

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

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

		Group		
		SS'000		%
		6 months ended 30.9		Increase / (Decrease)
		2015	2014	
Revenue	Note 8a	29,032	34,832	(16.7)
Cost of sales		(13,642)	(15,907)	(14.2)
Gross Profit	8b	15,390	18,925	(18.7)
Other income	8c	511	501	2.0
Distribution costs	8d	(16,141)	(18,202)	(11.3)
Administrative and general expenses	8e	(2,510)	(2,363)	6.2
Finance costs	8f	(333)	(432)	(22.9)
Losses before tax		(3,083)	(1,571)	96.2
Income tax expense		30	(5)	NM
Losses after tax		(3,053)	(1,576)	93.7
Other comprehensive income :				
Foreign currency translation		(318)	27	
Other comprehensive income for the financial period, net of tax		(318)	27	
Total comprehensive income for the financial period		(3,371)	(1,549)	
Loss attributable to :				
Owners of the Company		(3,371)	(1,549)	
Non-controlling interests		-	-	
Total comprehensive income attributable to :		(3,371)	(1,549)	
Owners of the Company		(3,371)	(1,549)	
Non-controlling interests		-	-	
		(3,371)	(1,549)	
		Group		
		SS'000		%
		6 months ended 30.9		Increase / (Decrease)
		2015	2014	
Loss before tax is stated after charging and (crediting):				
Depreciation and amortisation		1,018	1,134	nm
Foreign exchange loss/(gain), net		231	(17)	nm
Gain disposal of property, plant and equipment		-	(5)	nm
Property, plant and equipment written off		79	6	nm
Provision for stock obsolescence and stock loss		87	-	nm

nm: not meaningful

nm: not meaningful

UNAUDITED HALF YEAR FINANCIAL STATEMENT FOR PERIOD ENDED 30 SEPTEMBER 2015

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

	Note	Group		Company	
		30.9.2015	31.03.2015	30.9.2015	31.03.2015
		S\$'000		S\$'000	
ASSETS					
Non-current assets					
Property, plant and equipment	8g	4,096	5,088	1,992	2,402
Investment in subsidiary companies		-	-	782	782
Deferred tax assets		125	142	-	-
		4,221	5,230	2,774	3,184
Current assets					
Inventories	8j	22,806	27,526	14,723	18,269
Trade receivables	8h	3,378	3,766	2,590	2,780
Prepayments		302	441	56	169
Other receivables	8i	2,059	2,591	1,296	1,416
Amounts due from subsidiary companies		-	-	580	730
Amounts due from related parties		477	514	473	510
Tax recoverable		77	-	-	-
Cash and bank balance		1,447	1,364	284	771
		30,546	36,202	20,002	24,645
LIABILITIES					
Current liabilities					
Bank overdrafts	8k	1,864	1,026	300	300
Trade payables		4,481	5,159	1,626	1,740
Deferred revenue		-	77	-	77
Other payables		6,577	6,753	5,021	5,103
Amounts due to subsidiary companies		-	-	580	580
Amounts due to related parties	8l	4,289	3,927	2,989	2,332
Amounts due to a director		1,494	120	1,494	120
Bills payable and bank borrowings		7,515	12,052	5,704	9,908
Obligations under finance leases		328	458	-	-
Provision for taxation		-	64	-	-
		26,548	29,636	17,715	20,160
Net current assets		3,998	6,566	2,287	4,485
Non-current liabilities					
Obligations under finance leases		237	381	-	-
Bank borrowings		375	437	-	-
Deferred tax liability		28	28	28	28
Net assets		7,579	10,950	5,033	7,641
Equity attributable to equity holders of the parent					
Share capital		27,885	27,885	27,885	27,885
Total reserves		(20,306)	(16,935)	(22,852)	(20,244)
Total shareholders' equity		7,579	10,950	5,033	7,641
Total equity		7,579	10,950	5,033	7,641

UNAUDITED HALF YEAR FINANCIAL STATEMENT FOR PERIOD ENDED 30 SEPTEMBER 2015

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

Amount repayable in one year or less, or on demand *

Amount repayable after one year *

* net of transaction costs

As at 30.9.2015		As at 31.03.2015	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
2,139	5,704	2,602	10,168
612	-	818	-

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

Consolidated cash flow statement

CASH FLOWS FROM OPERATING ACTIVITIES

Losses before tax from continuing operations

Adjustments for:

Depreciation of property, plant and equipment

Property, plant and equipment written off

Gain on disposal of property, plant and equipment

Allowance for stock obsolescence and stock loss

Write back of allowance for doubtful debts

Finance costs

Interest income

Unrealised exchange loss

Operating (losses)/profit before working capital changes

Change in operating assets and liabilities:

Decrease/(increase) in inventories

Decrease in trade and other receivables

Decrease in trade and other payables

Increase in balances with related parties (net)

