

**Epicentre Holdings Limited**

**(Company Registration No. 200202930G)**

**Unaudited Full Year Financial Statement and Dividend Announcement For The Year Ended 30 June 2014**

1(a)(i) An Income statement 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

	<b>Group</b>		
	<b>2014 (Unaudited) S\$'000</b>	<b>2013 (Audited) S\$'000</b>	Increase/ (Decrease) %
Continuing operations			
Revenue	172,372	178,292	(3.3)
Cost of sales	(155,288)	(159,198)	(2.5)
<b>Gross Profit</b>	<b>17,084</b>	<b>19,094</b>	<b>(10.5)</b>
Other operating income	2,348	2,166	8.4
Administrative expense	(18,334)	(18,385)	(0.3)
Selling and distribution costs	(3,756)	(4,046)	(7.2)
Finance costs	(132)	(61)	116.4
<b>Loss before income tax from continuing operations</b>	<b>(2,790)</b>	<b>(1,232)</b>	<b>126.5</b>
Income tax expense	(105)	(169)	(37.9)
<b>Loss after income tax from continuing operations</b>	<b>(2,895)</b>	<b>(1,401)</b>	<b>106.6</b>
<b>Loss after income tax from discontinued operation</b>	<b>-</b>	<b>(2,467)</b>	<b>N.A.</b>
<b>Net loss for the financial year</b>	<b>(2,895)</b>	<b>(3,868)</b>	<b>(25.2)</b>
<b>Other comprehensive income:</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Foreign currency differences on translation of foreign operations	(25)	(82)	(69.5)
<b>Total comprehensive income for the financial year</b>	<b>(2,920)</b>	<b>(3,950)</b>	<b>(26.1)</b>
<b>Loss attributable to:</b>			
Owners of the parent	(2,895)	(3,547)	(18.4)
Non-controlling interest	-	(321)	N.A.
	<b>(2,895)</b>	<b>(3,868)</b>	<b>(25.2)</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the parent	(2,933)	(3,605)	(18.6)
Non-controlling interest	13	(345)	(103.8)
	<b>(2,920)</b>	<b>(3,950)</b>	<b>(26.1)</b>

1(a)(ii) Loss after income tax is arrived at after charging / (crediting) the following:

	Continuing Operations		Discontinued Operation		Group		
	2014 (Unaudited) S\$'000	2013 (Audited) S\$'000	2014 (Unaudited) S\$'000	2013 (Audited) S\$'000	2014 (Unaudited) S\$'000	2013 (Audited) S\$'000	Increase/ Decrease %
Depreciation of plant and equipment	1,252	1,319	-	188	1,252	1,507	(16.9)
Amortisation of intangible asset	10	-	-	-	10	-	-
Amortisation of club membership	111	112	-	-	111	112	(0.9)
Gain on disposal of plant and equipment	-	(1)	-	-	-	(1)	(100.0)
Plant and equipment written off	3	223	-	917	3	1,140	(99.7)
Staff cost	8,505	8,507	-	299	8,505	8,806	(3.4)
Net foreign exchange loss/(gain)	36	(346)	-	-	36	(346)	(110.4)
Inventory written off	4	64	-	201	4	265	(98.5)
Provision for slow moving stock	190	209	-	-	190	209	(9.1)
Bad third parties trade receivables written off	31	57	-	57	31	114	(72.8)

Results of the discontinued operation are as follow:

	Group	
	2014 (Unaudited) S\$'000	2013 (Audited) S\$'000
Revenue	-	514
Cost of sales	-	(626)
<b>Gross loss</b>	-	<b>(112)</b>
Other operating income	-	3
Administrative expense	-	(2,275)
Selling and distribution costs	-	(43)
Finance costs	-	(40)
<b>Loss before and after income tax from discontinued operation</b>	-	<b>(2,467)</b>

