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Epicentre Holdings Limited

(Company Registration No. 200202930G)

Unaudited Full Year Financial Statement and Dividend Announcement For The Year Ended 30 June 2016

1(a)(i) 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

	Group		
	2016 **(Unaudited)** S$'000	**2015** **(Audited)** S$'000	Increase/ (Decrease) %
Revenue	164,087	178,498	(8.1)
Cost of sales	(151,324)	(161,729)	(6.4)
Gross Profit	12,763	16,769	(23.9)
Other operating income	2,629	1,998	31.6
Administrative expenses	(18,007)	(17,988)	0.1
Selling and distribution costs	(2,639)	(3,200)	(17.5)
Finance costs	(540)	(177)	205.1
Loss before income tax	(5,794)	(2,598)	123.0
Income tax expense	33	(277)	(111.9)
Loss for the financial year	(5,761)	(2,875)	100.4
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Foreign currency differences on translation of foreign operations	(32)	(317)	(89.9)
Other comprehensive income for the financial year, net of tax	(32)	(317)	(89.9)
Total comprehensive income for the financial year	(5,793)	(3,192)	
Loss attributable to:			
Owners of the parent	(5,761)	(2,875)	100.4
Non-controlling interest	-	-	N.A.
	(5,761)	(2,875)	100.4
Total comprehensive income attributable to:			
Owners of the parent	(5,850)	(3,130)	86.9
Non-controlling interest	57	(62)	(191.9)
	(5,793)	(3,192)	81.5

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1(a)(ii) Loss after income tax is arrived at after charging / (crediting) the following:

	Group		
	2016 (Unaudited) S$'000	**2015 (Audited)** S$'000	**Increase/ Decrease** %
Depreciation of plant and equipment	856	1,125	(23.9)
Amortisation of intangible assets	16	45	(64.4)
Gain on disposal of plant and equipment	-	(3)	(100.0)
Plant and equipment written off	133	50	166.0
Staff cost	7,910	7,114	11.2
Net foreign exchange loss	294	300	(2.0)
Inventory written off	48	37	29.7
Provision for slow moving stock	871	830	4.9
Third parties trade receivables written off	85	1	N.A.
Allowance for impairment loss on third parties trade receivables	10	9	11.1
Impairment loss on intangible assets	68	-	-
Provision for onerous contract	87	-	-
Reversal of provision for reinstatement cost not utilised	(40)	(40)	-

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1(b)(i) A consolidated 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	
	2016	**2015**	**2016**	**2015**
	(Unaudited)	**(Audited)**	**(Unaudited)**	**(Audited)**
	S$'000	S$'000	S$'000	S$'000
Non-current assets				
Plant and equipment	517	1,465	34	332
Intangible assets	-	84	-	-
Investment in subsidiaries	-	-	5,865	834
	517	1,549	5,899	1,166
Current assets				
Inventories	8,156	12,116	-	-
Trade and other receivables	3,147	4,486	3,124	7,563
Prepayments	159	139	21	11
Current income tax recoverable	234	-	-	-
Cash and cash equivalents	2,546	5,171	80	448
	14,242	21,912	3,225	8,022
Less: Current liabilities				
Trade and other payables	8,796	9,419	12,224	6,720
Provisions	297	269	-	-
Deferred revenue	488	278	-	-
Current income tax payable	66	89	-	-
Borrowings	4,638	7,104	816	1,264
	14,285	17,159	13,040	7,984
Net current (liabilities)/assets	(43)	4,753	(9,815)	38
Less: Non-current liabilities				
Deferred tax liabilities	69	69	15	15
Deferred revenue	69	104	-	-
	138	173	15	15
Net assets/(liabilities)	**336**	**6,129**	**(3,931)**	**1,189**
Equity				
Share capital	6,709	6,709	6,709	6,709
Treasury shares	(69)	(69)	(69)	(69)
Foreign currency translation account	(464)	(375)	-	-
(Accumulated losses)/Retained Earnings	(5,406)	355	(10,571)	(5,451)
Equity attributable to owners of the parent	770	6,620	(3,931)	1,189
Non-controlling interest	(434)	(491)	-	-
Total equity	**336**	**6,129**	**(3,931)**	**1,189**

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

	Group			
	2016 (Unaudited)		2015 (Audited)	
	Secured	Unsecured	Secured	Unsecured
	S$'000	S$'000	S$'000	S$'000
Borrowings				
Repayable within 1 year	-	4,638	-	7,104
	-	4,638	-	7,104

Details of collaterals:

The borrowings are secured by Corporate guarantees.

