

UNAUDITED HALF YEAR FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2015

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

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

	Group		Inc/ (Dec)
	6 Months ended 30/06/2015	6 Months ended 30/06/2014 (re-presented)	
	S\$	S\$	%
Continuing operations:			
Revenue	-	130,596	(100.0)
Other gains/(losses), net	131,607	(3,607,725)	(103.6)
Other income	386,194	139,373	177.1
Employee benefits expense	(444,188)	(574,851)	(22.7)
Depreciation	(46,433)	(37,150)	25.0
Other operating expenses	(436,439)	(453,323)	3.7
Finance cost	(2,914)	(2,627)	10.9
Loss before tax	(412,173)	(4,405,707)	(90.6)
Income tax credit/(expense)	6,300	(12,600)	(150.0)
Loss from continuing operations, net of tax	(405,873)	(4,418,307)	(90.8)
Discontinued operations:			
Loss from discontinued operations, net of tax	(52,655)	(430,158)	(87.8)
Net loss for the year	(458,528)	(4,848,465)	(90.5)
Other comprehensive income, net of tax:			
Loss transferred from fair value adjustment reserve on impairment of financial assets, available-for-sale	-	686,069	(100.0)
Currency translation differences:			
Arising from consolidation	181	(1,092)	(116.6)
Other comprehensive income, net of tax	181	684,977	(100.0)
Total comprehensive income for the period	(458,347)	(4,163,488)	(89.0)
Loss attributable to:			
Owners of the Company	(457,865)	(4,848,465)	
Non-controlling interest	(663)	-	
	(458,528)	(4,848,465)	
Total comprehensive income attributable to:			
Owners of the Company	(457,684)	(4,163,488)	
Non-controlling interest	(663)	-	
	(458,347)	(4,163,488)	

n.m.: Not Meaningful

Notes to the Consolidated Income Statement

Loss, net of tax is arrived after (charging)/crediting the following items:

	Group		
	6 months ended 30/06/2015	6 months ended 30/06/2014 (re-presented)	Inc/ (Dec)
	S\$	S\$	%
Interest income:			
- Loan and receivables	268	43	523.3
Foreign exchange loss	-	(18,100)	(100.0)
Gain/(Loss) on disposal of financial assets, available-for-sale	183,562	(625,534)	(129.3)
Overprovision of tax in respect of prior years			
- Deferred income tax	6,300	1,400	(350.0)
Rental expense	189,838	185,628	2.3
Impairment loss on financial assets, available-for-sale	119,454	2,990,259	(98.3)
Write-back on impairment loss on financial assets, available for-sale	(67,499)	-	(100.0)
Net impairment loss on financial assets, available- for-sale	51,955	2,990,259	98.26

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	
	30/06/2015	31/12/2014	30/06/2015	31/12/2014
	S\$	S\$	S\$	S\$
ASSETS				
Current assets				
Cash and cash equivalents	52,116	66,476	15,917	47,799
Other receivables	467,726	146,349	239,675	146,220
Amounts due from subsidiaries	-	-	364,613	84,271
Financial assets, available-for-sale	465,751	1,038,583	-	-
Other current assets	8,807	17,860	6,812	14,558
	994,400	1,269,268	627,017	292,848
Assets of disposal group classified as held-for-sale	-	472,667	-	400,000
	994,400	1,741,935	627,017	692,848
Non-current assets				
Investments in subsidiaries	-	-	7	7
Financial assets, available-for-sale	200,000	319,454	-	-
Property, plant and equipment	328,559	374,990	302,059	345,492
	528,559	694,444	302,066	345,499
Total assets	1,522,959	2,436,379	929,083	1,038,347
LIABILITIES				
Current liabilities				
Other payables	372,321	615,833	315,748	558,534
Finance lease liabilities	41,527	40,916	24,860	24,250
	413,847	656,749	340,608	582,784
Liabilities directly associated with disposal group classified as held-for-sale	-	184,094	-	-
	413,847	840,843	340,608	582,684
Non-current liabilities				
Finance lease liabilities	71,907	93,513	48,990	61,568
Deferred income tax liabilities	8,821	15,121	8,821	49,210
	80,728	108,634	57,811	110,778
Total liabilities	494,575	949,477	398,419	693,562
NET ASSETS	1,028,384	1,486,902	530,664	344,785
EQUITY				
Share capital	21,549,245	21,549,245	21,549,245	21,549,245
Other reserve	361	180	-	-
Accumulated losses	(20,521,222)	(20,022,663)	(21,018,581)	(21,204,460)
Equity attributable to owners of the Company	1,028,384	1,526,762	530,664	344,785
Non-controlling interest	-	(39,860)	-	-
TOTAL EQUITY	1,028,384	1,486,902	530,664	344,785

