PSL HOLDINGS LIMITED
Company Registration Number: 199707022K
(Incorporated in the Republic of Singapore)

UNAUDITED FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE THIRD QUARTER 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 statements 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.

	Note	3 Months Ended 30 September			9 Months Ended 30 September		
		3Q2014 S$'000	(Represented) 3Q2013 S$'000	Increase (Decrease) %	9M2014 S$'000	(Represented) 9M2013 S$'000	Increase (Decrease) %
Continuing operations:							
Revenue		2,348	3,752	(37.4)	8,328	10,400	(19.9)
Cost of sales		(1,687)	(2,174)	(22.4)	(5,192)	(5,863)	(11.4)
Gross profit		661	1,578	(58.1)	3,136	4,537	(30.9)
Other operating income	1(a)(ii)	80	104	(23.1)	432	284	52.1
Selling and distribution expenses		(82)	(278)	(70.5)	(584)	(814)	(28.3)
General and administrative expenses		(960)	(1,385)	(30.7)	(3,324)	(3,740)	(11.1)
Other operating expenses	1(a)(ii)	(243)	-	n.m	(323)	(225)	43.6
Finance costs		(16)	(21)	(23.8)	(55)	(70)	(21.4)
(Loss) before income tax from continuing operations		(560)	(2)	27,900	(718)	(28)	2,464.3
Income tax expense		42	(141)	n.m	(51)	(279)	(81.7)
(Loss) from continuing operations, net of income tax		(518)	(143)	262.2	(769)	(307)	150.5
Discontinued operation:							
Loss from discontinued operation, net of income tax		-	(587)	(100.0)	-	(1,342)	(100.0)
Total comprehensive loss for the period	1(a)(ii)	(518)	(730)	(29.0)	(769)	(1,649)	(53.4)
Total comprehensive profit/(loss) attributable to:							
- Owners of the Company		(532)	(746)	(28.7)	(948)	(1,774)	(46.6)
- Non-controlling interests		14	16	(12.5)	179	125	43.2
		(518)	(730)	(29.0)	(769)	(1,649)	(53.4)
(Loss) attributable to equity holders of the Company related to:							
- Continuing operation		(532)	(159)	234.6	(948)	(432)	119.4
- Discountinued operation		-	(587)	(100.0)	-	(1,342)	(100.0)
		(532)	(746)	(28.7)	(948)	(1,774)	(46.6)

1 (a) (ii) Additional notes to the statement of comprehensive income for the group for the corresponding period of the immediate preceding financial year.

	3 Months Ended 30 September			9 Months Ended 30 September		
	3Q2014 S$'000	(Represented) 3Q2013 S$'000	Increase (Decrease) %	9M2014 S$'000	(Represented) 9M2013 S$'000	Increase (Decrease) %
Continuing operations:						
Other operating income:						
Gain on disposal of plant and equipment	43	-	n.m	188	-	n.m
Interest income	26	6	333.3	107	47	127.7
Government grant	11	55	(80.0)	135	78	73.1
Dividend income	-	-	-	1	-	n.m
Changes in fair value of financial assets at fair value through profit or loss	-	19	(100.0)	-	-	-
Rental income	-	12	(100.0)	-	48	(100.0)
Foreign exchange gain	-	7	(100.0)	-	60	(100.0)
Write back of allowance for doubtful debts (non-trade)	-	-	-	-	46	(100.0)
Others	-	5	(100.0)	1	5	(80.0)
	80	104		432	284	
Other operating expenses:						
Plant and equipment written off	(19)	-	n.m	(41)	-	n.m
Allowance for doubtful debts (trade)	(16)	-	n.m	(32)	-	n.m
Changes in fair value of financial assets at fair value through profit or loss	(11)	-	n.m	(38)	(1)	3700.0
Bad debts written off (trade)	-	-	-	-	(202)	(100.0)
Loss on disposal of plant and equipment	-	-	n.m	-	(22)	(100.0)
Foreign exchange gain/(loss)	6	-	n.m	(10)	-	n.m
Allowance for impairment of inventory	(201)	-	n.m	(201)	-	n.m
Others	(2)	-	n.m	(1)	-	n.m
	(243)	-		(323)	(225)	
Depreciation included in:						
- cost of sales	(90)	(81)	11.1	(275)	(218)	26.1
- general and administrative expenses	(34)	(27)	25.9	(130)	(103)	26.2
Interest expenses	(16)	(21)	(23.8)	(55)	(70)	(21.4)
Discontinued Operation:						
Depreciation included in:						
- cost of sales	-	(185)	100.0	-	(630)	100.0
- general and administrative expenses	-	(268)	100.0	-	(776)	100.0
Interest expenses	-	(26)	100.0	-	(96)	100.0
Plant and equipment written off	-	-	-	-	(17)	100.0