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

	Group	
	2016 (Unaudited) S$'000	**2015 (Audited)** S$'000
Loss before tax	(5,794)	(2,598)
Adjustments for:		
Allowance for inventory obsolescence	871	830
Allowance for impairment loss on third parties trade receivables	10	9
Third parties trade receivables written off	85	1
Depreciation of plant and equipment	856	1,125
Amortisation of intangible assets	16	45
Impairment loss of intangible assets	68	-
Interest expense	540	177
(Gain) on disposal of plant and equipment	-	(3)
Inventories written off	48	37
Plant and equipment written off	133	50
Provision for onerous contract	87	-
Reversal of provision for reinstatement costs not utilised	(40)	(40)
Operating cash flows before working capital changes	(3,120)	(367)
Working capital changes:		
Inventories	2,681	3,746
Trade and other receivables	1,217	561
Prepayments	(24)	189
Trade and other payables	(140)	(1,830)
Deferred revenue	175	374
Cash generated from operations	789	2,673
Interest paid	(540)	(177)
Income tax paid	(224)	(143)
Net cash flow from operating activities	25	2,353
Cash flow from investing activities		
Proceeds from disposal of plant and equipment	2	11
Purchase of plant and equipment	(17)	(1,042)
Additions to intangible assets	-	(10)
Net cash used in investing activities	(15)	(1,041)
Cash flow from financing activities		
Fixed deposit pledged with a bank	(100)	-
Placement of cash guarantee	(500)	-
Proceeds from bank borrowings	11,659	14,603
Repayment of bank borrowings	(14,125)	(16,615)
Repayment of finance lease payables	-	(6)
Net cash used in financing activities	(3,066)	(2,018)
Net change in cash and cash equivalents	(3,056)	(706)
Cash and cash equivalents at beginning of financial period	5,171	6,063
Effects of exchange rates changes on cash and cash equivalents	(169)	(186)
Cash and cash equivalents at end of financial year	1,946	5,171

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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	Treasury Shares	Foreign Currency Translation Account	Retained Earnings	Equity attributable to owners of the parent	Non-controlling interests	Total Equity
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Unaudited							
Balance at 1.7.2015	6,709	(69)	(375)	355	6,620	(491)	6,129
Loss for the financial year	-	-	-	(5,761)	(5,761)	-	(5,761)
Other comprehensive income for the financial year that may be reclassified subsequently to profit or loss:							
Foreign currency differences on translation of foreign operations, net of tax	-	-	(89)	-	(89)	57	(32)
Total comprehensive income for the year	-	-	(89)	(5,761)	(5,850)	57	(5,793)
Balance at 30.6.2016	6,709	(69)	(464)	(5,406)	770	(434)	336
Audited							
Balance at 1.7.2014	6,709	(69)	(120)	3,230	9,750	(429)	9,321
Loss for the financial year	-	-	-	(2,875)	(2,875)	-	(2,875)
Other comprehensive income for the financial year that may be reclassified subsequently to profit or loss:							
on translation of foreign operations, net of tax	-	-	(255)	-	(255)	(62)	(317)
Total comprehensive income for the year	-	-	(255)	(2,875)	(3,130)	(62)	(3,192)
Balance at 30.6.2015	6,709	(69)	(375)	355	6,620	(491)	6,129

Company	Share Capital	Treasury Shares	Accumulated Losses	Total Equity
	S$'000	S$'000	S$'000	S$'000
Unaudited				
Balance at 1.7.2015	6,709	(69)	(5,451)	1,189
Other comprehensive income for the financial year that may be reclassified subsequently to profit or loss:				
Loss for the financial year	-	-	(5,120)	(5,120)
Total comprehensive income for the year	-	-	(5,120)	(5,120)
Balance at 30.6.2016	6,709	(69)	(10,571)	(3,931)
Audited				
Balance at 1.7.2014	6,709	(69)	(4,538)	2,102
Other comprehensive income for the financial year that may be reclassified subsequently to profit or loss:				
Loss for the financial year	-	-	(913)	(913)
Total comprehensive income for the year	-	-	(913)	(913)
Balance at 30.6.2015	6,709	(69)	(5,451)	1,189

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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 arising from rights issue, bonus issue, and 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 30 June 2016.