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

	<b>Group</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>				
Plant and equipment	1,605	2,402	577	755
Club membership	-	111	-	111
Intangible assets	119	-	-	-
Investment in subsidiaries	-	-	834	869
	<b>1,724</b>	<b>2,513</b>	<b>1,411</b>	<b>1,735</b>
<b>Current assets</b>				
Inventories	17,119	11,685	-	-
Trade and other receivables	5,096	5,789	8,001	2,772
Prepayment	332	456	59	86
Income tax recoverable	118	178	-	-
Cash and cash equivalent	6,063	11,626	321	318
	<b>28,728</b>	<b>29,734</b>	<b>8,381</b>	<b>3,176</b>
<b>Less: Current liabilities</b>				
Trade and other payables	11,533	13,407	3,015	843
Provisions	329	282	-	-
Deferred revenue	8	8	-	-
Income tax payable	70	-	-	13
Finance lease payable	6	85	6	85
Bank borrowings	9,116	6,155	2,862	604
	<b>21,062</b>	<b>19,937</b>	<b>5,883</b>	<b>1,545</b>
Net current assets	7,666	9,797	2,498	1,631
<b>Less: Non-current liabilities</b>				
Deferred tax liabilities	69	69	15	15
	<b>69</b>	<b>69</b>	<b>15</b>	<b>15</b>
<b>Net assets</b>	<b>9,321</b>	<b>12,241</b>	<b>3,894</b>	<b>3,351</b>
<b>Equity</b>				
Share capital	6,709	6,709	6,709	6,709
Treasury shares	(69)	(69)	(69)	(69)
Foreign currency translation account	(120)	(82)	-	-
Retained earnings/(Accumulated losses)	3,230	6,125	(2,746)	(3,289)
Equity attributable to owners of the parent	9,750	12,683	3,894	3,351
Non-controlling interest	(429)	(442)	-	-
<b>Total equity</b>	<b>9,321</b>	<b>12,241</b>	<b>3,894</b>	<b>3,351</b>

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

	<b>Group</b>			
	<b>2014</b>		<b>2013</b>	
	<b>(Unaudited)</b>		<b>(Audited)</b>	
	<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
	S\$'000	S\$'000	S\$'000	S\$'000
Finance lease payable				
Repayable within 1 year	6	-	85	-
	6	-	85	-
Borrowings				
Repayable within 1 year	-	9,116	-	6,155
	-	9,116	-	6,155

Details of collaterals

The bank loans are secured by Corporate guarantees.

The finance lease obligations of the Group are secured by the rights to the leased motor vehicles.

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

	<b>Group</b>	
	<b>2014 (Unaudited) S\$'000</b>	<b>2013 (Audited) S\$'000</b>
Loss before tax		
- Continuing operations	(2,790)	(1,232)
- Discontinued operation	-	(2,467)
	(2,790)	(3,699)
Adjustments for:		
Bad third parties trade receivables written off	31	114
Changes in value of derivative financial instruments	-	(21)
Inventory written off	4	265
Allowance for inventory obsolescence	190	209
Depreciation of plant and equipment	1,252	1,507
Amortisation of intangible assets	10	-
Amortisation of club membership	111	112
Gain on disposal of plant and equipment	-	(1)
Plant and equipment written off	3	1,140
Reversal for reinstatement cost	-	(50)
Interest expense	132	101
Operating cash flows before working capital changes	(1,057)	(323)
<b>Working capital changes:</b>		
Inventories	(5,685)	1,965
Trade and other receivables	643	1,460
Prepayments	123	424
Trade and other payables	(1,730)	(4,785)
Cash used in operations	(7,706)	(1,259)
Interest expense	(132)	(101)
Income tax refunded/(paid)	19	(421)
<b>Net cash flow used in operating activities</b>	<b>(7,819)</b>	<b>(1,781)</b>
<b>Cash flow from investing activities</b>		
Proceeds from disposal of plant and equipment	-	2
Purchase of plant and equipment	(423)	(1,367)
Additions to intangible assets	(129)	-
Purchase of treasury shares	-	(62)
Net cash used in investing activities	(552)	(1,427)
<b>Cash flow from financing activities</b>		
Dividends paid	-	(561)
Repayment of finance lease payables	(79)	(76)
Repayment of bank borrowings	(27,151)	(13,255)
Proceeds from bank borrowings	30,112	15,833
Net cash from financing activities	2,882	1,941
Net increase in cash and cash equivalents	(5,489)	(1,267)
Cash and cash equivalents at beginning of financial period	11,626	12,953
Effects of exchange rates changes on cash and cash equivalents	(74)	(60)
<b>Cash and cash equivalents at end of financial year</b>	<b>6,063</b>	<b>11,626</b>

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.