n.m = Not meaningful

1(b)(i) A statement of financial position or balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	As at 30 September 2014 $'000	As at 31 December 2013 $'000	As at 30 September 2014 $'000	As at 31 December 2013 $'000
ASSETS				
Non-current assets				
Plant and equipment	2,530	2,617	-	-
Investment in subsidiaries	-	-	3,891	3,891
Total non-current assets	2,530	2,617	3,891	3,891
Current assets				
Financial assets at fair value through profit or loss	106	144	-	-
Trade receivables	3,293	4,027	-	-
Other receivables (Note A)	13,482	7,358	12,368	5,877
Inventories	894	1,095	-	-
Due from subsidiaries	-	-	2,214	6,605
Cash & bank balances	33,246	42,850	25,250	30,381
Total current assets	51,021	55,474	39,832	42,863
Total assets	53,551	58,091	43,723	46,754
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Share capital	29,575	29,575	29,575	29,575
Retained earnings	20,229	22,929	12,647	15,436
Capital reserve	-	182	-	-
	49,804	52,686	42,222	45,011
Non-controlling interests	573	431	-	-
Total equity	50,377	53,117	42,222	45,011
Non-current liabilities				
Finance lease liabilities	906	1,087	-	-
Deferred income tax liabilities	45	45	-	-
Total non-current liabilities	951	1,132	-	-
Current liabilities				
Trade payables	595	603	-	-
Other payables and accruals	1,006	2,473	564	798
Due to subsidiaries	-	-	923	923
Finance lease liabilities	498	571	-	-
Current income tax liabilities	124	195	14	22
Total current liabilities	2,223	3,842	1,501	1,743
Total liabilities	3,174	4,974	1,501	1,743
Total equity and liabilities	53,551	58,091	43,723	46,754

Note A
Breakdown of other receivables

Deposit placed for proposed investment in Longmen Group Limited	6,263	-	6,263	-
Receivables of the divestment of subsidiaries	4,601	4,601	4,601	4,601
Other receivables	1,512	1,266	1,468	1,205
Advance payment to supplier	608	1,000	-	-
Deposits	357	386	3	62
Prepayments	141	105	33	9
	13,482	7,358	12,368	5,877

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

	Group			
	As at 30 September 2014		31 December 2013	
	Secured	Unsecured	Secured	Unsecured
	$'000	$'000	$'000	$'000
Amount repayable in one year or less, or on demand	498	-	571	-
Amount repayable after one year	906	-	1,087	-

Details of any collateral

Corporate guarantor from PSL Holdings Limited and charge on motor vehicles for finance lease liabilities of subsidiaries.

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		Group	
	3 Months Ended 30 September		9 Months Ended 30 September	
	3Q2014 S$'000	3Q2013 S$'000	9M2014 S$'000	9M2013 S$'000
Cash flows from operating activities				
Loss before tax	(560)	(808)	(718)	(1,589)
Adjustments for:				
Depreciation of plant and equipment	124	561	405	1,727
(Gain)/Loss on disposal of plant and equipment	(43)	-	(188)	22
Changes in fair value of financial assets at fair value through profit or loss	11	(19)	38	1
Plant and equipment written off	19	-	41	17
Dividend income	-	-	(1)	-
Allowance for impairment of inventory	201	-	201	-
Interest income	(26)	(6)	(107)	(47)
Interest expense	16	47	55	166
Operating cash flow before changes in working capital	(258)	(225)	(274)	297
(Increase) in due (from) customers on construction contracts	-	(249)	-	(326)
Decrease/(Increase) in inventories	-	21	-	(44)
Decrease/(Increase) in trade and other receivables	134	6,845	(5,390)	11,652
Increase/(Decrease) in trade and other payables	61	(5,657)	(1,475)	(7,854)
Cash (used in)/generated from operations	(63)	735	(7,139)	3,725
Interest paid	(16)	(47)	(55)	(166)
Interest received	26	6	107	47
Income tax refund	-	-	21	49
Income tax paid	(68)	-	(143)	(21)
Net cash (used in)/generated from operating activities	(121)	694	(7,209)	3,634
Cash flows from investing activities				
Proceeds from disposal of plant and equipment	47	-	329	199
Dividend income	-	-	1	-
Purchase of plant and equipment	(8)	(94)	(201)	(369)
Net cash generated from/(used in) investing activities	39	(94)	129	(170)
Cash flows from financing activities				
Proceeds from borrowings	-	-	-	450
Dividend paid to shareholders of the company	-	-	(1,934)	-
Dividend paid to minority shareholder of a subsidiary	-	(25)	(37)	(25)
Decrease in short-term deposits pledged	548	1,747	35	1,192
Repayment of borrowings	-	(292)	-	(344)
Repayment of finance lease liabilities	(142)	(431)	(553)	(1,629)
Net cash generated from/(used in) financing activities	406	999	(2,489)	(356)

