

**Unaudited Full Year Financial Statement and Dividend Announcement for the year ended 31 December 2014**

**Part 1 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 immediate preceding financial year.**

	1 Jan 14 to 31 Dec 14 S\$'000	1 Jan 13 to 31 Dec 13 S\$'000	Increase / (Decrease) %
Note			
Revenue	36,972	22,594	64%
Cost of sales	(31,528)	(18,796)	68%
Gross profit	5,444	3,798	43%
Other operating income	3,639	2,470	47%
Administrative expenses	(6,123)	(8,893)	-31%
Other operating expenses	(2,776)	(5,548)	-50%
Finance costs	(101)	(123)	-18%
Profit/(Loss) from operating activities	83	(8,296)	
Gain on derecognition on derivatives of financial instruments	-	11,205	NM
Profit before income tax	83	2,909	
Income tax benefit	13	97	-87%
Profit net of tax	96	3,006	
<b>Other comprehensive income</b>			
Total comprehensive profit for the year, net of tax	96	3,006	
<b>Attributable to</b>			
<b>Owners of the Company</b>			
Profit for the year attributable to owners of the Company	486	6,534	
<b>Non-controlling interests</b>			
Loss for the year attributable to non-controlling interests	(390)	(3,528)	
	96	3,006	

**(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 31 Dec 14 S\$	Group 31 Dec 13 S\$	Company 31 Dec 14 S\$	Company 31 Dec 13 S\$
<b>ASSETS</b>				
<b><u>Non-current assets:</u></b>				
Property, plant and equipment	3,130	4,298	-	-
Investment in subsidiaries	-	-	1,146	1,735
Loan receivable	7,000	-	7,000	-
Other receivables and deposits	652	1,726	-	-
Total non-current assets	10,782	6,024	8,146	1,735
<b><u>Current assets:</u></b>				
Trade receivables	14,027	849	-	-
Other receivables and deposits	1,733	938	142	200
Prepayments	180	324	-	-
Income tax recoverable	46	48	-	-
Amounts due from related parties	1,032	890	-	-
Amount due from subsidiaries	-	-	3,094	19
Cash and cash equivalents	5,546	18,156	2,004	12,418
Total current assets	22,564	21,205	5,240	12,637
<b>Total assets</b>	<b>33,346</b>	<b>27,229</b>	<b>13,386</b>	<b>14,372</b>
<b>LIABILITIES AND EQUITY</b>				
<b><u>Current liabilities:</u></b>				
Trade payables	10,998	423	-	-
Other payables and accruals	4,949	5,896	55	60
Amount due to related parties	393	287	-	-
Income tax payable	148	119	-	-
Provisions and advances	2,588	4,157	-	-
Lease payable	104	671	-	-
Loans and borrowings	907	1,098	-	-
Total current liabilities	20,087	12,651	55	60
<b><u>Non-current liabilities:</u></b>				
Loans and borrowings	372	1,091	-	-
Deferred tax liabilities	-	123	-	-
Lease payable	97	574	-	-
Provisions and advances	60	180	-	-
Total non-current liabilities	529	1,968	-	-
<b>EQUITY</b>				
Share capital	46,226	46,226	46,226	46,226
Foregin currency translation reserve	(1)	(1)	-	-
Accumulated losses brought forward	(33,669)	(40,203)	(31,914)	(42,076)
Retained profits/(accumulated losses) - CY	486	6,534	(981)	10,162
Dividend paid	-	-	-	-
Accumulated losses	(33,183)	(33,669)	(32,895)	(31,914)
Total equity attributable to the owners of the Company	13,042	12,556	13,331	14,312
Non-controlling interests	(312)	54	-	-
Total Equity	12,730	12,610	13,331	14,312
<b>Total liabilities and equity</b>	<b>33,346</b>	<b>27,229</b>	<b>13,386</b>	<b>14,372</b>

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

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

As at 31 Dec 2014		As at 31 Dec 2013	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
Nil	907	Nil	1,098

**Amount repayable after one year**

As at 31 Dec 2014		As at 31 Dec 2013	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
Nil	372	Nil	1,091

**Details of any collateral**

Loans amounting to S\$1,279,000 (2013: S\$2,189,000) was guaranteed by directors of the subsidiary.

