WE HOLDINGS LIMITED

Financial Statement Announcement for the 12 Months Ended 31 March 2014

The Board of Directors of WE Holdings Limited (the "Company") wishes to announce the unaudited results of the Group and Company for the financial year ended 31 March 2014.

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

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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

1(a)(i) An income statement and statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group		
	For the 12 months ended		
	31-Mar-14 US$'000	31-Mar-13 US$'000	Increase / (Decrease)
	(unaudited)	(audited)	
Revenue	58,032	62,517	-7%
Cost of sales	(53,822)	(56,651)	-5%
Gross Profit	4,210	5,866	-28%
Other Items of Income			
Financial Income	60	33	82%
Other Credits	1,811	1,034	75%
	6,081	6,933	-12%
Other Items of Expenses			
Marketing and Distribution Expenses	(1,943)	(1,513)	28%
Administration Expenses	(8,156)	(8,315)	-2%
Finance Costs	(555)	(745)	-26%
Other Charges	(1,581)	(789)	100%
Loss From Operating Activities Before Tax	(6,154)	(4,429)	39%
Share of Results of Associates	-	(79)	
Loss before Tax From Continuing Operations	(6,154)	(4,508)	37%
Income Tax Expense	(3)	(29)	-90%
Loss for the Year	(6,157)	(4,537)	36%
Other Comprehensive Income / (Loss):			
Exchange Difference on Translating Foreign Operations	(35)	(264)	-87%
Gain on property revaluation, Net of tax	307	483	-36%
Total Comprehensive Loss for the Year	(5,885)	(4,318)	36%
Loss Attributable to:			
Owners of the Parent	(6,152)	(4,514)	36%
Non-Controlling Interests	(5)	(23)	-78%
	(6,157)	(4,537)	36%
Total Comprehensive Income/(Loss) attributable to:			
Owners of the Parent	(5,880)	(4,297)	37%
Non-Controlling Interests	(5)	(21)	-76%
	(5,885)	(4,318)	36%

nm denotes not meaningful.

1(a)(ii) Notes to the Income Statement

	Group		
	For the 12 months ended		
	31-Mar-14 US$'000	31-Mar-13 US$'000	Increase / (Decrease)
	(unaudited)	(audited)	
(i) Other income			
Bank Interest	60	33	82%
Bad Debts Recovered	805	7	11400%
Reversal for Doubtful Debts - Trade Receivables	252	498	-49%
Trade Payables Written Back	-	2	-100%
Foreign Exchange Gain	84	-	nm
Wage Credit	225	-	nm
Miscellaneous Income	445	527	-16%
	1,871	1,067	75%
(ii) Other information:-			
Depreciation of Property, Plant and Equipment	(181)	(254)	-29%
Impairment Loss on Doubtful Trade and Other Receivables	(1,310)	(735)	78%
Foreign Exchange Profit / (Loss)	-	(379)	-100%
Allowance for Impairment in Club Membership	-	(112)	-100%
Loss on Disposal of Property, Plant and Equipment	-	(4)	-100%
Property, Plant and Equipment Written Off	(52)	(17)	206%
Loss on Disposal of Subsidiary	-	(259)	-100%
Loss on Disposal of Other Assets	(86)	-	nm
Other Receiveables Written Off	(56)	-	nm
Allowance for Impairment in Associate	-	(35)	-100%
Employee Benefits	(6,298)	(6,428)	-2%
Shares for Share Awards Scheme Issued	(1,156)	(1,027)	13%
Directors' Fees	(247)	(262)	-6%
Directors' Remuneration	(334)	(560)	-40%
Amortisation of Intangible Assets	(64)	(36)	78%
Stock Written Down	(1,054)	-	nm
Stock Written Off	(598)	-	nm
Inventories recognised as an Expense in Cost of Sales	(52,001)	(55,300)	-6%
Interest Expense	(555)	(745)	-26%
nm denotes not meaningful.			
(iii) Breakdown of one-off expenses:-			
Cost of Sales			
Stock Written Down	1,054	-	nm
Stock Written Off	598	-	nm
Administrative Expenses			
Share for Share Award Scheme Issued	1,156	1,027	13%
Due Diligence for Myanmar Exploration	232	-	nm
Legal and Professional Fees for Rights cum Warrant Shares and Placement Shares	191	-	nm
Other Charges			
Impairment loss on doubtful trade receivables	1,310	735	78%
Total	4,541	1,762	
(iv) Proforma Consolidated Income Statement after excluding the one-off expenses:-			
Revenue	58,032	62,517	-7%
Cost of sales	(52,170)	(56,651)	-8%
Gross Profit	5,862	5,866	
Other Income	1,871	1,067	75%
Marketing and Distribution Expenses	(1,943)	(1,513)	28%
Administration Expenses	(6,577)	(7,288)	-10%
Finance Costs	(555)	(745)	-26%
Other Charges	(271)	(54)	402%
Loss from Operating Activities	(1,613)	(2,667)	