	Group		Group	
	3 Months Ended 30 September		9 Months Ended 30 September	
	3Q2014 S$'000	3Q2013 S$'000	9M2014 S$'000	9M2013 S$'000
Net (decrease)/increase in cash and cash equivalents	324	1,599	(9,569)	3,108
Cash and cash equivalents at beginning of the financial period	31,277	28,517	41,170	27,008
Cash and cash equivalents at end of the period	31,601	30,116	31,601	30,116
Cash and cash equivalents				
Short term deposits	6,834	27,327	6,834	27,327
Cash and bank balances	26,412	3,989	26,412	3,989
Total cash and bank balances	33,246	31,316	33,246	31,316
Less: Short term deposits pledged	(1,645)	(1,200)	(1,645)	(1,200)
Cash and cash equivalents at end of the period	31,601	30,116	31,601	30,116

During the financial year, the Group acquired plant and equipment with an aggregate cost of $500,000 (2013: $1,206,000) of which $299,000 (2013: $837,000) was acquired under finance leases. A cash payment of $201,000 (2013: $369,000) was made to purchase plant and equipment.

1(d)(i) A statement (for the issuer and) 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.

	Share capital $'000	Retained earnings $'000	Capital reserve $'000	Total $'000	Non-controlling interests $'000	Total $'000
FOR 9 MONTHS ENDED 30 SEPTEMBER						
GROUP						
Balance as at 1 January 2014	29,575	22,929	182	52,686	431	53,117
Reclassification	-	182	(182)	-	-	-
Net (loss)/profit for the period	-	(948)	-	(948)	179	(769)
Dividend paid	-	(1,934)	-	(1,934)	(37)	(1,971)
Balance as at 30 September 2014	29,575	20,229	-	49,804	573	50,377
Balance as at 1 January 2013	29,575	20,994	182	50,751	243	50,994
Net (loss)/profit for the period	-	(1,774)	-	(1,774)	125	(1,649)
Dividend paid	-	-	-	-	(25)	(25)
Balance as at 30 September 2013	29,575	19,220	182	48,977	343	49,320
COMPANY						
Balance as at 1 January 2014	29,575	15,436	-	45,011	-	45,011
Net loss for the period	-	(855)	-	(855)	-	(855)
Dividend paid	-	(1,934)	-	(1,934)	-	(1,934)
Balance as at 30 September 2014	29,575	12,647	-	42,222	-	42,222
Balance as at 1 January 2013	29,575	16,798	-	46,373	-	46,373
Net loss for the period	-	(648)	-	(648)	-	(648)
Balance as at 30 September 2013	29,575	16,150	-	45,725		45,725

	Share capital $'000	Retained earnings $'000	Capital reserve $'000	Total $'000	Non-controlling interests $'000	Total $'000
FOR 3 MONTHS ENDED 30 SEPTEMBER						
GROUP						
Balance as at 1 July 2014	29,575	20,761	-	50,336	559	50,895
Net (loss)/profit for the period	-	(532)	-	(532)	14	(518)
Balance as at 30 September 2014	29,575	20,229	-	49,804	573	50,377
Balance as at 1 July 2013	29,575	19,966	182	49,723	352	50,075
Net (loss)/profit for the period	-	(746)	-	(746)	16	(730)
Dividend paid	-	-	-	-	(25)	(25)
Balance as at 30 September 2013	29,575	19,220	182	48,977	343	49,320
COMPANY						
Balance as at 1 July 2014	29,575	12,977	-	42,552	-	42,552
Net loss for the period	-	(330)	-	(330)	-	(330)
Balance as at 30 September 2014	29,575	12,647	-	42,222	-	42,222
Balance as at 1 July 2013	29,575	16,351	-	45,926	-	45,926
Net loss for the period	-	(201)	-	(201)	-	(201)
Balance as at 30 September 2013	29,575	16,150	-	45,725	-	45,725

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.