Group	Share Capital	Treasury Shares	Retained Earnings	Foreign Currency Translation Account	Equity attributable to owners of the parent	Non-controlling interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Unaudited</b>							
Balance at 1.7.2013	6,709	(69)	6,125	(82)	12,683	(442)	12,241
Loss after income tax	-	-	(2,895)	-	(2,895)	-	(2,895)
Foreign currency differences on translation of foreign operations	-	-	-	(38)	(38)	13	(25)
Total comprehensive income for the year	-	-	(2,895)	(38)	(2,933)	13	(2,920)
Balance at 30.6.2014	6,709	(69)	3,230	(120)	9,750	(429)	9,321
<b>Audited</b>							
Balance at 1.7.2012	6,709	(7)	10,233	(24)	16,911	(97)	16,814
Loss after income tax	-	-	(3,547)	-	(3,547)	(321)	(3,868)
Foreign currency differences on translation of foreign operations	-	-	-	(58)	(58)	(24)	(82)
Total comprehensive income for the year	-	-	(3,547)	(58)	(3,605)	(345)	(3,950)
Purchase of treasury shares	-	(62)	-	-	(62)	-	(62)
Dividends	-	-	(561)	-	(561)	-	(561)
Balance at 30.6.2013	6,709	(69)	6,125	(82)	12,683	(442)	12,241

Company	Share Capital	Treasury Shares	Accumulated Losses	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Unaudited</b>				
Balance at 1.7.2013	6,709	(69)	(3,289)	3,351
Loss after income tax	-	-	543	543
Total comprehensive income for the year	-	-	543	543
Balance at 30.6.2014	6,709	(69)	(2,746)	3,894
<b>Audited</b>				
Balance at 1.7.2012	6,709	(7)	957	7,659
Loss after income tax	-	-	(3,685)	(3,685)
Total comprehensive income for the year	-	-	(3,685)	(3,685)
Purchase of treasury shares	-	(62)	-	(62)
Dividends	-	-	(561)	(561)
Balance at 30.6.2013	6,709	(69)	(3,289)	3,351

- 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, if any, against the total number of issued shares excluding 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.**

There was no change in the Company's share capital arising from rights issue, bonus issue, and 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 30 June 2013.

The Company has no outstanding convertibles be converted into shares as at 30 June 2014 and 30 June 2013.

**Share capital**

	<b>30-Jun-14 (Unaudited)</b>	<b>30-Jun-13 (Audited)</b>
Number of shares at beginning of year	93,274,600	93,481,600
Less: Treasury shares	-	(207,000)
Number of shares at end of year	93,274,600	93,274,600

- 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.**

	<b>30-Jun-14 (Unaudited)</b>	<b>30-Jun-13 (Audited)</b>
Total number of issued shares	93,501,600	93,501,600
Total number of treasury shares	(227,000)	(227,000)
Total number of issued shares (excluding treasury shares)	93,274,600	93,274,600

- 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.**

	<b>30-Jun-14 (Unaudited)</b>	<b>30-Jun-13 (Audited)</b>
Number of treasury shares at beginning of period	227,000	20,000
Additions during the period	-	207,000
Number of treasury shares at end of period	227,000	227,000

No sales, transfers, disposal, cancellation and/or use of treasury shares as at 30 June 2014.

- 2 Whether the figures have been audited or reviewed and in accordance with which auditing standards or practice.**

The figures have not been audited or 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 recent audited financial statements have been applied**

Save as disclosed in paragraph 5 below, the accounting policies and methods of computation applied by the Group are consistent with those used in its most recently audited financial statements for the financial year ended 30 June 2013.

- 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**

On 1 July 2013, the Group adopted the new and revised Financial Reporting Standards ("FRS") and interpretation of FRS ("INT FRS") that are relevant to its operations and are effective in the financial year ended 30 June 2014. The adoption of these new and revised FRS and INT FRS where relevant has no material impact on the Group's accounting policies or the financial statements for the current financial year.

- 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.**

	<b>Group</b>	
	<b>2014 (Unaudited)</b>	<b>2013 (Audited)</b>
Loss per share		
- basic (cents)	(3.10)	(3.80)
- diluted (cents)	(3.10)	(3.80)

- 7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**

- (a) current financial period reported on; and  
(b) immediately preceding financial year.