The Company has no outstanding convertibles be converted into shares as at 30 June 2016 and 30 June 2015.

Share capital	**30-Jun-16 (Unaudited)**	**30-Jun-15 (Audited)**
Number of shares at beginning of year	93,274,600	93,274,600
Less: Treasury shares	-	-
Number of shares at end of year	93,274,600	93,274,600

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.

	30-Jun-16 (Unaudited)	**30-Jun-15 (Audited)**
Total number of issued shares	93,501,600	93,501,600
Total number of treasury shares	(227,000)	(227,000)
Total number of issued shares (excluding treassury shares)	93,274,600	93,274,600

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.

	30-Jun-16 (Unaudited)	**30-Jun-15 (Audited)**
Number of treasury shares at beginning of period	227,000	227,000
Additions during the period	-	-
Number of treasury shares at end of period	227,000	227,000

No sales, transfers, disposal, cancellation and/or use of treasury shares as at 30 June 2016.

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2 Whether the figures have been audited or reviewed and in accordance with which auditing standards 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 matter)

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recent audited financial statements have been applied

Save as disclosed in paragraph 5 below, the accounting policies and methods of computation applied by the Group are consistent with those used in its most recently audited financial statements for the financial year ended 30 June 2015.

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

On 1 July 2015, the Group adopted the new and revised Financial Reporting Standards ("FRS") and interpretation of FRS ("INT FRS") that are relevant to its operations and are effective in the financial year ended 30 June 2016. The adoption of these new and revised FRS and INT FRS where relevant has no material impact on the Group's accounting policies or the financial statements for the current financial year.

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

	Group	
	2016 (Unaudited)	2015 (Audited)
Loss per share		
- basic (cents)	(6.17)	(3.08)
- diluted (cents)	(6.17)	(3.08)

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	
	2016 (Unaudited)	2015 (Audited)	2016 (Unaudited)	2015 (Audited)
Net tangible asset backing per ordinary share based on existing issued share capital as at the end of the period reported on (cents)	0.36	6.49	(4.21)	0.71
Net asset value per ordinary share based on existing issued share capital as at the end of the period reported on (cents)	0.36	6.58	(4.21)	0.71

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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

Revenue

Group revenue for the financial year ended 30 June 2016 ("FY2016") was $164.1 million, a decrease of 8.1% or $14.4 million compared to the corresponding year ("FY2015"). The decline in revenue was largely due to increase in price competition, closure of retail stores, and generally poor retail sentiments as a result of slow-down in global economy.

Gross Profit

Gross profit for FY2016 was $12.8 million, a decline of 23.9% or $4.0 million compared with $16.8 million reported in FY2015. Correspondingly, gross profit margin dipped from 9.4% in FY2015 to 7.8% in FY2016.

In FY2016, sales mix for Apple products and the Third Party Products ("3PP") was 92% and 8% respectively, compared with the sales mix for Apple products and 3PP of 90% and 10% reported in FY2015. As a result of aggressive bundling and promotions that was undertaken by the Group during FY2016, this also contributed to the decrease of the overall gross profit margin.

Other operating income

The increase in other operating income of $0.6 million from $2 million in FY2015 to $2.6 million in FY2016 was mainly due to higher products rebates; partly offset by lower revenue from the sale of membership.

Administrative expenses

Administrative expenses increased by $19,000 in FY2016 as compared to FY2015. The increase was mainly due to:

a) increase in salaries and wages of approximately $431,000 was largely due to higher executive director salaries in FY2016 compared to FY2015. The lower directors' salaries reported in FY2015 was due to the partial waiver of a director salary. There was no waiver of salary by director in FY2016. This increase was however partly offset by lower staff salaries due to overall reduction of headcounts;

b) increase in legal and professional fees of $308,000 largely due to consultancy services in relation to additional corporate exercises;

c) higher write-off of trade receivables of $85,000 largely relates to an unrecoverable of outstanding balances from a customer that went into bankruptcy;

d) higher write-off of plant and equipment and intangible assets of $83,000;

e) a provision for onerous contract for a retail outlet rental of $87,000; and

f) higher net provision for inventory impairment of $41,000.