On 28 March 2012, the Company undertook a renounceable and non-underwritten rights issue of up to 77,343,707 new ordinary shares in the capital of the Company at an issue price of $0.10 for each rights share with up to 77,343,707 free detachable warrants, each warrant carrying the right to subscribe for 1 new ordinary share in the capital of the Company at an exercise price of $0.34 for each new share, on the basis of 1 rights share with 1 warrant for every 4 existing ordinary shares held in the capital of the Company. The rights shares were listed for quotation on the Official List of SGX-ST and traded on 24 April 2012. The warrants were listed for quotation on the Official List of SGX-ST and traded on 25 April 2012.

Number of warrants	As at 30 September 2014	As at 31 December 2013
Beginning and end of the period/year	77,341,207	77,341,207

In year 2012, 2,500 warrants were exercised and converted into ordinary shares in the capital of the Company.

1(d)(iii) To show the total number of issues shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding financial year.

	As at 30 September 2014	As at 31 December 2013
Beginning and end of the period/year	386,721,035	386,721,035

As at both 31 December 2013 and 30 September 2014, there were no treasury shares outstanding.

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.

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 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 as those used in the most recent audited financial statements.

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.

The Group has considered all the new and revised relevant Singapore Financial Reporting Standards (FRS) and Interpretation to FRS ("INT FRSs") which were issued by the Accounting Standards Council.

The adoption of the all new and revised relevant FRSs and INT FRSs had no material impact on the Group.

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 3 Months Ended 30 September		Group 9 Months Ended 30 September	
	3Q2014 $'000	3Q2013 $'000	9M2014 $'000	9M2013 $'000
Profit/(Loss) per share				
(i) Based on weighted average number of ordinary shares on issue (cents)				
From continuing operations	(0.14)	(0.04)	(0.25)	(0.11)
From discontinued operations	-	(0.15)	-	(0.35)
(ii) On a fully diluted basis (cents) *				
From continuing operations	(0.14)	(0.04)	(0.25)	(0.11)
From discontinued operations	-	(0.15)	-	(0.35)
Number of ordinary shares	386,721,035	386,721,035	386,721,035	386,721,035

[+] *No potential diluted ordinary shares as the warrants is anti-dilutive.*

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

	As at 30 September 2014	As at 31 December 2013
GROUP		
Net asset value per ordinary shares (cents)	12.88	13.62
COMPANY		
Net asset value per ordinary shares (cents)	10.92	11.64
Number of issued shares as at end of the year/period	386,721,035	386,721,035

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.

Financial Performance – 3Q 2014 vs 3Q 2013

Revenue decreased by $1.4 million or 37.4% from $3.7 million in 3Q2013 to $2.3 million in 3Q2014 due mainly to lower revenue from its subsidiary, Resource Hardware & Trading Pte Ltd, resulting from stiffer competition.

Decrease in gross profit was in line with the decrease in revenue. Gross profit margin decreased from 42.1% in 3Q2013 to 28.2% in 3Q2014 due mainly to lower sales price from TSL Transport & Engineering Pte Ltd, resulting from stiffer competition.

Selling and distribution expenses decreased by $0.2 million or 70.5% from $0.3 million in 3Q2013 to $0.1 million in 3Q2014 mainly due to decrease in manpower cost as a result of decrease in headcount.

General and administrative expenses decreased by $0.4 million or 30.7% from $1.4 million in 3Q2013 to $1.0 million in 3Q2014 mainly due to decrease in manpower related cost with a decrease in headcount which is offset by the professional fee incurred for the proposed investment in Longmen amounting to $0.2 million.

Finance costs decreased by $5,000 or 23.8% from $21,000 in 3Q2013 to $16,000 in 3Q2014 mainly due to repayment of borrowings.

Reversal of income tax expenses recorded as the Company and its subsidiaries are in a taxable loss position in current financial period.

The Group recorded a loss after tax of $518,000 in 3Q2014 compared to a loss after tax of $143,000 in 3Q2013 from continuing operation.

Financial Performance – 9M 2014 vs 9M 2013

Revenue decreased by $2.1 million or 19.9% from $10.4 million in 9M2013 to $8.3 million in 9M2014 due mainly to lower revenue from its subsidiary, Resource Hardware & Trading Pte Ltd, resulting from stiffer competition.

Decrease in gross profit was in line with the decrease in revenue. Gross profit margin decreased from 43.6% in 9M2013 to 37.7% in 9M2014 due mainly to lower sales price from TSL Transport & Engineering Pte Ltd, resulting from stiffer competition.

Selling and distribution expenses decreased by $0.2 million or 28.3% from $0.8 million in 9M2013 to $0.6 million in 9M2014 mainly due to decrease in manpower cost as a result of decrease in headcount.