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

The Group has finance lease liabilities amounting to S\$113,434 as at 30 June 2015.

	Group		Group	
	30/06/2015		31/12/2014	
	Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
Amount repayable in one year or less, or on demand	41,527	-	40,916	-
Amount repayable after one year	71,907	-	93,513	-
	113,434	-	134,429	-

Details of any collateral

The Group's finance lease liabilities are secured by a motor vehicle and two photocopier machines.

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

	Group	
	6 months ended 30/06/2015	6 months ended 30/06/2014
	S\$	S\$ (re-presented)
Cash flows from operating activities		
Loss from continuing operations, net of tax	(405,873)	(4,418,307)
Loss from discontinued operations, net of tax	(52,655)	(430,158)
Net loss for the period	(458,528)	(4,848,465)
Adjustments for:		
Income tax (credit)/ expense	(6,300)	12,600
Depreciation	46,993	38,571
Finance cost	2,914	-
Gain on disposal of subsidiary	(219,770)	-
(Gain)/Loss on disposal of financial assets, available-for-sale	(183,562)	625,534
Interest income	(268)	(43)
Impairment loss on trade and other receivables	-	307,808
Impairment loss on financial assets, available-for-sale	51,955	2,990,259
Unrealised currency translation loss	-	18,100
Operating cash flow before working capital changes	(766,566)	(855,636)
Changes in operating assets and liabilities:		
Trade and other receivables and other current assets	(144,838)	(87,741)
Trade and other payables	(161,875)	37,474
Finance lease liabilities	-	(11,389)
Cash used in operating activities	(1,073,279)	(917,292)
Interest paid	(2,914)	-
Interest received	268	43
Income tax paid, net	-	(4,951)
Net cash used in operating activities	(1,075,925)	(922,200)
Cash flows from investing activities		
Purchase of property, plant and equipment	-	(34,115)
Purchase of financial assets, available-for-sale	-	(300,000)
Proceeds from disposal of financial assets, available-for-sale	823,894	817,477
Cash inflow on disposal of a subsidiary	219,168	-
Net cash provided by investing activities	1,043,062	483,362
Cash flows from financing activities		
Repayment of finance lease liabilities	(20,996)	-
Net cash flows used in financing activities	(20,996)	-
Net decrease in cash and cash equivalents	(53,859)	(438,838)
Cash and cash equivalents at beginning of financial period	105,975	928,598
Cash and cash equivalents at end of financial period	52,116	489,760

- 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.**

Group	Share capital	Other reserves	Accumulated losses	Total equity
	S\$	S\$	S\$	S\$
Balance at 1 January 2015	21,549,245	180	(20,062,694)	1,486,731
Total comprehensive income	-	181	(458,528)	(458,347)
Balance at 30 June 2015	21,549,245	361	(20,521,222)	1,028,384
Balance at 1 January 2014	21,549,245	(686,478)	(11,295,526)	9,567,241
Total comprehensive income	-	684,977	(4,848,465)	(4,163,488)
Balance at 30 June 2014	21,549,245	(1,501)	(16,143,991)	5,403,753

Company	Share capital	(Accumulated losses)/ Retained earnings	Total equity
	S\$	S\$	S\$
Balance at 1 January 2015	21,549,245	(21,199,771)	349,474
Total comprehensive income	-	181,190	181,190
Balance at 30 June 2015	21,549,245	(21,018,581)	530,664
Balance at 1 January 2014	21,549,245	(13,626,067)	7,923,178
Total comprehensive income	-	216,876	216,876
Balance at 30 June 2014	21,549,245	(13,409,191)	8,140,054

- 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.**

Not applicable.