The increase in administrative expenses was however partly offset by:

g) Net decrease in rental and related expenses of approximately $605,000 as a result of discontinuation of lease for few of our outlets upon expiry of their respective leases;

h) Net decrease in depreciation & amortization expenses of approximately $298,000. With the discontinuation of lease upon expiry for 4 of our outlets (2 outlets for Epicentre and 2 outlets for Epilife), there was a reduction in depreciation expenses in FY2016; and

i) Net decrease in business development and related expenses by approximately $115,000.

Selling and Distribution cost

Selling and Distribution cost decreased by $561,000 in FY2016 as compared to FY2015. This was due to the success in managing our advertising and promotion expenses; and lower credit card charges, in line with lower sales reported in the current financial year.

Finance cost

Finance cost for FY2016 comprised of interest expenses incurred for borrowings for working capital purposes. FY2015 Finance cost was attributable from the bank borrowings for Malaysia operation and working capital purposes. Despite the decrease in borrowings, borrowing cost in FY2016 was higher than FY2015 due to higher interest rates in the current financial period.

Income Tax

FY2016's income tax recoverable and FY2015's provision for income tax primarily relates to that of our subsidiary in Malaysia.

Arising from the above, the Group suffered a net loss of $5.76 million for FY2016.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Consolidated statement of financial position review

Non-current assets decreased by $1 million from $1.5 million as at 30 June 2015 to $0.5 million as at 30 June 2016. The reduction was mainly attributable to depreciation expenses of $0.9 million; as well as the write-off of net book value of $0.1 million of a motor vehicle that was vested to the ex-Chief Executive Officer.

Current assets decreased by $7.7 million from $21.9 million as at 30 June 2015 to $14.2 million as at 30 June 2016. The decrease was primarily due to the lower inventories for an amount of approximately $3.8 million as a result of the Group's effort to maintain its inventories level at optimal level, as well as the higher provision for impairment of inventories. Trade receivables and cash and cash equivalents also decreased by $1.6 million and $2.6 million respectively.

Current liabilities decreased by $2.9 million from $17.2 million as at 30 June 2015 to $14.3 million as at 30 June 2016. The decrease was mainly caused by the reduction in trade and other payables of $0.6 million, as well as the decrease in short term borrowings of $2.5 million.

As a result of the above, the Group reported a marginal net current liability of $43,000 as at 30 June 2016. The Group announced a Placement Exercise on 20 July 2016 to raise up to $11.5 million; of which 50% of the net proceeds will be used as working capital purposes; while the balance will be used to support business development and expansion.

Non-current liabilities decreased by $35,000 mainly due to the deferment of revenue recognition from the sale of Epicentre Membership.

Cash flow review

In FY2016, the net cash inflow used in operations of $0.1 million was primarily due to higher losses amounting to $5.8 million; offset by the decrease in inventories and trade receivables of $2.7 million and $1.2 million respectively; as well as the decrease in trade payables of $0.9 million.

In FY2016, the Group has minimum investing activities other than the purchase of scanner for office use.

Net cash outflow of the financing activities is largely attributable to the repayment of bank borrowings in the current financial year.

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 Board expects the operating environment in the next 12 months to remain challenging. However, the Group remains focused to widen its distribution network in existing markets. The Group would continue to enhance its operational efficiency and monitor its operating expenses in the face of economic uncertainties and rising staff cost and premises expense. The Group is also exploring various options to diversify and broaden its revenue base.

To support these strategic objectives, the Group announced a Placement Exercise on 20 July 2016 to raise up to $11.5 million. Please refer to the announcement on Proposed Placement of up to 45,800,000 new ordinary shares in the capital of the Company for further details.

11 If a decision regarding dividend has been made:

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

No dividend has been declared for the financial year ended 30 June 2016.

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

No dividend has been declared for the financial year ended 30 June 2016.

(ii) Previous corresponding period

No dividend has been declared for the financial year ended 30 June 2015.

(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 the shareholders, this must be stated).**

Not applicable.

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

Not applicable.

(e) **The dates 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 for the financial year ended 30 June 2016.

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13 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 immediate preceding year. If no dividend has been declared (recommended), a statement to that effect.