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		
	31-Mar-14 US$'000	31-Mar-13 US$'000	Increase / (Decrease)	31-Mar-14 US$'000	31-Mar-13 US$'000	Increase / (Decrease)
	(unaudited)	(audited)		(unaudited)	(audited)	
ASSETS						
Non-Current Assets						
Property, Plant and Equipment	6,037	5,597	8%	261	77	239%
Intangible Assets	-	64	-100%	-	64	-100%
Investment in Subsidiaries	-	-	nm	11,570	11,570	0%
Investment in Associates	-	-	nm	-	-	nm
Other Assets	92	156	-41%	92	156	-41%
Total Non-Current Assets	**6,129**	**5,817**	5%	**11,923**	**11,867**	0%
Current Assets						
Inventories	5,523	4,800	15%	1,549	2,173	-29%
Trade and Other Receivables	14,164	14,976	-5%	12,685	8,315	53%
Other Assets	900	141	538%	891	4	nm
Income tax receivable	-	-	nm	5	-	nm
Cash and Cash Equivalents	19,575	6,386	207%	14,253	1,318	nm
Total Current Assets	**40,162**	**26,303**	53%	**29,383**	**11,810**	149%
Total Assets	**46,291**	**32,120**	44%	**41,306**	**23,677**	74%
EQUITY AND LIABILITIES						
Equity						
Share Capital	45,077	12,844	251%	75,159	42,926	75%
Accumulated Losses	(15,981)	(10,236)	56%	(40,811)	(32,202)	27%
Others Reserves	2,277	2,412	-6%	-	-	nm
	31,373	5,020	nm	34,348	10,724	220%
Non-Controlling Interests	16	11	45%	-	-	nm
Total Equity	**31,389**	**5,031**	nm	**34,348**	**10,724**	220%
Non-Current Liabilities						
Deferred Tax Liabilities	545	552	-1%	39	39	0%
Other Financial Liabilities	1,463	1,484	-1%	-	-	nm
Total Non-Current liabilities	**2,008**	**2,036**	-1%	**39**	**39**	0%
Current Liabilities						
Income Tax Payable	13	37	-65%	-	-	nm
Trade and Other Payables	12,606	12,418	2%	6,919	6,966	-1%
Finance Leases	-	2	-100%	-	-	nm
Other Financial Liabilities	275	12,596	-98%	-	5,948	-100%
Total Current Liabilities	**12,894**	**25,053**	-49%	**6,919**	**12,914**	-46%
Total Liabilities	**14,902**	**27,089**	-45%	**6,958**	**12,953**	-46%
Total Equity and Liabilities	**46,291**	**32,120**	44%	**41,306**	**23,677**	74%

nm denotes not meaningful.

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 March 14		As at 31 March 2013	
(unaudited)		(audited)	
Secured	Unsecured	Secured	Unsecured
US$'000	US$'000	US$'000	US$'000
275	-	12,598	-

Amount repayable after one year

As at 31 March 14		As at 31 March 2013	
(unaudited)		(audited)	
Secured	Unsecured	Secured	Unsecured
US$'000	US$'000	US$'000	US$'000
1,463	-	1,484	-

Details of any collateral

All the borrowings are United States dollars and Singapore dollars denominated and interest bearing. The borrowings are secured by:

(i) Legal mortgages of leasehold industrial properties of a subsidiary;
(ii) Registered charge over cash deposits of US$0.3 million in the name of a subsidiary held with a bank;
(iii) Fixed deposits of at least US$0.2 million which are pledged to a bank;
(iv) Existing Letter of Charge and Set-Off executed by a subsidiary in respect of Foreign Currency Fixed Deposits of not less than US$1.25 million;
(v) Debenture agreement including floating charge over all present and future trade receivables and inventories of a subsidiary;
(vi) Corporate guarantee is provided to a subsidiary for some banking facilities provided.