	<b>Group</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
Net tangible asset backing per ordinary share based on existing issued share capital as at the end of the period reported on (cents)	9.86	13.00	4.17	3.47
Net asset value per ordinary share based on existing issued share capital as at the end of the period reported on (cents)	9.99	13.12	4.17	3.59



**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**

***Revenue***

Group revenue for the financial year ended 30 June 2014 ("FY2014") was \$172.4 million, a decrease of 3.3%, or \$5.9 million compared to the corresponding year ("FY2013"). The decrease in revenue was mainly attributable to lower sales reported from Apple products as well as third party brand products ("3PP"), largely due to the increase in price competition and lower demand in the Information Technology and Consumer Electronics segments. The decrease was however, offset by the recognition of full year revenue from the new store at JEM which was opened for business in June 2013. In addition, corporate sales revenue for FY2014 was also lowered compared to FY2013.

***Gross Profit***

Gross Profit decreased by \$2 million from \$19.1 million to \$17.1 million, caused by the decline in gross profit margin from 10.7% in FY2013 to 9.9% in FY2014. Several factors contributed to the lower gross profit margin.

In FY2013, 89% of the Group revenue was derived from the sale of Apple products and 11% was from 3PP. However, in FY2014, revenue derived from the sale of Apple products had grown to 90% of the Group revenue, whereas 10% was contributed by the sale of 3PP products. The decline in the sale of higher margin 3PP had led to the reduction in the gross profit. Lower sales volume from Apple products in FY2014 had also contributed to the decline in gross profit margin as compared to FY2013. Aggressive bundling and promotions that was undertaken by the Group had also contributed to the decrease of the overall gross profit margin.

***Other operating income***

The increase in other operating income of \$182,000 was mainly due to the higher sponsorship income reported in FY2014.

***Administrative expenses***

Administrative expenses decreased by \$51,000 in FY2014 as compared to FY2013. The decrease was mainly due to:

- a) Decrease in staff cost of approximately \$687,000 was largely due to the reduction in overall headcounts and the cost cutting measures undertaken by the Group; partly offset by the inclusion of 12-months staff cost from the new store in JEM which commenced business in June 2013;
- b) Saving in project cost related to the branding and customer service enhancement project in FY2013 of approximately \$425,000, of which the project was completed in the 4<sup>th</sup> quarter of FY2014; and
- c) Decrease in bank commission of \$286,000 in relation to the decline in the sales revenue.

The decrease in administrative expenses was however partly offset by:

- d) Increase in rental and related expenses of approximately \$945,000 which was largely due to the increase in rental from Singapore and Malaysia's operations;
- e) Increase in business development and related expenses of \$173,000; and
- f) The exchange loss of \$36,000 reported in FY2014 as compared to an exchange gain of \$346,000 reported in FY2013 as a result of the settlement of suppliers' invoices in foreign currency.

***Selling and Distribution cost***

Selling and Distribution cost decreased by \$289,000 in FY2014 as compared to FY2013. This was due to the success in managing our advertising and promotion expenses during the current financial year.

***Finance cost***

Finance cost for FY2014 comprises interest expenses incurred for bank borrowings for the China operations (prior to its cessation) and Malaysia operations, as well as for working capital purposes. FY2013 Finance cost was mainly from the bank borrowing for China operation and working capital purposes.

***Income Tax***

The income tax provided for in FY2014 primarily relates to that of our subsidiary in Malaysia.

Arising from the above, the Group suffered a net loss of \$2.8 million for FY2014 as compared to a net loss of \$1.2 million in FY2013.

**Discontinued Operation**

Discontinued Operation in FY2013 referred to the loss reported from the cessation of China operations following the announcement made on 1 February 2013. After writing off the remaining book values of plant and equipment, inventories, trade and other receivables and deposits, Epicentre (Shanghai) Co Ltd reported a net loss of \$2.47m for FY2013.

**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

***Consolidated statement of financial position review***

Non-current assets decreased by \$0.8 million from \$2.5 million as at 30 June 2013 to \$1.7 million as at 30 June 2014. The reduction was mainly attributable to the depreciation and amortization expenses of \$1.3 million; and the lower capital expenditure incurred in FY2014 of \$0.5 million.

