



ERATAT LIFESTYLE LIMITED
(UNDER JUDICIAL MANAGEMENT)
(Incorporated in the Republic of Singapore)
(Company Registration No. 200705552D)



MOGUL COAL HOLDINGS PTE. LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No. 201329850W)

JOINT ANNOUNCEMENT

ADDITIONAL INFORMATION ON THE ANNOUNCEMENT MADE ON 3 JUNE 2015 – ENTRY INTO IMPLEMENTATION AGREEMENT FOR THE TRANSFER OF LISTING STATUS

*Reference is made to the Company's announcement dated 3 June 2015 in relation to the proposed entry into an implementation agreement for the transfer of the listing status of the Company ("**3 June 2015 Announcement**"). Unless otherwise defined, all capitalised terms used herein shall bear the same meanings ascribed to them in the 3 June 2015 Announcement.*

In response to a question raised by the SGX-ST on 8 June 2015, the Judicial Manager would like to furnish additional information in relation to the Proposal.

SGX-ST's Question

We refer to the Company's announcement of 3 June 2015 on the Company's entry into an implementation agreement for the transfer of listing status. As the announcement did not fully disclose all requirements as stipulated under Rule 1015 of the Listing Manual, please make further disclosure pursuant to Rule 1015 on information such as the valuation, basis for purchase consideration, latest three years of financial information of the assets to be acquired, financial effects etc.

Additional Information

1. BASIS OF CONSIDERATION AND VALUATION OF MCH

As disclosed in the 3 June 2015 Announcement, the consideration for the transfer of the Company's listing status shall be satisfied by the allotment and issue of the Consideration Shares. The value of the Consideration Shares has been agreed between the Company and MCH at US\$8 million, and was arrived at after arm's length negotiations and determined on a willing-buyer, willing-seller basis, taking into account the valuation of the assets of MCH.

Censere Singapore Pte Ltd ("**Censere**") has been appointed by MCH as the independent valuer to conduct the valuation of the assets of MCH. The valuation report to be issued by Censere ("**Valuation Report**") shall be based on the fair value of the assets of MCH of a date no later than 30 September 2015 and shall form part of the Scheme Document and/or will be made available for inspection at a later date. Based on the pro forma consolidated financial statements of MCH for the financial year ended 31 December 2014⁽¹⁾, the book value, net tangible asset ("**NTA**") value and latest available open market value of MCH are as follows:

	Value (US\$'000)
Book value	18,240
NTA value	17,740
Latest available open market value ⁽²⁾	N.A.

Notes:

- (1) The pro forma consolidated financial statements of MCH have not included the financial results of CBM LLC, Patricane LLC and Asgad Energy LLC as the aggregate financial impact from these entities is not material.
- (2) As MCH is not listed on any stock exchange, this is not applicable. However, two of its subsidiaries, namely Sharyn Gol JSC and NACO Fuel JSC, are listed on the MSE. The open market value of Sharyn Gol JSC on 11 June 2015 was approximately US\$35,700,000, determined by multiplying its volume weighted average price ("VWAP") of US\$3.49 per share by the 10,231,389 shares in issue and based on an indicative exchange rate of MNT1,868 : US\$1. The open market value of NACO Fuel JSC on 11 June 2015 was US\$1,890,000, determined by multiplying its VWAP of US\$0.15 per share by the 12,615,721 shares in issue and based on an indicative exchange rate of MNT1,868 : US\$1.

2. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

The Judicial Manager does not propose disclosing the illustrative financial effects of the Proposal on the Company's earnings per share and net tangible assets for the following reasons:

- (a) the latest audited financial statements of the Company were for the financial year ended 31 December 2012 and thus relates to a period more than two years ago; and
- (b) as mentioned in the Company's announcements dated 29 January 2014, 25 February 2014 and 30 May 2014, there appears to be significant discrepancies in relation to the cash balance held by the Company's principal operating subsidiary Fujian Haimingwei Shoes Co., Ltd. in the bank account maintained with Agricultural Bank of China, Jinjiang Chendai Branch.

In light of the foregoing, the Judicial Managers believe that the presentation of any financial effects of the Scheme will be misleading to Shareholders and will not serve any meaningful illustrative purposes.

3. RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL

The Judicial Manager does not propose disclosing the relative figures for the Proposal accordingly to Rule 1006 of the Listing Manual, as these figures would be misleading for the same reasons set out in section 2 of this announcement.

The Judicial Manager notes that as there will be a change in control pursuant to the Proposal, the Proposal constitutes a "Reverse Takeover" as defined under Chapter 10 of the Listing Manual. Accordingly, the Proposal is conditional upon the approval of the SGX-ST and the approval of Shareholders.

4. PRO FORMA FINANCIAL INFORMATION OF MCH

A summary of the pro forma consolidated financial statements of MCH for the 12-month periods ended 31 December 2012 (“FY2012”), 31 December 2013 (“FY2013”) and 31 December 2014 (“FY2014”) are set out below (“MCH Pro Forma Financial Statements”). The pro forma consolidated financial statements of MCH have not included the financial results of CBM LLC, Patricane LLC and Asgad Energy LLC as the aggregate financial impact from these entities is not material.

The MCH Pro Forma Financial Statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

MCH Pro Forma Financial Statements			
Comprehensive Income Statement			
	FY2012 (US\$'000)	FY2013 (US\$'000)	FY2014 (US\$'000)
Revenue	7,786	12,056	11,118
Cost of sales	(4,863)	(6,617)	(8,331)
Gross profit	2,923	5,439	2,787
Other Income	951	1,197	536
Administrative expenses	(2,650)	(4,654)	(3,620)
Other expenses	(1,254)	(2,373)	(3,135)
Operating Income	(30)	(390)	(3,431)
Gain on bargain purchase	-	-	-
Share of loss of an associate	(65)	(30)	(38)
Finance income	672	2,260	-
Finance cost	(240)	(704)	(2,801)
(Loss)/Profit before income tax	337	1,135	(6,270)
Income tax (expense)/gain	(118)	(208)	220
(Loss)/Profit for the year	219	927	(6,050)
Other comprehensive income:	-	27	-
Change in fair value of property, plant and equipment	113	-	-
Total comprehensive (loss)/income for the year	332	954	(6,050)
Statement of Financial Position			
	As at 31 December 2012 (US\$'000)	As at 31 December 2013 (US\$'000)	As at 31 December 2014 (US\$'000)
Non-current assets	21,952	41,812	45,527
Current assets	11,279	7,399	5,977
Total assets	33,231	49,211	51,504
Equity	20,623	25,703	18,240
Non-current liabilities	6,520	11,815	13,112
Current liabilities	6,088	11,692	20,152
Total equity and liabilities	33,231	49,211	51,504

5. CAUTION IN TRADING

Shareholders and potential investors should note that the completion of the Proposal is subject to, amongst others, the fulfilment of the conditions of the Implementation Agreement and the Scheme, and are therefore advised to exercise caution when dealing or trading in the shares of the Company. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

Further announcements will be made by the Company as and when appropriate.

Submitted by the Judicial Manager
For and On Behalf of the Company

Hamish Alexander Christie
Borrelli Walsh Pte Limited

12 June 2015