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

	Group	
	For the 12 months ended	For the 12 months ended
	31-Mar-14 US$'000	31-Mar-13 US$'000
	(unaudited)	(audited)
Cash Flows from Operating Activities		
Loss Before Tax	**(6,154)**	**(4,508)**
Adjustments for :-		
Allowance/(Reversal) for Doubtful Debts	1,310	(498)
Amortisation of Intangible Assets	64	36
Depreciation of Property, Plant and Equipment	181	254
Interest Expense	555	745
Interest Income	(60)	(33)
Property, Plant and Equipment Written Off	52	17
Allowance for Impairment in Associate	-	35
Allowance for Impairment in Club Membership	-	112
Stocks Written Down	1,054	-
Stocks written off	598	-
Loss on Disposal of Other Assets	86	-
Other Assets Written Off	56	-
Share of Loss of Associates	-	79
Net Effect of Exchange Rate Changes in Consolidating Foreign Subsidiaries	(27)	(371)
Operating Loss before Working Capital Changes	**(2,285)**	**(4,132)**
Inventories	(2,375)	1,604
Trade and Other Receivables	(2,632)	(3,994)
Other Assets	(759)	76
Trade and Other Payables	2,322	3,414
Cash Used In Operations	**(5,729)**	**(3,032)**
Income Tax (Paid) / Refunded	(34)	27
Net Cash Flow Used In Operating Activities	**(5,763)**	**(3,005)**
Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipment	(366)	(13)
Purchase of Other Assets	(78)	-
Interest Received	60	33
Net Cash Flows (Used In)/Generated from Investing Activities	**(384)**	**20**
Cash Flows from Financing Activities		
Finance Leases	(2)	(23)
Other Financial Liabilities	(11,875)	(538)
Cash Restricted in Use Over 3 months	366	297
Issuance of Placement Shares	33,897	4,993
Share issue expenses	(1,664)	-
Interest Paid	(555)	(745)
Net Cash Flows Generated from Financing Activities	**20,167**	**3,984**
Net Increase in Cash and Cash Equivalents	14,020	999
Cash and Cash Equivalents at Beginning of Financial Year (Note 1)	3,242	2,281
Effects of Exchange Rate Changes on Cash and Cash Equivalents	2	(38)
Cash and Cash equivalents at End of Financial Year (Note 1)	**17,264**	**3,242**

Note 1

	Balance as at	
	31-Mar-14 US$'000	31-Mar-13 US$'000
	(unaudited)	(audited)
Cash and Cash Equivalents		
- Not Restricted in Use	17,264	3,242
- Bank overdraft	-	467
- Restricted in Use	2,311	2,677
Cash and Cash equivalents as per Statement of Financial Position	**19,575**	**6,386**

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than t hose arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Attributable to Equity Holders of the Group					
Group	**Share Capital**	**Accumulated Losses**	**Other Reserves**	**Total Reserves**	**Non-Controlling Interests**	**Total Equity**
2014	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Opening Balance at 1 April 2013	12,844	(10,236)	2,412	(7,824)	11	5,031
Total Comprehensive Loss for the Financial Year	-	(5,745)	(135)	(5,880)	5	(5,875)
Issue of new shares	33,897	-	-	-	-	33,897
Share issue expenses	(1,664)	-	-	-	-	(1,664)
Closing Balance at 31 March 2014	45,077	(15,981)	2,277	(13,704)	16	31,389

	Attributable to Equity Holders of the Group					
	Share Capital	**Accumulated Losses**	**Other Reserves**	**Total Reserves**	**Non-Controlling Interests**	**Total Equity**
2013	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Opening Balance at 1 April 2012	7,851	(7,446)	2,270	(5,176)	1,681	4,356
Total Comprehensive Loss for the Financial Year	-	(4,439)	142	(4,297)	(21)	(4,318)
Issue of new shares	4,993		-	-	-	4,993
Transferred to retained earnings	-	1,649	-	1,649	(1,649)	-
Closing Balance at 31 March 2013	12,844	(10,236)	2,412	(7,824)	11	5,031

