TT International Limited
Unaudited Financial Statements for the Second Quarter and Half Year Ended 30 September 2014

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

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

		Group					
		Quarter Ended			Half Year Ended		
	Note	30/9/2014	Restated 30/9/2013	+/(-)	30/9/2014	Restated 30/9/2013	+/(-)
		S$'000	S$'000	%	S$'000	S$'000	%
Revenue	1(a)(1)	60,656	93,286	(35.0)	126,671	172,246	(26.5)
Other operating income	1(a)(2)	354	642	(44.9)	1,081	1,414	(23.6)
		61,010	93,928	(35.0)	127,752	173,660	(26.4)
Changes in inventories of finished goods	1(a)(1)	(7,708)	7,826	nm	(10,026)	14,592	nm
Purchase of goods	1(a)(1)	(38,447)	(82,645)	(53.5)	(90,041)	(151,698)	(40.6)
Staff costs		(8,040)	(7,019)	14.5	(15,332)	(12,823)	19.6
Depreciation		(1,628)	(1,476)	10.3	(3,234)	(2,994)	8.0
Other operating expenses	1(a)(3)	(10,120)	(13,224)	(23.5)	(21,425)	(22,424)	(4.5)
Loss from operations		(4,933)	(2,610)	89.0	(12,306)	(1,687)	629.5
Finance income	1(a)(4)	3	157	(98.1)	202	438	(53.9)
Finance expense (#)	1(a)(5)	(4,382)	(4,994)	(12.3)	(10,455)	(9,805)	6.6
Net finance expense		(4,379)	(4,837)	(9.5)	(10,253)	(9,367)	9.5
Loss before income tax		(9,312)	(7,447)	25.0	(22,559)	(11,054)	104.1
Income tax (expense)/credit		(19)	(131)	(85.5)	11	(205)	nm
Loss for the period (#)		(9,331)	(7,578)	23.1	(22,548)	(11,259)	100.3
Attributable to:							
Owners of the Company		(9,168)	(7,782)	17.8	(21,937)	(11,426)	92.0
Non-controlling interests		(163)	204	nm	(611)	167	nm
Loss for the period		(9,331)	(7,578)	23.1	(22,548)	(11,259)	100.3
For information:							
(1) Loss from operations		(4,933)	(2,610)		(12,306)	(1,687)	
Add: Unrealised exchange (gain)/loss		(34)	5,191		2,276	6,403	
(Loss)/profit from operations excluding unrealised exchange loss		(4,967)	2,581		(10,030)	4,716	
(2) Loss for the period		(9,331)	(7,578)		(22,548)	(11,259)	
Add: Accretion of interest of Scheme Liabilities		3,373	3,805		8,186	7,480	
Loss for the period excluding accretion of interest of Scheme Liabilities		(5,958)	(3,773)		(14,362)	(3,779)	
Add: Unrealised exchange (gain)/loss		(34)	5,191		2,276	6,403	
(Loss)/profit for the period excluding unrealised exchange loss		(5,992)	1,418		(12,086)	2,624	

nm - denotes 'not meaningful'

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

	Group					
	Quarter Ended			Half Year Ended		
	30/9/2014	Restated 30/9/2013	+/(-)	30/9/2014	Restated 30/9/2013	+/(-)
	S$'000	S$'000	%	S$'000	S$'000	%
Loss for the period (#)	(9,331)	(7,578)	23.1	(22,548)	(11,259)	100.3
Other comprehensive income						
Items that are or may be reclassfied subsequently to profit or loss :-						
Translation differences relating to financial statements of foreign subsidiaries	(194)	(1,117)	(82.6)	(686)	(2,335)	(70.6)
Other comprehensive income for the period, net of income tax	(194)	(1,117)	(82.6)	(686)	(2,335)	(70.6)
Total comprehensive income for the period, net of tax(#)	(9,525)	(8,695)	9.5	(23,234)	(13,594)	70.9
Total comprehensive income attributable to:						
Owners of the Company	(9,242)	(8,784)	5.2	(22,516)	(13,361)	68.5
Non-controlling interests	(283)	89	nm	(718)	(233)	208.2
Total comprehensive income for the period	(9,525)	(8,695)	9.5	(23,234)	(13,594)	70.9

nm - denotes 'not meaningful'

The Company changed its accounting policy with respect to the recognition, measurement and presentation of the Group's and Company's liabilities under the Scheme in FY2014. As a result, finance expense increased by S$3,758,000 from S$1,053,000.