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

	<b>The Group</b>	
	1 Jan 14 to 31 Dec 14 S\$'000	1 Jan 13 to 31 Dec 13 S\$'000
<b><u>Cash flows from operating activities</u></b>		
Profit before tax	83	2,909
Adjustments for:		
Bad debts written off	-	2
Allowance for doubtful debts (trade)	-	4
Depreciation of property, plant and equipment	1,537	3,290
Impairment of property, plant and equipment	-	1,332
Gain on derecognition on derivatives of financial instruments	-	(11,205)
Interest expense	101	123
Interest income	(156)	(21)
(Write-back)/impairment loss of deposit	(400)	400
(Write-back)/provision for onerous contracts	(1,113)	2,040
	(31)	(4,035)
Operating cash flows before changes in working capital	52	(1,126)
Changes in working capital:		
Trade receivables	(13,178)	(16)
Other receivables and deposits	600	73
Prepayments	144	11
Amounts due from related companies	(142)	(83)
Trade payables	8,612	951
Other payables and accruals	1,717	622
Provisions and advances	(2,309)	125
Amounts due to related companies	106	185
Cash flows (used in) / generated from operations	(4,398)	742
Interest paid	(101)	(123)
Interest received	14	21
Tax paid	(11)	(109)
<b>Net cash flows (used in) / generated from operating activities</b>	<b>(4,496)</b>	<b>531</b>
<b><u>Cash flows from investing activities</u></b>		
Purchase of property, plant and equipment	(369)	(4,109)
Capital contribution from non controlling interest	24	-
Loans receivable	(7,000)	-
Interest receivable	142	-
<b>Net cash flows used in investing activities</b>	<b>(7,203)</b>	<b>(4,109)</b>
<b><u>Cash flows from financing activities</u></b>		
Proceeds from loans and borrowings	205	2,500
Repayment of loans and borrowings	(1,116)	(993)
Settlement payment	-	(1,300)
Proceeds from redemption of convertible notes	-	(50)
<b>Net cash flows (used in) / generated from financing activities</b>	<b>(911)</b>	<b>157</b>
Net decrease in cash and cash equivalents	(12,610)	(3,421)
Cash & cash equivalents at beginning of the year	18,156	21,577
Cash & cash equivalents at end of the year	5,546	18,156

**(d) (i) Statement (for the issuer and the group) showing (i) all changes in equity or (ii) changes in equity other than those arising from capitalization and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**GROUP**

**31 Dec 2014**

Group statement of changes in equity	Share capital	Foreign currency translation reserve	Accumulated losses	Total attributable to owners of the Company	Non-controlling interest	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 Jan 2014	46,226	(1)	(33,669)	12,556	54	12,610
Total comprehensive income/(loss) for the year	-	-	486	486	(390)	96
Capital contribution	-	-	-	-	24	24
Balance at 31 Dec 2014	46,226	(1)	(33,183)	13,042	(312)	12,730

**31 Dec 2013**

Group statement of changes in equity	Share capital	Foreign currency translation reserve	Accumulated losses	Total attributable to owners of the Company	Non-controlling interest	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 Jan 2013	46,226	(1)	(40,203)	6,022	3,582	9,604
Total comprehensive income/(loss) for the year	-	-	6,534	6,534	(3,528)	3,006
Balance at 31 Dec 2013	46,226	(1)	(33,669)	12,556	54	12,610

**COMPANY**

**31 Dec 2014**

Company statement of changes in equity	Share capital	Foreign currency translation reserve	Accumulated losses	Total attributable to owners of the Company	Non-controlling interest	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 Jan 2014	46,226	-	(31,914)	14,312	-	14,312
Total comprehensive loss for the year	-	-	(981)	(981)	-	(981)
Balance at 31 Dec 2014	46,226	-	(32,895)	13,331	-	13,331

**31 Dec 2013**

Company statement of changes in equity	Share capital	Foreign currency translation reserve	Accumulated losses	Total attributable to owners of the Company	Non-controlling interest	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 Jan 2013	46,226	-	(42,076)	4,150	-	4,150
Total comprehensive profit for the year	-	-	10,162	10,162	-	10,162
Balance at 31 Dec 2013	46,226	-	(31,914)	14,312	-	14,312

- (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 are no changes in the Company's share capital since the end of the previous period reported.