Company	**Share Capital**	**Accumulated Losses**	**Total Equity**
2014	US$'000	US$'000	US$'000
Opening Balance at 1 April 2013	42,926	(32,202)	10,724
Total Comprehensive Loss for the Financial Year	-	(8,609)	(8,609)
Issue of new shares	33,897	-	
Share issue expenses	(1,664)	-	(1,664)
Closing Balance at 31 March 2014	75,159	(40,811)	34,348

	Share Capital	**Accumulated Losses**	**Total Equity**
2013	US$'000	US$'000	US$'000
Opening Balance at 1 April 2012	37,933	(29,489)	8,444
Total Comprehensive Loss for the Financial Year	-	(2,713)	(2,713)
Issuance of new ordinary shares in the capital	4,993	-	4,993
Closing Balance at 31 March 2013	42,926	(32,202)	10,724

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, placement shares, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or 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	
	No of Shares '000	Share Capital US$'000
Issued and fully paid up shares as at 31 March 2013	678,382	42,926
Issuance of placement shares in May 2013	80,000	6,464
Issuance of right shares in September 2013	758,382	9,067
Warrants exercised for September 2013 right shares	10,170	243
Issuance of placement shares in October 2013	204,050	6,996
Shares for Share Award Scheme in November 2013	18,277	748
Issuance of right shares in March 2014	874,631	10,379
Issued and fully paid up shares as at 31 March 2014	2,623,892	76,823
Less: Share issue expenses		(1,664)
	2,623,892	75,159

The Company did not have any outstanding convertibles or treasury shares as at 31 March 2014 (31 March 2013: Nil).

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-Mar-14	31-Mar-13
Total number of ordinary shares issued ('000)	2,623,892	678,382

There were no treasury shares as at 31 March 2014 (31 March 2013 : Nil).

1(d)(iv) A statement showing all sales, transfers, disposals cancellation and / or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial year reported on.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Review Engagement, SSRE 2400 (Engagements to Review Financial Statements), or an equivalent standard)

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 recently audited annual financial statements have been applied

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period, which are consistent with those described in the audited financial statements for the financial year ended 31 March 2013.

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

In the current financial period, the Group and the Company adopted the new/revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2013:
-Amendments to FRS 1
–Presentation of Items of Other Comprehensive Income (effective for annual period beginning on or after 1 July 2012)
-FRS 19 (Revised)
–Employee Benefits (effective for annual periods beginning on or after 1 January 2013
-FRS 113 (New)
–Fair Value Measurements (effective for annual periods beginning on or after 1 January 2013)
-Amendments to FRS 107 Disclosures
–Offsetting Financial Assets and Financial Liabilities (effective for annual periods beginning on or after 1 January 2013)
The adoption of the above FRSs did not result in any substantial change to the Group and the Company's accounting policies nor any material

6. Earnings per ordinary share ("EPS") 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

	For the period of 12 months ended	
	31-Mar-14	31-Mar-13
Loss for the year attributable to equity holders of the company (US$'000)	(6,152)	(4,514)
(i) EPS based on the weighted average number of shares (in US cents)	(0.79)	(0.87)
(ii) EPS based on a fully diluted basis (in US cents)	(0.75)	(0.87)
Weighted average number of ordinary shares applicable to EPS ('000)	779,679	520,007
Weighted average number of ordinary shares fully diluted basis ('000)	821,290	520,007

The difference between the basic and diluted EPS is due to the warrants not exercised as at 31 March 2014.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
Net asset value per ordinary share based on issued share capital at the end of the financial year (in US cents)	1.20	0.74	1.31	1.58
No of shares at the end of the financial period year ('000)	2,623,892	678,382	2,623,892	678,382

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Income Statement

In the current financial year ended 31 March 2014 ("FY 2014"), the Group registered a turnover of US$58.0 million, representing a decrease of 7% or US$4.5 million as compared to US$62.5 million for the financial year ended 31 Mar 2013 ("FY 2013"). This decrease was mainly due to the weakening economic climate which has continued to take its toll on the Group's Business since the last financial period (FP2012). Gross profits decreased by 28% to $4.2 million and gross profit margins further declined to 7.3% in FY2014 from 9.4% in FY 2013 as a result of stiffer price competition and the Group having to reduce selling prices to remain relevant and competitive.