The following table summarise the impacts resulting from the changes.

	Group					
	Quarter Ended 30/9/2013			Half Year Ended 30/9/2013		
	As previously reported S$'000	As restated S$'000	+/(-) %	As previously reported S$'000	As restated S$'000	+/(-) %
Finance expense	(1,189)	(4,994)	(76.2)	(2,242)	(9,805)	(77.1)
Loss for the period	(3,773)	(7,578)	(50.2)	(3,696)	(11,259)	(67.2)
Total comprehensive income for the period	(4,890)	(8,695)	(43.8)	(6,031)	(13,594)	(55.6)

1(a)(iii). The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year.

Notes to the Income Statement

Note 1(a)(1)

	Group			
	Quarter Ended		Half Year Ended	
Gross profit:	30/9/2014 S$'000	30/9/2013 S$'000	30/9/2014 S$'000	30/9/2013 S$'000
Revenue	60,656	93,286	126,671	172,246
Changes in inventories of finished goods	(7,708)	7,826	(10,026)	14,592
Purchase of goods	(38,447)	(82,645)	(90,041)	(151,698)
Gross profit	14,501	18,467	26,604	35,140
Gross profit margin	23.9%	19.8%	21.0%	20.4%

Note 1(a)(2)

	Group			
	Quarter Ended		Half Year Ended	
Other operating income include:	30/9/2014 S$'000	30/9/2013 S$'000	30/9/2014 S$'000	30/9/2013 S$'000
Rental income	-	337	-	339
Miscellaneous income	354	305	1,081	1,075
	354	642	1,081	1,414

Note 1(a)(3)

	Group			
	Quarter Ended		Half Year Ended	
Other operating expenses include:	30/9/2014 S$'000	30/9/2013 S$'000	30/9/2014 S$'000	30/9/2013 S$'000
Net realised and unrealised exchange losses	99	5,003	2,034	6,030
Allowance for doubtful receivables (written back)/provided	(16)	57	16	49
Allowance for inventory obsolescence made/(written back)	31	76	(792)	(277)
Amortisation of trademark	15	15	29	29
Loss/(Gain) on disposal of property, plant and equipment	154	(48)	115	(44)
VAT expenses	787	-	2,203	-

During the current reporting quarter, IDR strengthened against USD when compared with same period last year. This has resulted in a decrease in unrealised exchange loss on the revaluation of subsidiary's USD loans.

Note 1(a)(4)

	Group			
	Quarter Ended		Half Year Ended	
Finance income include interest income from:	30/9/2014 S$'000	30/9/2013 S$'000	30/9/2014 S$'000	30/9/2013 S$'000
Bank deposits	3	65	149	138
Others	-	92	53	300
	3	157	202	438

Note 1(a)(5)

	Group			
	Quarter Ended		Half Year Ended	
	30/9/2014	Restated 30/9/2013	30/9/2014	Restated 30/9/2013
Finance expense	S$'000	S$'000	S$'000	S$'000
Interest expense paid/payable on:				
Bank term loans, bills payable & trust receipts	992	1,171	2,234	2,207
Finance lease liabilities	16	18	33	35
Others	1	-	2	-
	1,009	1,189	2,269	2,242
Accretion of interest expense:				
- Sustainable debt	1,826	1,414	3,607	2,786
- RCBs - loan component	1,547	2,391	4,579	4,694
	3,373	3,805	8,186	7,480
Others:				
- Net change in fair value of derivative financial liabilities	-	-	-	83
	4,382	4,994	10,455	9,805

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.

