SGXNET Announcement

AEM Holdings Ltd
(Registration No. 200006417D)
Quarterly Financial Statements and Dividend Announcement
For Period Ended 30 June 2015

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1. Financial Statements
1(a)(i). Consolidated Income Statement

	Note	Quarterly Results			YTD Results		
		2Q2015 S$'000	2Q2014 S$'000	Change* %	1H2015 S$'000	1H2014 S$'000	Change* %
Continuing operations							
Revenue		11,322	7,487	51.2%	20,538	17,693	16.1%
Other income	A.1	88	315	-72.1%	554	671	-17.4%
		11,410	**7,802**	**46.2%**	**21,092**	**18,364**	**14.9%**
Changes in inventories of finished goods and work-in-progress	A.2	2,576	(77)	3445.5%	4,736	(1,780)	366.1%
Raw materials and other consumables	A.2	(8,136)	(4,352)	-86.9%	(14,821)	(8,769)	-69.0%
Staff costs		(3,149)	(2,512)	-25.4%	(6,127)	(4,994)	-22.7%
Depreciation of property, plant and equipment		(267)	(249)	-7.2%	(518)	(493)	-5.1%
Amortisation of intangible assets		(64)	(278)	77.0%	(128)	(552)	76.8%
Other expenses	A.1	(1,895)	(1,481)	-28.0%	(3,523)	(2,938)	-19.9%
Finance expenses		(7)	(6)	-16.7%	(11)	(10)	-10.0%
Profit/(loss) before taxation		**468**	**(1,153)**	**140.6%**	**700**	**(1,172)**	**159.7%**
Income tax expense		-	-	NM	(3)	(74)	95.9%
Profit/(loss) after tax from continuing operations		**468**	**(1,153)**	**140.6%**	**697**	**(1,246)**	**155.9%**
Discontinued operation:							
Loss from discontinued operation		-	(3,639)	100.0%	-	(6,472)	100.0%
Profit/(loss) for the period		**468**	**(4,792)**	**109.8%**	**697**	**(7,718)**	**109.0%**
Other comprehensive income							
Translation (loss)/gain relating to financial statements of foreign subsidiaries, net of tax		(329)	206	-259.7%	(113)	293	-138.6%
Other comprehensive (loss)/ income for the period, net of tax		**(329)**	**206**	-259.7%	**(113)**	**293**	-138.6%
Total comprehensive profit/(loss) for the period		**139**	**(4,586)**	**103.0%**	**584**	**(7,425)**	**107.9%**

** Increase/(Decrease) Earnings*

1(a)(ii). Consolidated Comprehensive Income Statement

Total comprehensive gain/ (loss) attributable to:

Owners of the Company		139	(3,070)	104.5%	584	(4,712)	112.4%
Non-controlling interests		-	(1,516)	100.0%	-	(2,713)	100.0%
Total comprehensive profit/(loss) for the		**139**	**(4,586)**	103.0%	**584**	**(7,425)**	107.9%

** Increase/(Decrease) Earnings*

1(a)(iii). Explanatory Notes to Consolidated Income Statement

A.1 Profit/(Loss) from the continuing operation is arrived at after crediting/(charging) the following items:

	Note	Quarterly Results			YTD Results		
		2Q2015 S$'000	2Q2014 S$'000	Change* %	1H2015 S$'000	1H2014 S$'000	Change* %
Government grant income		37	-	NM	37	46	-19.6%
Interest income		20	13	53.8%	32	25	28.0%
Rental income	(a)	9	282	-96.8%	262	577	-54.6%
Exchange (loss)/gain, net	(b)	(128)	(39)	-228.2%	67	19	252.6%
Allowance for doubtful debts provided		-	-	NM	(2)	-	NM
Allowance for inventory obsolescence reversed		4	-	NM	7	-	NM

** Increase/(Decrease) Earnings*
NM: Not Meanigful

A.1(a) In 2Q2015, the decrease in rental income was mainly due to the expiration of an AEM factory lease, resulting in the end of rental income from sublet leases of the factory space.

A.1(b) The foreign exchange loss in 2Q2015 arose mainly due to the depreciation of United States dollar against the Singapore dollar in 2Q2015.