Other income increased to US$1.8 million from US$1.0 million due mainly to recovering of amounts for doubtful debts provided for of US$1.1 million and IRAS PIC payouts of US$0.2 million. As there was also a recovery of doubful debt of US$0.5 million in FY2013, it resulted in an increase of US$0.8 million.

Operating expenses increased by 7.7% from US$11.4 million in FY2013 to US12.2 million in FY2014. Marketing and distribution expenses increased by 28% from US$1.5 million in FY2013 to US$1.9 million in FY2014. This is mainly due to greater entertainment and travelling of US$0.6 million in FY2014 compared to US$0.2 million in FY2013 to hold and strengthen the support of suppliers despite the change in management team. Administration expenses remained relatively constant from US$8.3 million in FY2013 to US$8.2 million in FY2014. Finance costs decreased 26% in FY 2014 in line with the decrease in sales and purchases, resulting in lower utilisation of borrowings. Borrowings were also paid down which led to the decline in finance costs. Other charges relates mainly to a one-off provision for a trade debtor.

The above led to the Group recording a net loss of US$6.2 million in FY2014 as compared to US$4.5 million in FY2013. In FY2014, the Group took a prudent approach and made one-off provisions amounting to US$4.6 million. Excluding these one-off expenses, the Group's losses would have been lower at US$1.6 million.

Balance Sheet

Non-current assets increased by 5% from US$5.8 million as at 31 March 2013 to US$6.1 million as at 31 March 2014. The increase is mainly due to purchase of motor vehicle of US$0.2 million.

Current assets as at 31 March 2014 comprised inventories, trade and other receivables, other assets, and cash and cash equivalents. Total current assets amounted to US$40.2 million as at 31 March 2014 as compared to US$26.3 million as at 31 March 2013. The increase is mainly due to the cash obtained through the issuance of placement shares, and rights cum warrant shares of US$33.9 million, of which US$7.5 million was used to repay the banks under the loan facility pursuant to the scheme of arrangement. The Company paid a further US$4.8 million to reduce its bank borrowings that led to lower finance costs.

Current liabilities as at 31 March 2014 comprised trade and other payables, income tax payable and other financial liabilities. Total current liabilities amounted to US$12.9 million as at 31 March 2014 as compared to US$25.1 million as at 31 March 2013. Decrease is mainly due to the repayment of the restructured term loan facility of US$7.5 million and a further US$4.8 million to reduce the bank borrowings.

Non-current liabilities comprised deferred tax liabilities and other financial liabilities. Total non-current liabilities amounted to US$2.0 million as at 31 March 2014 and has remained relatively constant as compared to 31 March 2013.

The Group had working capital of US$27.3 million as at 31 March 2014 as compared to US$1.2 million as at 31 March 2013 and this is mainly due to the funds obtained from the placement shares and the rights cum warrant shares issued.

Cash Flow Statement

Net cash flow used in operating activities for FY2014 was US$5.8 million, comprising operating loss before working capital changes of US$2.3 million and cash used in operations of US$3.5 million. The working capital outflow was mainly due to the increase in inventories, trade and other receivables, and other assets of US$2.4 million, US$2.6 million, and US$0.8 million respectively. This is offset by the increase in trade and other payables of US$2.3 million. Net cash used in investing activities is mainly due to the purchase of property, plant and equipment. Net cash generated from financing activities was US$20.2 million, mainly due to the funds obtained through the issuance of placement shares and rights cum warrant shares of US$33.9 million. This increase is offset by the repayment of other financial liabilities and interest of US$12.4 million and capitalisation of legal expenses incurred for the issuance of the placement shares and rights cum warrant shares of US$1.7 million. The Group recorded a net increase in cash and cash equivalents of US$14.0 million during 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. No prospect statement or forecast has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the 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 noted that the operating environment would be challenging going forward . The Group will continue to work closely with its existing suppliers and customers and at the same time devote resources to seek new markets, suppliers and customers. In particular, the Group has obtained new distributorship agreements. The Group will remain vigilant on cost, inventory, credit and cash management in response to the volatile operating environment as it carries out its expansion strategies.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No

(b) Corresponding Period of the Immediately Preceding Financial Year

No

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

The Company did not declare / recommend dividends for the current financial period reported on.