By business segments

	Apple brand	Third Party brand	Group
2016 (Unaudited)	S$'000	S$'000	S$'000
Revenue			
External parties	150,184	13,903	164,087
Results [(1)]			
Segment results	(41)	(4)	(45)
Unallocated expenses, net			(5,209)
Finance costs			(540)
Loss before income tax			(5,794)
Other material non-cash expenses			
Allowance for inventory obsolescence	(801)	(70)	(871)
Depreciation	(788)	(68)	(856)
Amortisation of intangible assets	(15)	(1)	(16)
Third parties trade debts written off	(78)	(7)	(85)
Allowance for impairment loss on third parties trade receivables	(9)	(1)	(10)
Inventories written off	(44)	(4)	(48)
Plant and equipment written off	(122)	(11)	(133)
Reversal of provision for reinstatement costs not utilised	37	3	40
Impairment loss on intangible assets	(62)	(6)	(68)
Provision for onerous contract	(80)	(7)	(87)

	Apple brand	Third Party brand	Elimination	Total
	S$'000	S$'000	S$'000	S$'000
Segment assets	32,528	3,614	(21,617)	14,525
Current income tax recoverable				234
				14,759
Segment liabiliities	33,184	3,684	(22,580)	14,288
Current income tax payable				66
Deferred tax liabilities				69
				14,423
Capital expenditure				
Plant and equipment	64	6	-	70

By geographical segments

	Singapore	Malaysia	Group
	S$'000	S$'000	S$'000
Total Revenue from external parties	138,447	25,640	164,087
Non-current assets	294	223	517

Footnote:

(1) Other than revenue and costs of goods sold which can be directly attributable to each operating segment, all other income and expenses are allocated based on each operating segment's proportion of sales for the year.

By business segments

	Apple brand	Third Party brand	Group
2015	S$'000	S$'000	S$'000
(Audited)			
Revenue			
External parties	159,797	18,701	178,498
Results [(1)]			
Segment results	1,424	158	1,582
Unallocated expenses, net			(4,003)
Finance costs			(177)
Loss before income tax			(2,598)
Other material non-cash expenses			
Allowance for inventory obsolescence	(747)	(83)	(830)
Depreciation	(1,013)	(112)	(1,125)
Amortisation of intangible assets	(41)	(4)	(45)
Allowance for impairment loss on third parties trade receivables	(8)	(1)	(9)
Third parties trade receivables written off	(1)	-	(1)
Inventories written off	(33)	(4)	(37)
Plant and equipment written off	(45)	(5)	(50)
Reversal of provision for reinstatement costs not utilised	36	4	40

	Apple brand	Third Party brand	Elimination	Total
	S$'000	S$'000	S$'000	S$'000
Segment assets	34,096	3,789	(14,424)	23,461
Segment liabiliities	33,670	3,741	(20,237)	17,174
Current income tax payable				89
Deferred tax liabilities				69
				17,332
Capital expenditure				
Plant and equipment	960	107	-	1,067
Intangible assets	9	1	-	10

By geographical segments

	Singapore	Malaysia	Group
	S$'000	S$'000	S$'000
Total Revenue from external parties	145,620	32,878	178,498
Non-current assets	1,142	407	1,549

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

Please refer to paragraph 8.

15 Breakdown of sales

	Total	
	2016 (Unaudited) S$'000	**2015 (Audited)** S$'000
(a) Revenue report for the first half year	97,667	95,804
(b) Total loss after tax before deducting non-controlling interests reported for first half year	(751)	232
(c) Revenue report for the second half year	66,420	82,694
(d) Total loss after tax before deducting non-controlling interests reported for second half year	(5,010)	(3,107)

16 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Not applicable.

17 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.

Not applicable.

18 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.

There is no Interested Person Transactions during the financial year which exceeds $100,000; and the Company does not have a shareholders' mandate under Rule 920 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited.

19. Confirmation that the issuer has procured undertaking from all its Directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company confirms that it has already procured undertakings from all of its Directors and executive officer in the format as set out in Appendix 7H of the Catalist Rules in accordance with Rule 720(1) of the Catalist Rules.

On behalf of the Board of Directors
Lim Tiong Hian
Executive Chairman & Acting CEO

By Order of the Board

Lim Tiong Hian
Executive Chairman and Acting CEO
29 August 2016

This announcement has been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Company's Sponsor has not independently verified the contents of this announcement.

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