	Note	Group		Company	
		30/9/2014	31/3/2014	30/9/2014	31/3/2014
		S$'000	S$'000	S$'000	S$'000
Non-current assets					
Property, plant and equipment	1(b)(1)	418,281	340,876	314	337
Investment properties		9,565	9,538	-	-
Subsidiaries		-	-	19,885	19,885
Intangible assets:					
Goodwill on consolidation		2,913	2,913	-	-
Trademarks and rights		9,538	9,567	-	-
Deferred tax assets		1,752	2,080	-	-
Unsecured loan to a subsidiary		-	-	89,900	89,900
		442,049	364,974	110,099	110,122
Current assets					
Inventories	1(b)(2)	40,583	50,609	-	-
Trade and other receivables	1(b)(3)	68,534	60,381	71,446	47,365
Cash and cash equivalents	1(c)(1)	53,206	20,643	33	87
		162,323	131,633	71,479	47,452
Total assets		604,372	496,607	181,578	157,574
Equity					
Share capital		168,751	140,563	168,751	140,563
Reserves		(138,588)	(116,073)	(257,315)	(247,142)
Equity attributable to owners of the Company		30,163	24,490	(88,564)	(106,579)
Non-controlling interests		25,250	25,968	-	-
Total equity		55,413	50,458	(88,564)	(106,579)
Non-current liabilities					
Borrowings	1(b)(5)	245,264	276,521	68,398	209,309
Derivative financial liabilities		1,294	1,294	1,373	1,373
Deferred tax liabilities		22,104	22,094	-	-
		268,662	299,909	69,771	210,682
Current liabilities					
Trade and other payables	1(b)(4)	112,038	111,847	54,327	53,453
Borrowings	1(b)(5)	167,298	33,099	146,044	18
Provisions	1(b)(6)	959	1,008	-	-
Current tax payable		2	286	-	-
		280,297	146,240	200,371	53,471
Total liabilities		548,959	446,149	270,142	264,153
Total equity and liabilities		604,372	496,607	181,578	157,574

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

	Group			
	30/9/2014		31/3/2014	
	Secured	Unsecured	Secured	Unsecured
	S$'000	S$'000	S$'000	S$'000
Borrowings payable in one year or less, or on demand	161,212	6,086	22,552	10,547
Borrowings repayable after one year	139,275	105,989	185,357	91,164

Details of any collateral

Secured financial liabilities comprise:

(i) Bank loans of S$14.3 million are secured against the trade receivables and inventories of the subsidiaries; and other bank borrowings of S$3.7 million are secured by legal mortgages on subsidiaries' leasehold and freehold properties.

(ii) Hire purchase of S$1.3 million is secured by a charge over motor vehicles.

Under the terms of the Scheme, the total amount due to Scheme Creditors is to be secured by a fixed and floating charge over all assets of the Company, subject to any prior rights of other creditors. The substantial shareholders of the Company had also provided personal guarantees for the unsecured borrowings amounting to S$40.5 million.

Scheme Creditors

Following the sanction of the Scheme of Arrangement by the Court of Appeal on 13 October 2010 (the "Scheme"), except for those payables deemed essential for the Company's ordinary course of business, the Company's debts owing to certain creditors (the "Scheme Creditors") have been restructured under the Scheme.

On 25 October 2011, the Non-sustainable Debts (as determined on 18 October 2011) were converted into Redeemable Convertible Bonds ("RCBs") of an aggregate principal amount of S$139,377,000, on terms as set out under the Scheme, and were issued by the Company in registered form to the Scheme Creditors on a pari passu basis.

Following the resolution of a disputed debt with one Scheme Creditor, and pursuant to the reset requirement under the terms of the Scheme, new RCBs amounting to a face value of S$139,634,000 were issued on 3 April 2013 to the Scheme Creditors (reflecting an increase of S$257,000) in exchange for those issued on 25 October 2011, on the same terms.