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 Group does not have a general mandate from shareholders for IPTs.

14. Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual

The Board of Directors of the Company hereby confirm to the best of their knowledge that nothing has come to their attention which may render the financial statements for the twelve months ended 31 March 2014 to be false of misleading in any material aspects.

15. Use of proceeds.

(i) As at the date of this announcement, the net proceeds from the placement of 167,072,178 new shares of the Company at S$0.03699 per share had been utilised as follows:

	Amount allocated S$ million	Reallocated Amount S$ million	Amount utilised S$ million	Balance S$ million
Partial voluntary prepayment of amounts owing and due under the facility agreement	2.30	2.30	2.30	-
Expansion into the resources business within Myanmar and other regions	1.17	-	-	-
Other business opportunities in Myanmar	1.17	-	-	-
Working capital [1]	1.17	3.51	3.51	-

Note:
1. Used for repayment to suppliers.

The Company had reallocated proceeds allocated for other business opportunities in Myanmar to working capital. The amount reallocated had been fully utilised as at the date hereof as there is no immediate use for the purpose and the Company is still in the midst of exploring other business opportunities in Myanmar.

(ii) As at the date of this announcement, the net proceeds from the placement of 80,000,000 new shares of the Company at S$0.10224 per share had been utilised as follows:

	Amount allocated S$ million	Amount utilised S$ million	Balance S$ million
Repayment due to be made by 17 June 2013 to the Bank under a loan facility dated 2 Jun 2010 granted pursuant to a scheme of arrangement involving the Company and the Bank	7.49	7.49	-

(iii) As at the date of this announcement, the net proceeds from issue of rights cum warrants of 758,382,403 new shares of the Company at the issue price of S$0.015 per share had been utilised as follows:

	Amount allocated S$ million	Reallocated Amount S$ million	Amount utilised S$ million	Balance S$ million
Funding of proposed new business	6.94	4.94	4.94 [1]	-
Working capital	3.74	5.74	5.74 [2]	-

Note:
1. S$0.20 million was used for professional fees on due diligence conducted for the Myanmar exploration and S$4.74 million fully utilised as at the date hereof and as announced on 27 May 2014 as there is no immediate use for the purpose.
2. Used for repayment to suppliers.

The Company had reallocated proceeds allocated for funding of proposed new business to working capital. The amount reallocated had been fully utilised as at the date hereof as there is no immediate use for the purpose and the Company is still in the midst of exploring other business opportunities.

(iv) As at the date of this announcement, the net proceeds from the placement of 204,050,000 new shares of the Company at S$0.04302 per share had been utilised as follows:

	Amount allocated S$ million	Reallocated Amount S$ million	Amount utilised S$ million	Balance S$ million
Fund acquisition of 20% shareholding interest in Dragon Cement Co., Ltd.	8.00	-	-	-
Proposed acquisition of Jubilee [1]	-	8.00	8.00	-

Note:
1. The Company had reallocated proceeds allocated for funding of acquisition in Dragon Cement Co. Ltd. The amount reallocated had been fully utilised as at the date hereof and as announced on 27 May 2014 as there is no immediate use for the purpose.

(v) As at the date of this announcement, the net proceeds from issue of rights cum warrants of 874,630,703 new shares of the Company at the issue price of S$0.015 per share had been utilised as follows:

	Amount allocated S$ million	Reallocated Amount S$ million	Amount utilised S$ million	Balance S$ million
Fund acquisition of 20% shareholding interest in Dragon Cement Co., Ltd.	3.08	-	-	-
Expansion of coal and iron ore business	6.17	6.17	3.26	2.91
Working capital [1]	3.08	6.16	5.55	0.61

Note:
1. Used for repayment to suppliers.

The Company had reallocated proceeds allocated for funding of acquisition in Dragon Cement Co. Ltd. The amount reallocated had been almost fully utilised as at the date hereof as there is no immediate use for the purpose and the Company is still in the midst of exploring other business opportunities.

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BY ORDER OF THE BOARD

Loh Eng Lock Kelvin
Company Secretary
29 May 2014