General and administrative expenses decreased by $0.4 million or 11.1% from $3.7 million in 9M2013 to $3.3 million in 9M2014 mainly due to decrease in manpower related cost with a decrease in headcount which is offset by the professional fee incurred for the proposed investment in Longmen amounting to $0.2 million.

Finance costs decreased by $15,000 or 21.4% from $70,000 in 9M2013 to $55,000 in 9M2014 mainly due to repayment of borrowings.

Income tax expenses recorded was from the subsidiary which is in a taxable profit in current financial period.

The Group recorded a loss after tax of $0.8 million in 9M2014 compared to a profit after tax of $0.3 million in 9M2013 from continuing operation.

Cashflow – 3Q 2014 vs 3Q 2013

The Group's cash and cash equivalents was $31.6 million as at 30 September 2014. Net cash used in operating activities was $0.1 million in 3Q2014 compared to net cash generated from operating activites of $0.7 million in 3Q2013. This was mainly due to income tax paid.

Net cash generated from investing activities was $39,000 in 3Q2014 compared to net cash used in investing activities of $94,000 in 3Q2013. This was mainly due to sale proceeds received from disposal of plant and equipment in 3Q2014.

Net cash generated from financing activities was $0.4 million in 3Q2014 compared $1.0 million in 3Q2013. This was mainly due to decrease in short-term deposits pledged and repayment of finance lease liabilities.

Cashflow – 9M 2014 vs 9M 2013

The Group's cash and cash equivalents was $31.6 million as at 30 September 2014. Net cash used in operating activities was $7.2 million in 9M2014 compared to net cash generated from operating activites of $3.7 million in 9M2013. The cash used in operating activities in 9M2014 was mainly due to deposit placed for the proposed investment in Longmen Group Limited of $6.3 million and payment of trade and other payables.

Net cash generated from investing activities was $0.1 million in 9M2014 compared to net cash used in investing activities of $0.2 million in 9M2013. This was mainly due to proceeds received from disposal of plant and equipment of $0.3 million offset by purchase of plant and equipment of $0.2 million in 9M2014.

Net cash used in financing activities was $2.5 million in 9M2014 compared to $0.4 million in 9M2013. This was mainly due to dividend paid to shareholders of the company.

Financial Position

Non-current assets decreased by $0.1 million or 3.3% from $2.6 million as at 31 December 2013 to $2.5 million as at 30 September 2014 mainly due to depreciation charged and plant and machineries written off offset by purchase of plant and equipment.

Current assets decreased by $4.5 million or 8.0% from $55.5 million as at 31 December 2013 to $51.0 million as at 30 September 2014 mainly due to reduction in cash and cash equivalents as explained in the cash flow statement above.

Non-current liabilities decreased by $0.1 million or 16.0% from $1.1 million as at 31 December 2013 to $1.0 million as at 30 September 2014 mainly due to repayment of finance lease liabilities.

Current liabilities decreased by $1.6 million or 42.1% from $3.8 million as at 31 December 2013 to $2.2 million as at 30 September 2014 mainly due to repayment of other payables and staff related costs.

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

The Group issued a profit guidance on 3 November 2014 and there is no variance between it and the actual results.

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's remaining trading, equipment rental & transport services business continue to face challenges as labour constraint and increased competition remained unabated.

On the face of such difficult operating environment, we expect business volume to be depressed.

On 13 October 2014, The Company announced the expiry of the exclusivity period of the proposed investment in Longmen Group Limited and both parties have mutually agreed not to extend the exclusivity period. Arrangements are being made for the refund of the deposit in full by the Longmen Group Limited to the Company.

The Group remains committed to exploring investment opportunities.

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

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date payable

NA.

(d) Books closure date

NA.

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

No dividend has been declared/recommended.

13. Interested person transactions

The Group has not obtained a general mandate from shareholders for interested person transactions.

14. Use of proceeds from rights and warrants issue

Save as disclosed below (as set out in our earlier announcement dated 18 July 2012), there is no further utilisation of the proceeds from the rights and warrants issue.

	Amount	
Net proceeds	$7.5 million	
Amount utilised	$2.2 million	Out of the $2.2 million used for working capital purposes, $2.06 million was used to repay creditors and $0.14 million was for staff related costs.
Balance	$5.3 million	

15. Negative confirmation by the Board pursuant to Rule 705(5)

The Board of Directors of the Company hereby confirm to the best of their knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the period ended 30 September 2014 to be false or misleading in any material respect.

BY ORDER OF THE BOARD

_____

Tang Yew Quan
Director

10 November 2014