company has no sales operations.

- 16. 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.

**17. A breakdown of sales.**

Not applicable.

**18. 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 FY2014 and FY2013.

**19. 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.**

<b>Name</b>	<b>Age</b>	<b>Family relationship with any director and/or substantial shareholder</b>	<b>Current position and duties, and the year the position was first held</b>	<b>Details of changes in duties and position held, if any, during the year</b>
Tan Sin Huat, Dennis	52	Brother of Mr Tan Chong Huat, substantial shareholder	Executive Director Mr Tan Sin Huat, Dennis is responsible for overseeing the overall management and operations of the Group, with effect from 8 August 2011.	No change

**BY ORDER OF THE BOARD**

**Tan Sin Huat, Dennis**  
**Executive Director**

**13 February 2015**