Current assets decreased by \$1 million from \$29.7 million as at 30 June 2013 to \$28.7 million as at 30 June 2014. The marginal decrease was primarily due to the decrease in trade receivables and cash and cash equivalents by \$0.6 million and \$5.6 million respectively; partly offset by higher inventories for an amount of approximately \$5.4 million which the Group had earmarked for future sales strategies

Current liabilities increased by \$1.2 million from \$19.9 million as at 30 June 2013 to \$21.1 million as at 30 June 2014. The increase was mainly caused by short term borrowings of \$3 million; partly offset by the reduction in trade and other payables \$1.9 million.

Non-current liabilities of \$69,000 referred to the deferred tax liabilities arise as a result of temporary differences between the tax written down values and the carrying amounts of plant and equipment.

***Cash flow review***

In FY2014, the net cash outflow from operations of \$7.8 million was primarily due to higher losses amounting to \$2.8 million; the increase in inventories and trade payables of \$5.7 million and \$1.7 million respectively; partly offset by the increase in trade receivables of \$0.6 million. Net cash outflow from operations for FY2013 included a loss reported for discontinued operation of \$2.5 million.

In FY2014, the Group relocated two retail stores in Singapore. The costs of renovation, purchase of furniture and fixtures resulted in a net cash outflow for investing activities amounting to \$552,000.

The Group made use of short term financing during FY2014 to support its net cash outflows from operating and investing activities which resulted in the net cash inflow from financing activities of \$2.9 million.

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

This is in line with the profit guidance released on 22 August 2014.

**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 Board expects the operating environment in the next 12 months to remain challenging. However, the Group remains focused to widen its distribution network in existing markets. The Group would continue to enhance its operational efficiency and monitor its operating expenses in the face of economy uncertainties and rising staff cost and premises expense.

**11 If a decision regarding dividend has been made:**

**(a) Whether an interim (final) ordinary dividend has been declared (recommended); and**

No dividend has been declared for the financial year ended 30 June 2014.

**(b) (i) Amount per share**

No dividend has been declared for the financial year ended 30 June 2014.

**(ii) Previous corresponding period**

No dividend has been declared for the financial year ended 30 June 2013.

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of the shareholders, this must be stated).**

Not applicable.

**(d) The date the dividend is payable.**

Not applicable.

**(e) The dates on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

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

No dividend has been declared for the financial year ended 30 June 2014

**13 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediate preceding year. If no dividend has been declared (recommended), a statement to that effect.**

**By business segments**

	Apple brand		Third Party brand		Elimination	Group
	Continuing Operations	Discontinued Operation	Continuing Operations	Discontinued Operation		
<b>2014</b>	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
(Unaudited)						
Total revenue from external parties	154,916	-	17,456	-	-	172,372
<b>Results <sup>(1)</sup></b>						
Segment results	2,122	-	236	-	-	2,358
Unallocated expenses, net						(5,016)
Finance costs						(132)
Loss before income tax						(2,790)
<b>Other material non-cash expenses</b>						
Allowance for inventory obsolescence	(171)	-	(19)	-	-	(190)
Depreciation	(1,126)	-	(126)	-	-	(1,252)
Amortisation of intangible asset	(9)	-	(1)	-	-	(10)
Amortisation of club membership	(100)	-	(11)	-	-	(111)
Third parties trade receivables written off	(28)	-	(3)	-	-	(31)
Inventories written off	(4)	-	-	-	-	(4)
Plant and equipment written off	(3)	-	-	-	-	(3)
Segment assets	39,487	-	4,387	-	(13,540)	30,334
Income tax recoverable						118
						30,452
Segment liabilities	31,190	-	3,466	-	(13,664)	20,992
Income tax payable						70
Deferred tax liabilities						69
						21,131
Capital expenditure						
- Plant and equipment	423	-	47	-	-	470
- Intangible assets	116	-	13	-	-	129

**By geographical segments**

	Singapore S\$'000	Malaysia S\$'000	Elimination S\$'000	Group S\$'000
Total Revenue from external parties	139,222	33,562	(412)	172,372
Non-current assets	1,567	157	-	1,724