Subsequent to this, certain disputed debts of $27,909,000 were resolved, of which $25,428,000 of the disputed debts crystallised. In compliance with the reset requirement under the Scheme, the total number of RCBs increased by $15,508,000 to $155,142,000.

On 17 April 2014, the Company made an offer to each Scheme creditor to convert a number of RCBs into the Company's new ordinary shares ("Dilution Shares") at a conversion price of S$0.14 in the Company by way of a first dilution exercise (the "First Dilution Exercise") in accordance with the Scheme Terms.

In accordance with the Bondholders' exercising of their rights under the First Dilution Exercise to convert the RCBs entitled for the conversion of Dilution Shares, the Company had, on 14 May 2014 (the First Dilution Date), issued 20,285,041 Dilution Shares which were quoted on the SGX-ST on 15 May 2014. As a result, the new RCBs issued to Scheme Creditors on 14 May 2014 reduced by a face value amounting to S$2,840,000 (being the face value of the RCBs being converted to the Company's new ordinary shares as a result of the First Dilution Exercise). As such, only RCBs of a total face value amounting S$152,302,000 were issued to Scheme Creditors (instead of S$155,142,000) in exchange for those issued on 3 April 2013 on the same terms.

In FY2014, the Group changed its accounting policy with respect to the recognition , measurement and presentation of the liabilities under the Scheme in compliance with the requirements of Singapore Financial Reporting Standards ("FRS") 39 Financial Instruments: Recognition and Measurement and FRS32 Financial Instruments : Presentation. The scheme debts are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these scheme debts are carried at amortised cost using the effective interest method until the liability is extinguished.

Notes to the Balance Sheet

Note 1(b)(1) Property, plant & equipment

Increase in property, plant and equipment was mainly attributable to the additional capital expenditure on the construction of Big Box.

Note 1(b)(2) Inventories

Inventories decreased due to lower inventory level in one of the subsidiaries arising from stock clearance sales.

Note 1(b)(3) Trade and other receivables

	Group		Company	
	30/9/2014	**31/3/2014**	**30/9/2014**	**31/3/2014**
Trade and other receivables include:	S$'000	S$'000	S$'000	S$'000
Trade receivables	45,484	19,480	130	87
Deposits, prepayments and other receivables	20,954	33,119	357	310
Deferred financing costs	1,716	7,419	-	-
Tax recoverable	380	363	289	289
Amounts due from subsidiaries	-	-	70,670	46,679
	68,534	60,381	71,446	47,365

Increase in trade receivable was mainly due to slow down in sales collections in Indonesia resulting from overall economic slowdown during this period.

Other receivables decrease due to reductions in advance payment to suppliers by overseas subsidiary as a result of reduced inventory purchases.

The Group obtained a Term Loan Facility of S$125,000,000 granted jointly by The Great Eastern Life Assurance Company Limited and The Overseas Assurance Corporation Limited on 24 April 2013 for the construction of the Big Box. In connection with this facility, the Group has incurred facility related transaction costs that is deferred up to the drawdown of the facility ("Deferred financing costs"). The reduction is due to capitalisation of transaction costs.

Note 1(b)(4) Trade and other payables

	Group		Company	
	30/9/2014	**31/3/2014**	**30/9/2014**	**31/3/2014**
Trade and other payables include:	S$'000	S$'000	S$'000	S$'000
Trade payables	27,998	24,442	-	-
Accrued operating expenses	58,723	64,881	44,487	38,283
Deposits from customers	3,966	5,988	-	-
Advance payments by customers	391	300	-	-
Other payables	17,349	15,248	889	2,162
Amount due to a director	3,611	988	875	-
Amounts due to subsidiaries				
- Trade	-	-	1,685	1,252
- Non-trade	-	-	6,391	11,756
	112,038	111,847	54,327	53,453

Trade payables increased in line with the slowdown in the economic activities in Indonesia.