- 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.**

The total number of issued shares excluding treasury shares as at 30 June 2015 and 31 December 2014 is 214,000,100

- 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 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.**

Except as stated in Note 5, the Group has applied the same accounting policies and methods of computation as in the most recently audited annual financial statements for the financial year ended 31 December 2014.

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 the applicable Financial Reporting Standards ("FRS") which became effective for the financial year beginning on or after 1 January 2015. The adoption of these new and revised FRS has no material effect for the current financial period.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group	
	6 months ended 30/06/2015	6 months ended 30/06/2014
(Loss)/earnings per ordinary share of the group after deducting any provision for preference dividends (Singapore cents per share) :		
(a) Based on weighted average number of ordinary shares on issue; and	(0.21)	(2.27)
(b) On a fully diluted basis	(0.21)	(2.27)

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	
	30/06/2015	31/12/2014	30/06/2015	31/12/2014
Net asset value per ordinary share based on issued share capital at the end of:	0.48 cents	0.69 cents	0.25 cents	0.16 cents

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.

I) **CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

Revenue

Revenue decreased by S\$131,000 or 100% from S\$131,000 for the half year ended 30 June 2014 ("HY2014") to NIL for the half year ended 30 June 2015 ("HY2015"). The decrease was mainly due to the absence of consultancy fee which was earned in HY2014 but not HY2015.

Other gains/(losses) – net

Other gains of S\$132,000 for HY2015 were mainly due to the gain of S\$184,000 made on disposal of financial assets, available-for-sale and the write-back of impairment loss of S\$67,000 on financial assets, available-for-sale. This was partially offset by an impairment loss of S\$119,000 made in HY2015. In HY2014, there was a loss on disposal of financial assets, available-for-sale of S\$626,000 and impairment loss of S\$2.99 million on financial assets, available-for-sale.

Other income

Other income increased by S\$247,000 or 177.1% from S\$139,000 for HY2014 to S\$386,000 for HY2015. The increase was mainly due to a gain of S\$220,000 which arose from the disposal of a former subsidiary in HY2015 as well as rental and accounting fee earned from a former subsidiary.

Employee benefits expense

Employee benefits expense decreased by S\$131,000 or 22.7% from S\$575,000 for HY2014 to S\$444,000 for HY2015. The decrease was mainly due to the reduction in the number of employees in HY2015.

Depreciation

Depreciation increased by S\$9,000 or 25.0% from S\$37,000 for HY2014 to S\$46,000 for HY2015 due to the addition of renovation and office equipment of S\$22,000 and S\$30,000 respectively.

Income tax credit / expense

The Group recognised an income tax credit of S\$6,300 for HY2015 due to an over-provision of deferred income tax arising from accelerated depreciation. In HY2014, there was an income tax expenses of \$13,000 which is mainly due to the deferred income tax arising from accelerated depreciation.

Loss from discontinued operations, net of tax

Loss from discontinued operations, net of tax decreased by S\$377,000 or 87.8% from S\$430,000 for HY2014 to S\$53,000 for HY2015. Only two months' results were incorporated in HY2015 for discontinued operations before the completion of disposal of the former subsidiary on 6 March 2015.