Cash generated from operations

Interest income

Finance costs

Income tax paid

Net cash inflow from operating activities

CASH FLOWS FROM INVESTING ACTIVITIES

Additions to property, plant and equipment

Proceeds from disposal of property, plant and equipment

Net cash outflow used in investing activities

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of obligations under finance leases

Additional of hire purchase

Increase in amounts due to directors

(Repayment)/proceed of bill payables and bank borrowings

Net cash outflow used in financing activities

Net (decrease)/increase in cash and cash equivalents

Cash and cash equivalents at the beginning of the period

Cash and cash equivalents at the end of the period

S\$'000	
6 months ended 30.9	
2015	2014
(3,083)	(1,571)
1,018	1,134
79	6
-	(5)
87	-
-	13
274	593
(5)	-
231	311
(1,399)	481
3,503	(3,840)
763	712
(374)	124
595	5,379
3,089	2,856
5	-
(274)	(593)
(103)	(76)
2,717	2,187
(387)	(1,509)
-	1
(387)	(1,508)
(172)	(555)
-	536
1,374	-
(4,287)	(161)
(3,085)	(180)
(755)	499
338	(792)
(417)	(293)

UNAUDITED HALF YEAR FINANCIAL STATEMENT FOR PERIOD ENDED 30 SEPTEMBER 2015

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following at the Balance Sheet date:

	Group S\$'000	
	6 months ended 30.9 2015	2014
Cash and cash equivalent comprise:		
- cash and cash bank balances	1,118	1,330
Fixed deposits	329	113
Bank overdrafts (secured)	(1,864)	(1,736)
Cash and cash equivalents	(417)	(293)

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

Group

	Attributable to the equity holders of the parent						Total equity
	Share capital	Accumulated losses	Capital reserves	Translation reserve	Other reserves	Total	
2015							
Balance at 1 April 2015	27,885	(16,923)	500	(512)	(12)	10,950	10,950
Loss for the period		(3,053)		-		(3,053)	(3,053)
<u>Other comprehensive income</u>							
Foreign currency translation				(318)		(318)	(318)
Total comprehensive income for the financial period	-	(3,053)	-	(318)	(318)	(3,371)	(3,371)
Balance at 30 September 2015	27,885	(19,976)	500	(830)	(330)	7,579	7,579
2014							
Balance at 1 April 2014	27,885	(11,942)	500	(394)	106	16,049	16,049
Loss for the period		(1,576)				(1,576)	(1,576)
<u>Other comprehensive income</u>							
Foreign currency translation				27	27	27	27
Total comprehensive income for the financial period	-	(1,576)	-	27	27	(1,549)	(1,549)
Balance at 30 September 2014	27,885	(13,518)	500	(367)	133	14,500	14,500

Company

	Company			
	Share Capital	Accumulated losses	Other reserves	Total equity
Balance at 1 April 2015	27,885	(20,244)	-	7,641
Total comprehensive loss for the financial period	-	(2,608)	-	(2,608)
Balance at 30 September 2015	27,885	(22,852)	-	5,033
Balance at 1 April 2014	27,885	(15,090)	-	12,795
Total comprehensive loss for the financial period	-	(2,138)	-	(2,138)
Balance at 30 September 2014	27,885	(17,228)	-	10,657

UNAUDITED HALF YEAR FINANCIAL STATEMENT FOR PERIOD ENDED 30 SEPTEMBER 2015

- 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 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.

Issued Ordinary shares

Movements in the Company's issued and fully paid-up capital during the financial period were as follows:-

Balance at 1 April 2015

Balance at 30 September 2015

Number of Shares ('000)	
As at 30.9	
2015	2014
92,388	92,388
92,388	92,388

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

Number of issued shares excluding treasury shares

'000	
As at 30.9.2015	As at 30.9.2014
92,388	92,388

- (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 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 accounting policies and methods of computation in the financial statements for the financial period ended 30 September 2015 are consistent with those applied in the audited financial statement for the year ended 31 March 2015.

- 5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

- 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.

Losses net of tax attributable to ordinary equity holders of the Company (S\$'000)

Weighted average number of ordinary shares in issue for basic and diluted earnings/(loss) per share ('000)

(Losses)/Earning per share - basic and diluted (in cents)

Group	
30.9.2015	30.9.2014
(3,053)	(1,576)
92,388	92,388
(3.30)	(1.71)

UNAUDITED HALF YEAR FINANCIAL STATEMENT FOR PERIOD ENDED 30 SEPTEMBER 2015

- 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	
30.9.2015 cents	31.03.2015 cents	30.9.2015 cents	31.03.2015 cents
8.2	11.9	5.4	8.3

Net asset value per ordinary share at the end of the financial period

- 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.