A.2 Raw Material and Other Consumables

	Quarterly Results			YTD Results		
	2Q2015 S$'000	2Q2014 S$'000	Change* %	1H2015 S$'000	1H2014 S$'000	Change* %
Changes in inventories of finished goods and work-in-progress	2,572	(77)	3440.3%	4,729	(1,780)	365.7%
Raw materials and consumables cost	(8,136)	(4,352)	-86.9%	(14,821)	(8,769)	-69.0%
Material cost before obsolescence	(5,564)	(4,429)	-25.6%	(10,092)	(10,549)	4.3%
Allowance for inventory obsolescence reversed	4	-	NM	7	-	NM
Total	(5,560)	(4,429)	-25.5%	(10,085)	(10,549)	4.4%

** Increase/(Decrease) Earnings*
NM: Not Meanigful

A significant portion of our finished goods and work-in-progress costs comprised materials and consumables cost. Raw materials and consumables cost, after taking into consideration changes in inventories and excluding allowance for inventory obsolescence, increased from S$4.4 million in 2Q2014 to S$5.6 million in 2Q2015, representing an increase of 25.5% and decreased from S$10.5 million in 1H2014 to S$10.0 million in 1H2015, representing a reduction of 4.3%. The raw materials and other consumables cost increase in 2Q2015 was lower than revenue increase mainly due to the booking of engineering service revenue for the development of new equipment and higher kits sales with higher margin compared to equipment sales.

1(b)(i). Statement of Financial Position

	Note	Group		Company	
		30-Jun-15 S$'000	31-Dec-14 S$'000	30-Jun-15 S$'000	31-Dec-14 S$'000
Non-current assets					
Property, plant and equipment		5,687	6,163	47	61
Intangible assets		266	381	63	89
Subsidiaries		-	-	10,194	10,194
Deferred tax asset	B.1	1,822	1,796	328	328
		7,775	**8,340**	**10,632**	**10,672**
Current assets					
Inventories	B.2	13,838	9,057	-	-
Trade and other receivables	B.3	9,166	7,482	5,749	4,374
Cash and bank equivalents	B.4	5,753	11,152	1,238	3,328
		28,757	**27,691**	**6,987**	**7,702**
Total assets		**36,532**	**36,031**	**17,619**	**18,374**
Equity Attributable to Owners of the Company					
Share capital	1(d)(i)	39,737	39,737	39,737	39,737
Other reserves	1(d)(i)	(13,698)	(13,868)	(178)	(461)
Accumulated profits/(losses)	1(d)(i)	(7,245)	(7,942)	(24,788)	(24,525)
	1(d)(i)	**18,794**	**17,927**	**14,771**	**14,751**
Non-controlling interests		-	-	-	-
Total equity		**18,794**	**17,927**	**14,771**	**14,751**
Non-current liabilities					
Financial liabilities	1(b)(ii)	126	-	-	-
Trade and other payables		-	-	-	-
Deferred tax liabilities		46	49	-	-
		172	**49**	**-**	**-**
Current liabilities					
Trade and other payables	B.5	14,673	15,490	2,767	3,542
Financial liabilities	1(b)(ii)	114	202	-	-
Current tax payable		2,245	2,164	81	81
Provisions		534	199	-	-
		17,566	**18,055**	**2,848**	**3,623**
Total liabilities		**17,738**	**18,104**	**2,848**	**3,623**
Total equity and liabilities		**36,532**	**36,031**	**17,619**	**18,374**

B.1 The increase in deferred tax asset was mainly due to the appreciation of United States dollar against the Singapore dollar comparing 31 December 2014 and 30 June 2015.

B.2 The increase in inventory was mainly due to the increase in material purchases to cater for the equipment orders in 2H2015.

B.3 Trade and other receivables increased mainly due to the increase in sales comparing 2Q2015 and 4Q2014.

B.4 Cash and bank equivalents reduced mainly due to payments made for trade and material purchases as a result of the increase in sales in 2Q2015.

B.5 The reduction in trade and other payables was mainly due to payments made to trade suppliers.

1(b)(ii). Group Borrowings and Debt Securities

	30-Jun-15 S$'000	31-Dec-14 S$'000
Amount repayable in one year or less, or on demand		
- Secured bank loan	27	202
- Secured finance lease liabilities	87	-
	114	**202**
Amount repayable after one year		
- Secured finance lease liabilities	126	-
	126	**-**
Total	**240**	**202**

The bank loan is secured by corporate guarantee from AEM Holdings Ltd and a fixed and floating charge on the trade receivables of a subsidiary of the Company. The finance lease liabilities are secured by corporate guarantee from AEM Holdings Ltd and fixed charge on the equipment being financed.