- (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.**

	<u>31-Dec-14</u>	<u>31-Dec-13</u>
Total number of issued shares	<u>1,921,637,787</u>	<u>1,921,637,787</u>

- (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.

- 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.**

Yes.

- 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:-**

	31 Dec 14	31 Dec 13
Profit attributable to ordinary shareholders (S\$'000)	486	6,534
Weighted average and fully diluted ordinary shares for the purpose of calculating basic earnings per share ('000)	1,921,638	1,921,638
Profit per share (cents)	0.03	0.34

**(b) On a fully diluted basis (detailing any adjustments made to the earnings).**

No diluted loss per share is presented as there is no potential dilutive ordinary share for the year 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.**

	Group 31 Dec 14	Group 31 Dec 13	Company 31 Dec 14	Company 31 Dec 13
Net asset value per ordinary share (cents)	0.68	0.65	0.69	0.74

**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

For the financial year ended 31 December 2014, revenue of the Group was derived from the operations of the provision of accommodation services and trading business from Winsta Group and United Force Trading Pte Ltd ("UFT") as follows:

	31 Dec 2014	31 Dec 2013	
Winsta Group	23,779	22,594	3.39%
UFT	13,193	-	nm
	<u>36,972</u>	<u>22,594</u>	61.78%

The Group reported a higher gross profit of S\$5,444,000 (2013: S\$3,798,000) mainly due to the contribution from UFT.

Other operating income has also increased to S\$3,639,000 (2013: S\$2,470,000) partly due to interest income derived from the loan provided by the Company and recovery of bad debt during the year.

Administrative expenses have decreased to S\$6,123,000 (2013: S\$8,893,000) mainly due to lower depreciation charge of S\$1,537,000 (2013: S\$3,290,000). The assets of Winsta Group are depreciated over the lease period and some of the leases for the hostels were expired during the year. As such, the depreciation charges for the assets used by those hostels were lower. In addition, depreciation charge was also lower in FY2014 as a result of the impairment of property, plant and equipment in FY2013. Reduction of staff salaries and bonus and directors' remuneration in Winsta Group have also contributed to the reduction of administrative expenses.

Other operating expenses decreased to S\$2,776,000 (2013: S\$5,548,000). Impairment of property, plant and equipment and provision for onerous contracts in FY2013 were S\$1,332,000 and S\$2,040,000 respectively whereas the provision for onerous contracts in FY2014 was S\$150,000.

Statement of Financial Position

Non-current assets of the group increased to S\$10,782,000 (2013: S\$6,024,000) mainly due to the S\$7,000,000 loan provided by the Company in 2014 which was partially offset by reduction in property, plant and equipment and other receivables and deposits.

Current assets have remained fairly constant as compared to 2013. However, trade receivables has increased substantially to S\$14,027,000 (2013: S\$849,000) primarily due to the trading business of UFT in 2014. This include S\$7,602,000 due from a related party and S\$5,043,000 from a third party customer. The sum of S\$5,043,000 has since been recovered.

Total other receivables and deposits (non-current and current) have decreased to S\$2,385,000 (2013: S\$2,664,000) mainly due to refund of deposits from upon expiry of the lease at Evan Hostel, Tiong Bahru and Devonshire. This was partially offset against the additional deposits of \$615,000 paid by Global Residence for the lease at The Lumiere Condo.



Current liabilities of the Group has also increased to S\$20,087,000 (2013: S\$12,615,000) mainly due to the trade payables of the trading business of UFT.

Statement of Cash Flows

The Group reported a net decrease in cash of S\$12,610,000 in 2014 mainly due to the loan of S\$7,000,000 used in its investing activities and S\$4,496,000 used in operations.

Proceeds raised from Convertible Notes Issue

As reported earlier, net proceeds of S\$15,200,000 have been raised from the issuance of convertible notes and as at 30 June 2014, S\$2,976,000 has been used for general working capital. During the second half of 2014, a further sum of S\$10,220,000 has been utilised as set out below.