Loss transferred from fair value adjustment reserve on impairment of financial assets, available-for-sale

Loss transferred from fair value adjustment reserve on impairment of financial assets, available-for-sale changed by S\$686,000 or 100% from \$686,000 for HY2014 to NIL for HY2015. This was due to a fair value loss of an unquoted investment that was recognised and transferred from the fair value adjustment reserve to the income statement on recognition of impairment loss in HY2014. There was no such item for HY2015.

II) CONSOLIDATED BALANCE SHEET

Cash and cash equivalents

Cash and cash equivalents decreased by S\$14,000 or 21.6% from S\$66,000 as at 31 December 2014 to S\$52,000 as at 30 June 2015. The cash was deployed on operating activities and partially offset by cash generated from investing activities.

Other receivables

Other receivables increased by S\$321,000 or 219.6% from S\$146,000 as at 31 December 2014 to S\$467,000 as at 30 June 2015. The increase was due mainly to amounts receivable from a sub-tenant and related parties for expenses paid on their behalf.

Financial assets, available-for-sale (current)

Financial assets, available-for sale decreased by S\$574,000 or 55.2% from \$1.04 million as at 31 December 2014 to S\$466,000 as at 30 June 2015, mainly due to the disposal of quoted shares amounting to S\$640,000. It was offset by a write-back of impairment loss of S\$67,000 during HY2015.

Financial assets, available-for-sale (non-current)

Financial assets, available-for sale decreased by S\$119,000 or 37.4% from \$319,000 as at 31 December 2014 to S\$200,000 as at 30 June 2015. This was due to further impairment loss made on non-current financial assets, available-for-sale in HY2015.

Assets of disposal group classified as held-for-sale

This was reduced from S\$473,000 to NIL after the completion of disposal of a former subsidiary in March 2015.

Other payables

Other payables decreased by S\$244,000 or 39.5% from S\$616,000 as at 31 December 2014 to S\$372,000 as at 30 June 2015. This was mainly due to payment of accrued operating expenses and other payables.

Finance lease liabilities (current and non-current)

Finance lease liabilities as at 30 June 2015, relates to the hire purchase of a motor vehicle and two photocopier machines in FY2013 and FY2014 respectively.

Liabilities directly associated with disposal group classified as held-for-sale

This was reduced from S\$184,000 to NIL after the completion of disposal of a former subsidiary in March 2015.

III) **CONSOLIDATED STATEMENT OF CASH FLOW**

The factors that affected the cash flow, working capital, assets or liabilities of the Group for the half year ended 30 June 2015 are reflected in the statement of cash flow on page 5.

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.

The Group's plan to reposition its business to focus on proprietary investment activities was put on hold as fund raising efforts took centre stage in the first half of FY2015, and the Group's recent receipt of the approval-in-principle from the SGX-ST on 4th August 2015 for its proposed issuance of convertible redeemable bonds, subject to shareholders' approval at an Extraordinary General Meeting to be convened soon, finally gives the Group the positive reinforcement to be back on track to rebuild its business. With potential proceeds raised, the Group plans to actively commence on merger and acquisition activities (deal structuring and/or direct investments) with a focus towards short to medium term private equities in distressed and/or undervalued assets.

11. Dividend

(a) Current Financial Period Reported On

Any interim (final) dividend declared (recommended) for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared / recommended for the half year ended 30 June 2015.

13. Interested Person Transactions

The Group has no general mandate for interested person transactions under Rule 920(1) of the SGX-ST Listing Manual.

14. Negative Assurance Confirmation On Half Year Financial Results Pursuant To Rule 705(5) Of The Listing Manual

The Board confirms that to the best of its knowledge, nothing has come to its attention which may render the financial results for the half year ended 30 June 2015 to be false or misleading in any material aspect. A confirmation signed by two directors on behalf of the Board of Directors is on record.

BY ORDER OF THE BOARD

DATUK MD WIRA DANI BIN ABDUL DAIM
Non-Executive Chairman and Director
12 August 2015

QUAH SU-YIN
Executive Director and Chief Executive Officer