**By business segments**

	Apple brand		Third Party brand		Elimination	Group
	Continuing Operations	Discontinued Operation	Continuing Operations	Discontinued Operation		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>2013</b>						
(Audited)						
Total revenue from external parties	158,197	425	20,095	89	-	178,806
<b>Results <sup>(1)</sup></b>						
Segment results	171	(2,230)	4,115	(197)	-	1,859
Unallocated expenses, net						(5,457)
Finance costs						(101)
Loss before income tax						<u>(3,699)</u>
<b>Other material non-cash expenses</b>						
Allowance for inventory obsolescence	(186)	-	(23)	-	-	(209)
Depreciation	(1,174)	(167)	(145)	(21)	-	(1,507)
Amortisation of club membership	(99)	-	(13)	-	-	(112)
Third parties trade receivables written off	(51)	(51)	(6)	(6)	-	(114)
Inventories written off	(57)	(178)	(7)	(23)	-	(265)
Reversal of provision of reinstatement cost not utilised	(44)	-	(6)	-	-	(50)
Plant and equipment written off	(198)	(813)	(25)	(104)	-	(1,140)
Segment assets	34,110	-	4,363	-	(6,404)	32,069
Income tax recoverable						<u>178</u>
						<u>32,247</u>
Segment liabilities	23,435	-	2,997	-	(6,495)	19,937
Deferred tax liabilities						<u>69</u>
						<u>20,006</u>
Capital expenditure	1,304	-	161	-	-	1,465

**By geographical segments**

	Singapore	Malaysia	China	Elimination	Group
	S\$'000	S\$'000	(Discontinued) S\$'000		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Total Revenue from external parties	148,593	31,032	514	(1,333)	178,806
Non-current assets	2,121	392	-	-	2,513

**Footnote**

- (1) Other than revenue and costs of goods sold which can be directly attributable to each operating segment, all other income and expenses are allocated based on each operating segment's proportion of sales for the year.

- 14 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by business or geographical segments.

Please refer to paragraph 8.

- 15 Breakdown of sales

	Continuing Operations		Discontinued Operations		Total	
	2014 S\$'000	2013 S\$'000	2014 S\$'000	2013 S\$'000	2014 S\$'000	2013 S\$'000
(a) Revenue report for the first half year	93,025	88,533	-	440	93,025	88,973
(b) Total loss after tax before deducting non-controlling interests reported for first half year	(903)	377	-	(906)	(903)	(529)
(c) Revenue report for the second half year	79,347	89,759	-	74	79,347	89,833
(d) Total loss after tax before deducting non-controlling interests reported for second half year	(1,992)	(1,778)	-	(1,561)	(1,992)	(3,339)

- 16 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

	2014 (Unaudited) S\$'000	2013 (Audited) S\$'000
	Final dividend - Ordinary	-

Dividend paid in FY2013:

A tax exempt one-tier final dividend of \$0.006 per share was paid on 19 November 2012.

- 17 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family Relationship with any Director and/or Chief Executive Officer and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Jimmy Fong Teck Loon	49	Spouse of Brenda Yeo, Executive Director and Substantial Shareholder of the Company.	Chief Executive Officer since 2002. Executive Chairman since 2009.  Responsible for setting the strategic direction, tracking the financial and profitability growth of the Group, managing the business and overseeing all aspects of business growth and development of the Group.	Nil
Brenda Yeo	38	Spouse of Jimmy Fong Teck Loon, Executive Chairman and Chief Executive Officer and Substantial Shareholder of the Company.	Executive Director since 2007. Responsible for overseeing the management of the Group.	Nil

- 18 If the Group has obtained a general mandate from shareholders for Interested Person Transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(ii). If no IPT mandate has been obtained, a statement to that effect.

There is no Interested Person Transactions during the financial year which exceeds \$100,000; and the Company does not have a shareholders’ mandate under Rule 920 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited.



**19 Negative Assurance Confirmation on Interim Financial Result Pursuant to Rule 705(5) of the Listing Manual**

We, the undersigned, hereby confirm to the best of our knowledge, nothing has come to attention of the Board of Directors of the Company which may render the unaudited interim financial results for the financial year ended 30 June 2014 to be false or misleading in any material aspect.

**On behalf of the Board of Directors**  
**Jimmy Fong Teck Loon**  
**Executive Chairman & CEO**

**Brenda Yeo**  
**Executive Director**

By Order of the Board

Jimmy Fong Teck Loon  
Chief Executive Officer  
29 August 2014

This announcement has been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is:-

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