ZIWO HOLDINGS LTD.
(Company Registration No. 200800853Z)
(Incorporated in the Republic of Singapore)
(the "Company")

DIFFERENCES BETWEEN AUDITED FINANCIAL RESULTS AND UNAUDITED FINANCIAL RESULTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

The Board of Directors (the "**Board**") of Ziwo Holdings Ltd. (the "**Company**" or "Ziwo", and together with its subsidiaries, the "**Group**") refers to the announced unaudited financial results for the financial year ended 31 December 2014 ("**FY2014**") dated 25 February 2015 (the "**FY2014 Unaudited**").

With reference to Rule 704(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board wishes to clarify certain differences between the audited financial results of the Group for FY2014 (the "**FY2014 Audited**") and the FY2014 Unaudited results. The differences and the explanation thereto are provided below:

(a) Income Statement

	Year ended 31 December 2014			Explanation
	FY2014 Unaudited	**FY2014 Audited**	**Difference**	
	RMB'000	**RMB'000**	**RMB'000**	
Revenue	186,284	186,284	**-**	
Cost of sales	(152,766)	(152,766)	**-**	
Gross Profit	33,518	33,518	**-**	
Other operating income	1,329	1,329	**-**	
Selling and distribution expenses	(10,535)	(10,536)	**(1)**	
Administrative expenses	(14,072)	(13,134)	**938**	**Note A**
Other operating expenses	(208)	(513)	**(305)**	**Note B**
Profit before taxation	10,032	10,664	**632**	
Income tax expense	(4,245)	(4,531)	**(286)**	**Note C**
Net profit for the period/year	5,787	6,133	**346**	**Note F**
Other comprehensive income	-	-	**-**	
Total comprehensive income attributable to the equity holders of the Company	5,787	6,133	**346**	**Note F**

(b) Statements of Financial Position

	2014 Group			2014 Company			Explanation
	FY2014 Unaudited	FY2014 Audited	Difference	FY2014 Unaudited	FY2014 Audited	Difference	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
ASSETS							
Non-Current							
Land use rights	48,424	49,606	1,182	-	-	-	**Note A**
Property, plant and equipment	152,741	152,496	(245)	-	-	-	**Note A**
Subsidiaries	-	-	-	138,758	138,458	(300)	**Note D**
	201,165	202,102	937	138,758	138,458	(300)	
Current			-			-	
Inventories	13,727	13,422	(305)	-	-	-	**Note B**
Trade and other receivables	181,241	181,334	93	53,882	53,882	-	**Note E**
Other current assets	8,677	8,677	-	-	-	-	
Cash and cash equivalents	133,361	133,361	-	61	61	-	
	337,006	336,794	(212)	53,943	53,943	-	
Total Assets	538,171	538,896	725	192,701	192,401	(300)	
EQUITY AND LIABILITIES							
EQUITY			-			-	
Share capital	183,268	183,268	-	183,268	183,268	-	
Statutory reserve	42,794	42,794	-	-	-	-	
Retained earnings/(accumulated losses)	294,200	294,546	346	(6,398)	(6,698)	(300)	**Note F**
Total Equity	520,262	520,608	346	176,870	176,570	(300)	
LIABILITIES			-			-	
Non-Current			-			-	
Deferred tax liabilities	2,291	2,291	-	1,240	1,240	-	
Current			-			-	
Trade and other payables	14,023	14,116	93	14,591	14,591	-	**Note E**
Income tax payable	1,595	1,881	286	-	-	-	**Note C**
	15,618	15,997	379	14,591	14,591	-	
Total Liabilities	17,909	18,288	379	15,831	15,831	-	
Total Equity and Liabilities	538,171	538,896	725	192,701	192,401	(300)	

Note A
The difference was due to the write back of amortization of land use rights amounting to approximately RMB 1,182,000 which was over-provided for during the year and additional depreciation for building amounting to approximately RMB 245,000 which was under-provided for during the year. The net impact to income statement was approximately RMB 938,000.

Note B
The difference was due to additional write down of inventory to net realisable value amounting to approximately RMB 305,000.

Note C
The difference was due to additional tax provision amounting to approximately RMB 286,000 as a result of audit adjustments made.

Note D
The difference was due to additional impairment charged to our investment in subsidiaries amounting to RMB 300,000.

Note E
The difference was due to reclassification of a debit balance in trade payables to trade receivables.

Note F
The difference was due to the cummulative impact of adjustments in Note A, B and C and Note D resulting in a net difference of approximately RMB 346,000 and RMB 300,000.

By Order of the Board

Ting Chun Yuen
Executive Chairman and Chief Executive Officer
16 April 2015