	<u>S\$'000</u>
Salary, CPF and directors' fees/remuneration	374
Legal and professional fees	120
General administrative expenses	29
Corporate secretarial, compliance and listing related expenses	20
Transfers to subsidiary	3,077
Interest bearing loan provided to third parties	7,000
Deposit recovered	<u>(400)</u>
	<u>10,220</u>

As at 31 December 2014, the Company still has a sum of S\$2,004,000 in its banks.

**9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast, or a prospect statement, was previously disclosed to the shareholders.

**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 leases entered into by the subsidiaries of Winsta ("subsidiaries") for the rental of its premises were for a period of two to three years and usually with a corresponding two-year or three-year option for renewal. The performance of those subsidiaries would be dependent on their ability to renew the leases of their existing properties or securing of leases for new properties and the rental rate to secure the properties. In 2015, the lease for another two will be expiring in the last quarter of 2015 if there is no further extension/renewal granted by the Landlord.

**11 If a decision regarding dividend has been made:-**

**(a) Whether an interim (final) ordinary dividend has been declared (recommended); and**

None.

**(b) (i) Amount per share ..... cents**

Not applicable.

**(b) (ii) Previous corresponding period ..... cents**

Not applicable.

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

**(d) The date the dividend is payable.**

Not applicable.

**(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

**12 If no dividend has been declared (recommended), a statement to that effect.**

No dividend has been declared or recommended.

**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.**

The aggregate value of the Interested Persons Transactions for the financial year ended 31 December 2014 are as follows:

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (including transactions less than S\$100,000)
Uni-House Pte Ltd	Not applicable	S\$809,000
Bian Bee Co Pte Ltd	Not applicable	S\$23,000
St Thomas Investment Pte Ltd	Not applicable	S\$663,000
Devonshire Properties Development Pte Ltd	Not applicable	S\$37,000
Overseas Student Placement Centre Pte Ltd	Not applicable	S\$565,000
Pegasus International Preschool Pte Ltd	Not applicable	S\$234,000
Xiamen Xinyang Benna Tech Co Ltd	S\$460,654	Nil

In relation to the Interested Persons Transactions, the Group will sought its shareholders' mandate in the forthcoming meeting.

**14 Negative assurance confirmation under the SGX listing rule 705(5) of the listing manual.**

Not applicable for full year result announcement.

**Part 2 ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**15 Segmented revenue and results for business or geographical 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.**

The Group's revenues are derived from the accommodation services and trading business from Winsta Group and United Force Trading Pte Ltd as follows:

	Winsta <u>S\$'000</u>	UFT <u>S\$'000</u>	Others <u>S\$'000</u>	Total <u>S\$'000</u>
Revenue	23,779	13,193	-	36,972
Cost of sales	(19,436)	(12,092)	-	(31,528)
Gross profit	<u>4,343</u>	<u>1,101</u>	<u>-</u>	<u>5,444</u>
Other operating income	2,891	188	560	3,639
Administrative expenses	(5,405)	-	(718)	(6,123)
Other operating expenses	(2,689)	(72)	(15)	(2,776)
Finance costs	(101)	-	-	(101)
Profit/(Loss) from operating activities	<u>(961)</u>	<u>1,217</u>	<u>(173)</u>	<u>83</u>

**16 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable, please see section 15 above.

**17 A breakdown of sales as follows:-**

	<u>2014</u> <u>S\$'000</u>	<u>2013</u> <u>S\$'000</u>	<u>Increase /</u> <u>(decrease)</u> <u>%</u>
a) Sales reported for first half year	18,392	10,622	73.15
b) Operating loss after tax reported for the first half year	(290)	(2,553)	(88.64)
c) Sales reported for the second half year	18,580	11,972	55.20
d) Operating profit after tax reported for the second half year	386	5,559	(93.06)

**18 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-**

Not applicable.

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](#) (13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Sim Poh Ping	66	Father of Sim Pei Yee	Director in subsidiaries	Nil
Sim Pei San	33	Sister of Sim Pei Yee	Director in subsidiaries	Nil
Sim Chek Tze	32	Brother of Sim Pei Yee	Manager in subsidiaries	Nil
Huang Tzu-Ting	24	Daughter of Huang Wen-Lai	Director in subsidiaries	Nil

**BY ORDER OF THE BOARD**

**Huang Wen-Lai**  
**Executive Director**  
**28 February 2015**

**Sim Pei Yee**  
**Executive Director**