Accrued operating expenses of the Company increased due to increase in the accrual of IT related expenses for Big Box. The Group's accrued operating expenses decreased due to reduction in construction cost of Big Box amounting to S$10.6 million offset by increased in accrual of IT related expenses.

Deposits from customers decreased mainly due to customer of a subsidiary taking deliveries of goods in the current reporting quarter.

Amount due to a director increased as a result of additional financing provided to the Group and its subsidiaries.

Note 1(b)(5) Borrowings

	Group		Company	
	30/9/2014	**31/3/2014**	**30/9/2014**	**31/3/2014**
	S$'000	S$'000	S$'000	S$'000
Non-current				
Amounts due to Scheme Creditors :				
- Sustainable debts	-	77,714	-	79,647
- RCBs - loan component	53,502	105,178	68,393	129,653
	53,502	182,892	68,393	209,300
Secured bank loans	1,613	1,766	-	-
Secured term loan (non-bank) (Note a)	83,413	-	-	-
Unsecured bank loans	689	864	-	-
Unsecured loans from non-controlling shareholders of a subsidiary	90,300	90,300	-	-
Bondholders' loans (Note b)	15,000	-	-	-
Finance lease liabilities	747	699	5	9
	245,264	276,521	68,398	209,309
Current				
Amounts due to Scheme Creditors :				
- Sustainable debts (Crystallised)	81,321	-	83,383	-
- RCBs - loan component (Uncrystallised)	53,415	-	62,652	-
	134,736	-	146,035	-
Secured bank overdrafts	1,986	2,590	-	-
Secured bank loans	14,823	14,976	-	-
Secured term loan (non-bank) (Note a)	9,390	4,710	-	-
Unsecured bank loans	475	576	-	-
Bills payable and trust receipts	5,611	9,971	-	-
Finance lease liabilities	277	276	9	18
	167,298	33,099	146,044	18

Note:

a Increase in secured term loan (non-bank) was due to drawdown from May 2014 to September 2014 of aggregate S$92.3 million on the S$125.0 million term loan facility granted jointly by by The Great Eastern Life Assurance Company Limited and The Overseas Assurance Corporation Limited on 24 April 2013 for the construction of the Big Box.

b These relate to loans extended to a subsidiary of the Company (to develop the Big Box) by Bondholders. The loans are unsecured and bears interest at 10.0% per annum.

Note 1(b)(6) Provisions

	Group		Company	
	30/9/2014	31/3/2014	30/9/2014	31/3/2014
Provisions for:	S$'000	S$'000	S$'000	S$'000
Warranties	959	1,008	-	-
	959	1,008	-	-