1(c). Consolidated Cash Flow Statement

	Note	2Q2015 S$'000	2Q2014 S$'000	1H2015 S$'000	1H2014 S$'000
Operating activities					
Profit before tax from continuing operations		468	(1,153)	697	(1,172)
Loss before tax from discontinued operations		-	(3,639)	-	(6,472)
Profit/(Loss) before tax		**468**	**(4,792)**	**697**	**(7,644)**
Adjustments for:					
Depreciation and amortisation		330	1,234	645	2,484
Gain on disposal of property, plant and equipment		(17)	-	(17)	-
Reversal of allowance made for inventories obsolescence		(3)	-	(6)	13
Allowance for doubtful debts and bad debts written off		-	12	2	
Interest income		(18)	(15)	(27)	(28)
Interest expense		7	11	11	23
Provision made for warranties		300	18	320	29
Performance shares expense		283	-	283	255
Operating profit/(loss) before working capital changes		**1,350**	**(3,532)**	**1,908**	**(4,869)**
Changes in working capital:					
Inventories		(2,587)	475	(4,609)	2,265
Trade and other receivables		(352)	(435)	(1,726)	(2,365)
Trade and other payables		(134)	1,202	(882)	(2,793)
Cash used in operations		**(1,723)**	**(2,290)**	**(5,309)**	**(7,762)**
Government grant received		37	-	37	-
Income taxes refunded		0	879	0	29
Cash flows used in operating activities		**(1,686)**	**(1,411)**	**(5,272)**	**(7,733)**
Investing activities					
Interest income		18	15	27	28
Purchase of property, plant and equipment		(87)	(653)	(178)	(2,969)
Acquisition of intangible assets		(0)	(673)	(8)	(1,709)
Cash flows used in investing activities		**(69)**	**(1,311)**	**(159)**	**(4,650)**

1(c). Consolidated Cash Flow Statement (Cont'd)

	Note	2Q2015 S$'000	2Q2014 S$'000	1H2015 S$'000	1H2014 S$'000
Financing activities					
Interest expense		(7)	(11)	(11)	(23)
Proceeds from subsidiary's shares issuance		-	1,321	-	2,642
Proceeds from/(Repayment of) financial liabilities		(99)	(244)	44	(498)
Purchase of treasury shares		-	-	-	(36)
Cash flows from financing activities		**(106)**	**1,066**	**33**	**2,085**
Net decrease in cash and cash equivalents		**(1,861)**	**(1,656)**	**(5,398)**	**(10,298)**
Cash and cash equivalents at beginning of period		7,673	13,637	11,152	22,370
Effect of exchange rate changes on balances held in foreign currencies		(59)	(198)	(1)	(290)
Cash and cash equivalents at end of period		**5,753**	**11,783**	**5,753**	**11,783**

Explanatory Notes on Cash Flow Statement

Cash and bank equivalents reduced mainly due to payments made for trade and material purchases as a result of the increase in sales comparing 2Q2015 and 4Q2014 and inventory build for equipment orders in 2H2015.

1(d)(i). Statements of Changes in Equity

	Share capital S$'000	Treasury share reserve S$'000	Capital reserve S$'000	Share compensation reserve S$'000	Merger reserve S$'000	Currency translation reserve S$'000	Retained earnings S$'000	Total attributable to shareholders S$'000	Non-Controlling Interest S$'000	Total Equity S$'000
Group										
As at 1 Jan 2014	**39,737**	**(910)**	**214**	**230**	**139**	**(15,270)**	**26,661**	**50,801**	**14,331**	**65,132**
Changes in equity for the period										
Own shares acquired	-	(36)	**-**	-	**-**	**-**	**-**	(36)	**-**	(36)
Performance Share Plan shares issuance	-	255	**-**	-	**-**	**-**	**-**	255	**-**	255
Acquisition of shares in subsidiary	-	-	-	-	-	-	-	-	1,321	1,321
Total comprehensive income/(loss)	**-**	**-**	**-**	**-**	**-**	87 *	(1,729)	(1,642)	(1,197)	(2,839)
As at 31 Mar 2014	**39,737**	**(691)**	**214**	**230**	**139**	**(15,183)**	**24,932**	**49,378**	**14,455**	**63,833**
Acquisition of shares in subsidiary	-	-	-	-	-	-	-	-	1,321	1,321
Total comprehensive income/(loss)	-	-	-	-	-	206 *	(3,274)	(3,068)	(1,510)	(4,578)
As at 30 Jun 2014	**39,737**	**(691)**	**214**	**230**	**139**	**(14,977)**	**21,658**	**46,310**	**14,266**	**60,576**