Performance

a Revenue

The Group's revenue decreased by 16.7% from S\$34.8 million for YTD 30 September 2014 to S\$29.0 million for YTD September 2015. The decrease was mainly due to closure of outlets both in Singapore and Malaysia.

b Gross profit

There was a slight drop of approximately 2% in gross profit margin from 54.3% in YTD September 2014 to 53.0% in YTD September 2015. The gross profit margin was lower as compared to the last corresponding period due to higher promotional discounts and markdowns given on the past seasons' merchandise for expo sales.

c Other income

Other income increased by 2% in 1HFY 2016, mainly due to an increase in rental commission, royalty fees and sourcing fees income of a subsidiary company in Malaysia.

d Distribution costs

Distribution costs decreased by 11.3% or S\$2 million as compared to last corresponding period mainly due to a decrease in rental expenses and overhead costs from closure of outlets in current period. The decrease was also contributed by lower advertising and promotion expenses and reduction in staff cost to support the Group's operations.

e Administrative and general expenses

Administrative and general expenses increased slightly by 6.2% as compared to last corresponding period mainly as a result of subsidiary company's additional upkeep and maintenance costs for office and office equipment. This was offset by lower staff costs in headquarter and office divisions.

f Finance costs

Finance cost decreased by 22.9% in 1HFY2016, mainly due to an increase in the amount of late payment interest paid to landlords for overdue rental expenses in last financial period ended 30 September 2014 for Singapore operations.

Balance Sheet

- g The Group's property, plant and equipment decreased by S\$1.0 million mainly due to depreciation costs incurred during the current period.
- h The Group's inventory has decreased by 17.4% mainly due to clearance of old stocks through more event sales, reduction in stock purchase and additional provision made for obsolete stock and stock loss of \$0.2 million in Malaysia.
- i The Group's trade receivables decreased by 10.3% from S\$3.8 million in YTD 31 March 2015 to S\$3.4 million in current period ended 30 September 2015, mainly due to better collections and decrease in revenue from Wholesales segment.
- j The Group's other receivables decreased by S\$0.5 million from S\$2.6 million in YTD 31 March 2015 to S\$2.1 million in current period ended 30 September 2015, mainly due to reduction in rental deposit resulting from closure of outlets and lesser advance payment to suppliers.
- k The Group's trade payables decreased by S\$0.6 million from S\$5.1 million in YTD March 2015 to S\$4.5 million in current period ended 30 September 2015, mainly due to prompt repayment of trade payables within the credit terms.
- l The Group's other payables decreased by S\$0.2 million from S\$6.8 million in YTD 31 March 2015 to S\$6.6 million in current period ended 30 September 2015, mainly due to rental expenses and GST payable in Malaysia, offset by overprovision of rental costs under FRS17 for closed outlets.
- m The Group's amounts due to related parties increased by S\$0.4 million (or 9.2%) from S\$3.9 million in YTD March 2015 to S\$4.3 million in current period ended 30 September 2015, mainly due to increase in amounts owing by Holding Company for rental payable to a related party during the current period, offset by the repayment of Subsidiary Company for amounts owing to related party.
- n Amounts due to a director increased by S\$1.4 million due to additional loans from a director.
- o The Group's bills payable and bank borrowings decreased by S\$ 4.5 million or 37.6% mainly due to repayment to the banks during the current period.
- p Obligations under finance leases decreased by S\$0.2 million or 32.7% from S\$0.8 million to S\$0.6 million, mainly due to repayment of hire purchase instalments during the current period.

Statement of Cash Flows

Net cash from operating activities of S\$2.7 million was mainly due to decrease in inventories purchased and clearance of inventories to repay bills payables and bank borrowings.

Net cash outflow used in investing activities was S\$0.4 million in 1HFY2016 was mainly due to renovation and purchase of equipment for new outlets.

Net cash inflow used in financing activities, amounting to S\$3.1 million was mainly due to repayment of finance leases, bill payables and bank borrowings offset by an increase in receipts of loans from a director amounting to S\$1.37 million.

- 9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.
The current results are in line with the Company's commentary in Paragraph 10 of the results announced dated 29 May 2015.
- 10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.
The retail industry remains competitive and challenging. Nevertheless, the Group will continue to focus on its core business, improving operational efficiency and cost management measures in order to stay competitive in the market.
- 11 Dividend
- (a) Current Financial Period Reported On
Any dividend declared for the current financial period reported on?
None.
- (b) Corresponding Period of the Immediately Preceding Financial Year
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 period ended 30 September 2015
- 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.

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholder's mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
	Group		Group	
	30.09.2015 \$'000	30.09.2014 \$'000	30.09.2015 \$'000	30.09.2014 \$'000
Ossia International Limited				
- Purchases	-	-	7	3,885
Ossia (HK) Company Limited				
- Purchases	-	-	19	-

VGO Corporation Limited (the "Company")
Confirmation by the Board

We refer the requirement under Rule 705(4) of the Listing Manual.

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing of a material aspect has come to the attention of the Board of Directors of the Company which may render the first half results of the Company for the six months ended 30 September 2015 to be false or misleading.

On behalf of the Board of Directors

Goh Ching Huat
Director

Wong King Kheng
Audit Committee Chairman

By Order of the Board
Lotus Isabella Lim Mei Hua
Company Secretary
12 November 2015