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			
	Quarter Ended		Half Year Ended	
		Restated		Restated
	30/9/2014	30/9/2013	30/9/2014	30/9/2013
	S$'000	S$'000	S$'000	S$'000
Cash flows from operating activities				
Loss for the period	(9,331)	(7,578)	(22,548)	(11,259)
Adjustments for:				
Allowance for doubtful receivables (written back)/provided	(16)	57	16	49
Allowance for inventory obsolescence made/(written back)	31	76	(792)	(277)
Depreciation and amortisation	1,643	1,491	3,263	3,023
Exchange (gain)/loss, unrealised	(34)	5,191	2,276	6,403
Inventories written off	270	58	195	57
Finance expense	4,382	4,994	10,455	9,805
Finance income	(3)	(157)	(202)	(438)
Income tax expense/(credit)	19	131	(11)	205
Loss/(Gain) on disposal of property, plant and equipment	154	(48)	115	(44)
Operating cash flow before working capital changes	(2,885)	4,215	(7,233)	7,524
Changes in working capital:				
Inventories	7,235	(11,742)	8,579	(18,765)
Trade and other receivables	329	(12,233)	(9,724)	(12,366)
Trade and other payables	(4,800)	1,055	(1,064)	10,133
Bills payable and trust receipts	(2,151)	11,041	(3,934)	10,791
Deposits and advance payments from customers	576	(1,325)	(1,931)	(1,375)
Provisions	(14)	(93)	(49)	(207)
Cash used in operations	(1,710)	(9,082)	(15,356)	(4,265)
Income tax paid	(75)	(541)	(42)	(853)
Interest paid on bills payable and trust receipts	(18)	(21)	(37)	(43)
Interest income received	3	157	202	438
Net cash used in operating activities	(1,800)	(9,487)	(15,233)	(4,723)
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	44	51	302	73
Purchase of property, plant and equipment (including Leasehold Building under construction)	(49,968)	(16,966)	(81,371)	(29,530)
Net cash used in investing activities	(49,924)	(16,915)	(81,069)	(29,457)
Cash flows from financing activities				
Restricted bank deposits	365	-	(3,058)	-
Dividend payments to non-controlling interests of subsidiaries	-	(92)	-	(92)
Interest paid on borrowings	(991)	(604)	(2,232)	(2,721)
Payment of obligations under finance leases	57	(162)	(210)	(235)
Proceeds from obligations under finance leases	(41)	-	306	-
Proceeds from issuance of ordinary shares	-	-	25,348	-
Proceeds from interest-bearing borrowings	48,250	-	107,250	-
Repayment of interest-bearing borrowings	(308)	(298)	(609)	(635)
Net cash generated from/(used in) financing activities	47,332	(1,156)	126,795	(3,683)
Net (decrease)/increase in cash and cash equivalents	(4,392)	(27,558)	30,493	(37,863)
Effect of foreign exchange rate changes on balances held in foreign currencies	(335)	(194)	(384)	(808)
Cash and cash equivalents at beginning of the period	51,312	89,371	16,476	100,290
Cash and cash equivalents at end of the period	46,585	61,619	46,585	61,619
Note 1(c)(1) Cash and cash equivalents (net) include:				
Cash at bank and in hand	24,502	4,787	24,502	4,787
Fixed deposits with financial institutions	28,704	60,089	28,704	60,089
Cash and cash equivalents in the balance sheet	53,206	64,876	53,206	64,876
Bank overdrafts	(1,986)	(3,257)	(1,986)	(3,257)
Restricted bank deposits	(4,635)	-	(4,635)	-
Cash and cash equivalents in the statement of cash flows	46,585	61,619	46,585	61,619

Cash and cash equivalents in the Statement of Cash flows increased to S$46.6 million (as at 30 September 2014) from S$16.5 million (as at 31 March 2014) mainly due to proceeds from issuance of ordinary shares and bonds amounting to S$40.3 million and secured term loan drawdown of S$92.25 million. This was reduced by S$80.1 million for the construction of Big Box and repayment of interest on borrowings and S$15.2 million used in operations.

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.

Statement of Changes in Equity

Group (S$'000)	Share capital	Capital reserves	Fair value and revaluation reserves	Foreign currency translation reserves	Accumulated losses	Total attributable to Owners of the Company	Non-controlling interests	Total equity
At 1 April 2014	140,563	121	101,300	(29,276)	(188,218)	24,490	25,968	50,458
Total comprehensive income for the period	-	-	-	(505)	(12,769)	(13,274)	(435)	(13,709)
Transactions with owners, recorded directly in equity								
Contributions by owners								
Issuance of new shares upon RCBs conversion	2,840	-	-	-	-	2,840	-	2,840
Issuance of new shares	25,348	-	-	-	-	25,348	-	25,348
At 30 June 2014	168,751	121	101,300	(29,781)	(200,987)	39,404	25,533	64,937
Total comprehensive income for the period	-	-	-	(74)	(9,168)	(9,242)	(283)	(9,525)
At 30 September 2014	168,751	121	101,300	(29,855)	(210,155)	30,162	25,250	55,412
At 1 April 2013	140,563	121	32,768	(27,348)	(161,731)	(15,627)	3,565	(12,062)
Total comprehensive income for the period	-	-	-	(933)	(3,644)	(4,577)	(322)	(4,899)
At 30 June 2013	140,563	121	32,768	(28,281)	(165,375)	(20,204)	3,243	(16,961)
Total comprehensive income for the period	-	-	-	(1,002)	(7,782)	(8,784)	89	(8,695)
Transaction with Owners, recorded directly in equity								
Distribution to Owners								
Dividend payment to non-controlling interest of subsidiary	-	-	-	-	-	-	(92)	(92)
At 30 September 2013	140,563	121	32,768	(29,283)	(173,157)	(28,988)	3,240	(25,748)