	Share capital S$'000	Treasury share reserve S$'000	Capital reserve S$'000	Share compensation reserve S$'000	Merger reserve S$'000	Currency translation reserve S$'000	Retained earnings S$'000	Total attributable to shareholders S$'000	Non-Controlling Interest S$'000	Total Equity S$'000
Group										
As at 1 Jan 2015	**39,737**	**(691)**	**214**	**230**	**-**	**(13,621)**	**(7,942)**	**17,927**	**-**	**17,927**
Changes in equity for the period										
Total comprehensive income	-	-	-	-	-	216 *	229	445	-	445
As at 31 Mar 2015	**39,737**	**(691)**	**214**	**230**	**-**	**(13,405)**	**(7,713)**	**18,372**	**-**	**18,372**
Performance Share Plan shares issuance	-	283	-	-	-	-	-	283	-	283
Total comprehensive income/(loss)	-	-	-	-	-	(329)*	468	139	-	139
As at 30 Jun 2015	**39,737**	**(408)**	**214**	**230**	**-**	**(13,734)**	**(7,245)**	**18,794**	**-**	**18,794**

** The net exchange difference arose mainly from translation of subsidiaries' USD-denominated net assets and liabilities.*

	Share capital S$'000	Treasury share reserve S$'000	Share compensation reserve S$'000	Retained earnings S$'000	Total attributable to shareholders of the Company S$'000
Company					
As at 1 Jan 2014	**39,737**	**(910)**	**230**	**7,949**	**47,006**
Changes in equity for the period					
Own shares acquired	-	(36)	-	-	(36)
Performance Shares Plan shares issuance	-	255	-	-	255
Total comprehensive loss	-	-	-	(122)	(122)
As at 31 Mar 2014	**39,737**	**(691)**	**230**	**7,827**	**47,103**
Total comprehensive loss	-	-	-	(246)	(246)
As at 30 Jun 2014	**39,737**	**(691)**	**230**	**7,581**	**46,857**

	Share capital S$'000	Treasury share reserve S$'000	Share compensation reserve S$'000	Retained earnings S$'000	Total attributable to shareholders of the Company S$'000
Company					
As at 1 Jan 2015	**39,737**	**(691)**	**230**	**(24,525)**	**14,751**
Changes in equity for the period					
Total comprehensive loss	-	-	-	(189)	(189)
As at 31 Mar 2015	**39,737**	**(691)**	**230**	**(24,714)**	**14,562**
Performance Shares Plan shares issuance		283			283
Total comprehensive loss	-	-	-	(74)	(74)
As at 30 Jun 2015	**39,737**	**(408)**	**230**	**(24,788)**	**14,771**

1(d)(ii). Changes in Share Capital

	As at 30-Jun-15		As at 31-Dec-14		As at 30-Jun-14	
	No. of shares	S$'000	No. of shares	S$'000	No. of shares	S$'000
Issued and fully paid						
At 1 January	451,126,760	39,737	451,126,760	39,737	451,126,760	39,737
Less treasury shares balance	(4,526,000)	(408)	(7,650,000)	(691)	(7,650,000)	(691)
Total issued shares less treasury shares reserve at end of period (before shares consolidation)	**446,600,760**	**39,329**	**443,476,760**	**39,046**	**443,476,760**	**39,046**
Total issued shares less treasury shares reserve at end of period*	**44,660,076**	**39,329**	**44,347,676**	**39,046**	**44,347,676**	**39,046**

	As at 30-Jun-15		As at 31-Dec-14		As at 30-Jun-14	
	No. of shares	S$'000	No. of shares	S$'000	No. of shares	S$'000
Treasury shares						
At 1 January	(7,650,000)	(691)	(10,000,000)	(910)	(10,000,000)	(910)
Less purchase of own shares	-	-	(450,000)	(36)	(450,000)	(36)
Issue of treasury shares to management under Performance Share Plan	3,124,000	283	2,800,000	255	2,800,000	255
Treasury shares balance at end of period (before shares consolidation)	**(4,526,000)**	**(408)**	**(7,650,000)**	**(691)**	**(7,650,000)**	**(691)**
Treasury shares balance at end of period*	**(452,600)**	**(408)**	**(765,000)**	**(691)**	**(765,000)**	**(691)**