Company (S$'000)	Share capital	Capital reserves	Accumulated losses	Total equity
At 1 April 2014	140,563	121	(247,263)	(106,579)
Total comprehensive income for the period	-	-	(5,602)	(5,602)
Transactions with owners, recorded directly in equity				
Contributions by owners				
Issuance of new shares upon RCBs conversion	2,840	-	-	2,840
Issuance of new shares	25,348	-	-	25,348
At 30 June 2014	168,751	121	(252,865)	(83,993)
Total comprehensive income for the period	-	-	(4,571)	(4,571)
At 30 September 2014	168,751	121	(257,436)	(88,564)
At 1 April 2013	140,563	121	(171,666)	(30,982)
Total comprehensive income for the period	-	-	(4,862)	(4,862)
At 30 June 2013	140,563	121	(176,528)	(35,844)
Total comprehensive income for the period	-	-	(2,933)	(2,933)
At 30 September 2013	140,563	121	(179,461)	(38,777)

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 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.

	No of ordinary Shares	Share Capital S$'000
At start of the period	816,541,501	140,563
Issuance of new shares upon RCBs conversion during the period	20,285,041	2,840
Share placement issued during the period	167,300,000	25,348
At end of the period	1,004,126,542	168,751

Issuance of new ordinary shares during the first half year FY2015

(1) Pursuant to an offer on 17 April 2014 to each Scheme creditor to convert a number of RCBs into the Company's new ordinary shares ("Dilution Shares") at a conversion price of S$0.14 in the Company by way of a first dilution exercise (the "First Dilution Exercise") in accordance with the Scheme Term, 20,285,041 Dilution Shares were issued on 14 May 2014.

(2) In June 2014, the Company issued 167,300,000 placement shares at an issued price of S$0.1545 per share and raised $$25.9 million in gross proceed pursuant to the shareholders' approval obtained at the AGM the Company held on 30 July 2013.

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	
	No. of Shares	
	30/9/2014	31/3/2014
Issued ordinary shares	1,004,126,542	816,541,501

1(d)(iv). A statement showing all sales, transfer, 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 nor 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.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 31 March 2014. Financial Reporting Standards ("FRS") which became effective for the Group's financial period beginning 1 April 2014 are:

FRS 110 Consolidated Financial Statements;
FRS 112 Disclosures of Interests in Other Entities

FRS 110 Consolidated Financial Statements

As a result of FRS110 Consolidated Financial Statements, the Group has changed its accounting policy for determining whether it has control over and consequently whether it consolidates its investees. FRS110 introduces a new control model that focuses on whether the Group has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns.

The Group has re-evaluated its involvement with investees under the new control model. Based on its assessment, the adoption does not have an impact on the Group.

FRS 112 Disclosures of Interests in Other Entities

FRS 112 sets out the disclosures required to be made in respect of all forms of an entity's interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities. The adoption of this standard would result in more extensive disclosures being made in the Group's financial statements in respect of its interests in other entities.

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.