**On 26 May 2015, the Group completed a share consolidation of 10 existing issued ordinary shares into 1 ordinary share. Accordingly, adjustments have been made to the number of shares.*

1(d)(iii). Share Options

Nil

1(d)(iv). Treasury Shares

As at 30 June 2015, the treasury shares balance was 452,600 (31 December 2014: 765,000). The total number of issued ordinary shares excluding treasury shares at the end of the period was 44,660,076 (31 December 2014: 44,347,676).

There was an issue of treasury shares to management under Performance Share Plan during the period.

2. Statement on Audit

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. Auditors' Report

Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. Accounting Policies

Whether the same accounting policies and methods of computations as in the issuer's most recently

Other than the adoption of the new and revised Financial Reporting Standards (FRSs) as mentioned in paragraph 5 below, there were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recent audited annual financial statements as at 31 December 2014.

5. Changes in Accounting Policies

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 and the Company have reviewed the applicable new and revised Financial Reporting Standards (FRSs) and the Interpretations of FRSs that became effective for accounting periods beginning 1 January 2015.

The adoption of these new and revised FRSs does not have a material impact on the Group financial statements.

6. Earnings Per Share

Earnings per ordinary share for the period for continuing operations based on net profit attributable to

	Group		Group	
	2Q2015	2Q2014	1H2015	1H2014
(i) EPS based on weighted average number of ordinary shares in issue	1.05 cents	-7.40 cents	1.57 cents	-11.30 cents
Weighted average number of shares in issue*	44,529,623	44,347,676	44,439,152	44,232,465
(ii) EPS based on a fully diluted basis	1.05 cents	-7.40 cents	1.57 cents	-11.30 cents
Weighted average number of shares adjusted for the effect of dilutive potential ordinary shares arising from the exercise of share options*	44,529,623	44,347,676	44,439,152	44,232,465

**On 26 May 2015, the Group completed a share consolidation of 10 existing issued ordinary shares into 1 ordinary share. Accordingly, adjustments have been made to the number of shares.*

7. Net Asset Value Per Share

	Group		Company	
	30-Jun-15	31-Dec-14	30-Jun-15	31-Dec-14
Net asset value per share	42.1 cents	40.4 cents	33.1 cents	33.3 cents

Net asset value per share is calculated based on the existing issued share capital less treasury shares of 44,660,076 ordinary shares as at 30 June 2015 (31 December 2014: 44,347,676 shares).

8(a). Group Performance Review

Analysis of Consolidated Income Statement

	Quarterly Results			YTD Results		
	2Q2015 S$'000	2Q2014 S$'000	Change %	1H2015 S$'000	1H2014 S$'000	Change %
Equipment Systems (ESS)	9,174	5,121	79.1%	16,577	13,220	25.4%
Precision Components (PCS)	1,723	2,165	-20.4%	3,346	4,081	-18.0%
Plating & Other Services (PLT)	414	201	106.3%	624	392	59.4%
Overall	11,311	7,487	51.1%	20,547	17,693	16.1%

The Group reported higher sales from its Equipment Systems ("ESS") business mainly due to higher demand for its equipment, kits and spares. Sales for ESS were higher by 79.1% increasing from S$5.1 million in 2Q2014 to S$9.2 million in 2Q2015 and 25.4% increasing from S$13.2 million in 1H2014 to S$16.6 million in 1H2015.

Sales from the Precision Components ("PCS") business declined by 20.4% from S$2.2 million in 2Q2014 to S$1.7 million in 2Q2015 and 18.0% from S$4.1 million in 1H2014 to S$3.3 million in 1H2015 due to order reduction.

Plating and Other Services reported revenue increase of 106.3% as revenue rose from S$201,000 in 2Q2014 to S$414,000 in 2Q2015 and 59.4% from S$392,000 in 1H2014 to S$624,000 in 1H2015. This was mainly due to increase in demand for its services.