	Group			
	Quarter Ended (Restated)		Half Year Ended (Restated)	
	30/9/2014	30/9/2013	30/9/2014	30/9/2013
Earning per ordinary share for the period calculated based on profit attributable to Owners of the Company:	Cents	Cents	Cents	Cents
(i) Based on the weighted average number of ordinary shares on issue	(0.91)	(0.95)	(2.18)	(1.40)
(ii) On a fully diluted basis	(0.91)	(0.95)	(2.18)	(1.40)

Diluted earnings per share is the same as basic earnings per share because the Company's outstanding RCBs do not have a dilutive effect at the the reporting date.

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

	Group		Company	
	30/9/2014	31/3/2014	30/9/2014	31/3/2014
	Cents	Cents	Cents	Cents
Net asset value per ordinary share	3.00	3.00	(8.82)	(13.05)

The net asset value per ordinary share was calculated based on 1,004,126,542 ordinary shares in issue.

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.

Second quarter ended 30 September 2014 versus second quarter ended 30 September 2013

For the second quarter ended 30 September 2014 (Q2FY2015), the group recorded revenue of S$60.7 million, gross profit of S$14.5 million and loss from operations of S$4.9 million, as compared to the previous corresponding period ended 30 September 2013 (Q2FY2014), which recorded revenue, gross profit and loss from operations amounting to S$93.3 million, S$18.5 million and S$2.6 million respectively, a decrease of S$32.6 million or 35.0% in revenue, and a decrease of S$28.6 million or 38.3% in cost of goods sold.

Gross profit margin increased to 23.9% in Q2FY2015 compared to 19.8% in Q2FY2014.

Lower gross profit (a decrease of S$4.0 million) was in line with the lower revenue mainly due to soft market conditions in Indonesia and Australia.

Loss from operations increased by S$2.3 million in Q2FY2015 was due to lower gross profit and increase in pre-operating expenses for the Big Box such as staff cost.

Loss after income tax for Q2FY2015 was S$9.3 million as compared with loss after tax of S$7.6 million in Q2FY2014.

First half year ended 30 September 2014 versus first half year ended 30 September 2013

For the first half year ended 30 September 2014 (1HFY2015), the group recorded revenue of S$126.7 million, gross profit of S$26.6 million and loss from operations of S$12.3 million, as compared to the previous corresponding period ended 30 September 2013 (1HFY2014), which recorded revenue, gross profit and loss from operations amounting to S$172.2 million, S$35.1 million and S$1.7 million respectively, a decrease of S$45.5 million or 26.5% in revenue, and a decrease of S$37.0 million or 27.0% in cost of goods sold.

Gross profit margin increased to 21.0% in 1HFY2015 compared to 20.4% in 1HFY2014.

Lower gross profit (a decrease of S$8.5 million) was in line with the lower revenue mainly due to soft market conditions in Indonesia and Australia.

Loss from operations increased by S$10.6 million in 1HFY2015 was due to lower gross profit and increase in pre-operating expenses for the Big Box such as staff cost.

Loss after income tax for 1HFY2015 was S$22.5 million as compared with loss after tax of S$11.3 million in 1HFY2014.

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

With the scheme of arrangement prevailing and the uncertainty of economic outlook, the next 12 months are expected to continue to be challenging.
As at the date of this reporting, the construction of the subsidiary's leasehold land and building under the Warehouse Retail Scheme (Big Box) has been completed and Temporary Occupation Permit ("TOP") obtained.

Shareholders and the public are advised to exercise caution before making any decision in respect of their dealings in the Company's shares.

11. Dividend

(a) Period ended 30 September 2014
Any dividend declared for the current financial period reported on?

None

(b) Period ended 30 September 2013
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 or recommended for the quarter ended 30 September 2014.

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 has not obtained any mandate for any interested party transactions.

14. Negative assurance confirmation by the Board pursuant to Rule 705(5) of the Listing Manual.

The Board of Directors hereby confirms that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial statements for the second quarter and half year ended 30 September 2014 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Sng Sze Hiang
Chief Executive Officer

Julia Tong Jia Pi
Executive Director

Date: 14 November 2014