The above resulted in a 51.1% increase in the Group's total revenue, which rose from $7.5 million in 2Q2014 to S$11.3 million in 2Q2015. Comparing 1H2015 and 1H2014, revenue increased 16.1% from S$17.7 million in 1H2014 to S$20.5 million in 1H2015.

Raw materials and consumables cost rose from S$4.4 million in 2Q2014 to S$5.6 million in 2Q2015 after taking into consideration changes in inventories and excluding allowance made for inventory obsolescence. This represented an increase of 25.6%. On a six-months basis, raw materials and consumables cost was lower by 4.4%, decreasing from S$10.5 million in 1H2014 to S$10.0 million in 1H2015. The quantum of the increase in raw materials and other consumables cost in 2Q2015 was less than the quantum of the revenue increase. This is mainly due to the inclusion of engineering service revenue for the development of new equipment and higher kits sales that commanded higher margin compared to equipment sales.

Staff costs increased by 25.4% from S$2.5 million in 2Q2014 to S$3.1 million in 2Q2015 and by 22.7% from S$5.0 million in 1H2014 to S$6.1 million in 1H2015. This was mainly due to more staffs being employed to support the engineering and field service team in growing the ESS business in the long term.

Depreciation cost increased by 7.2% from S$249,000 in 2Q2014 to S$267,000 in 2Q2015 and by 5.1% from S$493,000 in 1H2014 to S$518,000 in 1H2015. This was mainly due to the increases in property, plant and equipment.

Amortisation of intangible assets was lower by 77.0%, decreasing from S$278,000 in 2Q2014 to S$64,000 in 2Q2015 and by 76.8% from S$552,000 in 1H2014 to S$128,000 in 1H2015. This was due to intangible assets relating to capitalised cost of developments that were written off in 4Q2014.

Other expenses increased by 28.0% from S$1.5 million in 2Q2014 to S$1.9 million in 2Q2015 and by 19.9% from S$2.9 million in 1H2014 to S$3.5 million in 1H2015 mainly due to higher provisions for warranty expenses to cover machine warranty costs and higher travelling expenses for onsite software setup and training.

As a result of the above, profit after tax in 2Q2015 was S$468,000 compared to a loss of S$1.2 million in 2Q2014 and profit after tax in 1H2015 was S$697,000 compared to a loss of S$1.2 million in 1H2014. Inclusive of the discontinued operations, the losses after tax would be S$4.8 million and S$7.7 million in 2Q2014 and 1H2014 respectively.

Analysis of Statement of Financial Position

As at 30 June 2015, the Group had a cash balance of S$5.8 million compared to its financial liabilities of S$240,000.

The reduction in cash and bank equivalents was mainly due to payments made for trade and material purchases as a result of the increase in sales comparing 2Q2015 and 4Q2014 and inventory build for equipment orders in 1H2015.

9. Prospect vs Actual Results

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

Not applicable.

10. Business Outlook

Commentary of significant trends and competitive conditions of the industry and any known factors or events that may affect the Group

The improvement in the Group's performance continued into the second quarter. We were able to reverse the loss last year by delivering a net profit of $468,000 on the back of a 51.2% increase in revenue.

Last quarter, we informed that our new ESS platform passed prototyping and we are pleased to announce that we have commenced commercial deliveries in 2Q2015. We are concurrently advancing our research and development efforts to pave the way for further growth with new customer accounts.

We are optimistic about our prospects for the second half of 2015 and barring unforeseen circumstances, we expect our 2H2015 and FY2015 to be profitable. However, given the global uncertainties, we will also continue to exercise cost and expense prudence in the course of managing our business.

11. Dividends

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? No

Name of Dividend	NA
Dividend Type	NA
Dividend Rate	NA
Tax Rate	NA

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of Dividend	NA
Dividend Type	NA
Dividend Rate	NA
Tax Rate	NA

(c) Date payable

NA

(d) Books closure date

NA

12. Statement on Dividends

If no dividend has been declared (recommended), a statement to that effect

No dividend has been declared.

13. Interested Person Transactions

If no IPT mandate has been obtained, a statement to that effect

No IPT mandate has been obtained.

14. Confirmation by the Board Pursuant to Rule 705(4) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Group and the Company for the period ended 30 June 2015, to be false or misleading in any material respect.

BY ORDER OF THE BOARD

Charles Cher Lew Siang
Chief Executive Officer
6 August 2015