



Forise International Limited
复华国际有限公司



FY2016 Results Presentation

27 April 2017

This presentation contains certain statements that are not statements of historical fact, i.e. forward-looking statements. These forward-looking statements are based on current expectations, projections and assumptions about future events. Although Forise International Limited believes that these expectations, projections and assumptions are reasonable, these forward-looking statements are subject to the risks (whether known or unknown), uncertainties and assumptions about Forise International Limited and its business operations, such as (without limitation) the general economic and business conditions in China, the Asia-Pacific region and elsewhere; currency fluctuations between the Renminbi and other currencies; governmental, statutory, regulatory or administrative initiative affecting our business; industry trends; future levels and composition of our assets and liabilities; future profitability of our operations; competition; changes in China/Singapore tax or similar laws or regulations; changes in, or the failure to comply with, governmental regulations, including exchange control regulations, if any.

You are advised not to place undue reliance on these forward-looking statements as the forward-looking events referred to in this presentation may differ materially or not occur due to these risks, uncertainties and assumptions. Investors should assume that the information in this presentation is accurate only as of the date it is issued. Forise International Limited has no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.

Corporate Overview

Business Update

Financial Review

Growth Plans

Conclusion

Corporate Overview



Stock Information

Listing	Mainboard of the SGX-ST on 22 Sep 2009
Exchange Code	I5H
Market Capitalization (SGD)	31.950 mn
Share Price (SGD)	0.015 (Closing price on 24 April 2017)
Shares Outstanding	2,130,000,000
PE Ratio (SGD)	0.530
Earnings Per Share (SGD)	0.02828
Net Asset Value Per Share (SGD)	0.0042

Source: Shareinvestor

Business Segments

Forise International Limited is a SGX-listed company principally engaged in the businesses of Garment Trading and the provision of innovative Corporate Advisory Solutions



GARMENT TRADING



Women's Apparel



Men's Apparel



Children's Apparel



Infant's Apparel



CORPORATE ADVISORY



Strategic Planning



Financial Restructuring



Corporate Advisory



Management Consulting

Group Structure



Ongoing Strategy



Financial Highlights

Increased revenues

Intensification of Garment Trading business

Diversified revenue base with Corporate Advisory business embarking on first year of operations

Group revenue v FY15
RMB 91.27 mn +10488.52%

Contained operating costs

Lighter asset base from the disposal of loss-making Garment Manufacturing subsidiaries

Operating expenses v FY15
RMB 8.30 mn -22.70%

Increased net income

Recorded positive net income after years of consecutive losses

Excludes non-recurring income of RMB 285.69 mn of gains from the disposal of subsidiaries

Group net income v FY15
RMB 3.81 mn +136.88%

Business Update



Recent Corporate Developments

Contract Manufacturing classified as 'Discontinued Operations' to prevent further deterioration of resources

Disposed of plant and equipment
Retrenched production workers
Leased out factory premises of Garment Manufacturing subsidiaries

Disposed of loss-making Garment Manufacturing subsidiaries and continued Garment Trading business

Lower investment and cost requirements and lighter asset base
Consolidated existing wholesale trading customers under wholly-owned subsidiary and ramped up trading volume

Garment Trading business likely to face challenging year ahead

Changing competitive conditions
Weakening of both the PRC and global economies
Trade protectionism

4th Quarter of 2015

Contract Manufacturing operations classified as 'Discontinued Operations'

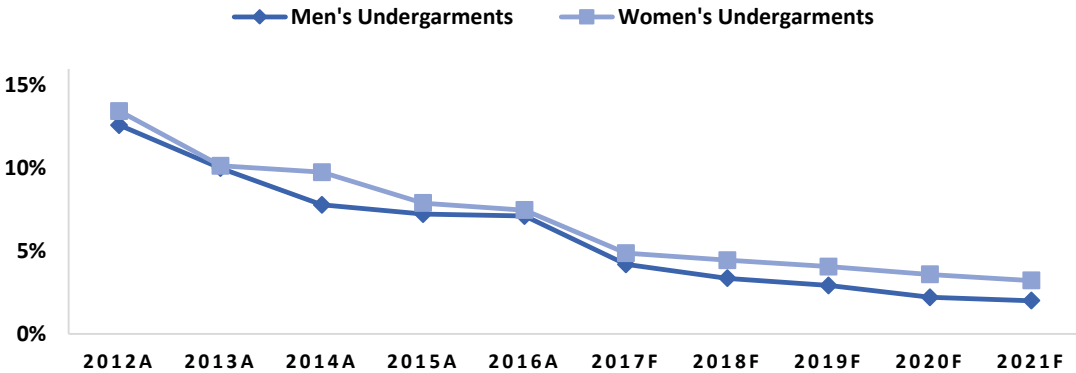
16 April 2016

Entered into a Sale and Purchase Agreement ("SPA") to dispose all Garment Manufacturing subsidiaries

18 August 2016

SPA was approved and passed by shareholders at an EGM with the effective date of disposal being 1 January 2016

Undergarments Sales Value Growth in China



Source: Euromonitor International, Menswear in China, February 2017
Euromonitor International, Womenswear in China, February 2017

New Strategic Focus

Deploy more resources to develop and expand new Corporate Advisory business

Recent Corporate Developments

Diversified core business into Corporate Advisory services



Strategic Planning

Strategic Analysis & Evaluation
Strategic Design & Implementation
Market, Competitive & Industry Analyses
Continuous Management and Review



Corporate Advisory

Mergers & Acquisitions
Divestitures
Demergers & Spin-offs
Privatization



Financial Restructuring

Corporate Reorganisations
Recapitalizations
Debt Restructuring & Informal Work-Outs
Formal Insolvency Procedures



Management Consulting

Financial Management
Investment Consulting
Operations & Processes
Business Intelligence

Rationale

Create additional and recurrent revenue streams to achieve long-term growth
Diversify Group's business and income base and reduce reliance on existing Garment business
Expand Group's network of contacts and create new business opportunities

Encouraging results in first year of operations

Positive feedback and reception
Generated revenue of RMB 5.04 mn

17 Feb 2016

Incorporated wholly-owned subsidiary, Forise Management Limited, in Hong Kong

25 June 2016

Gained Shareholders' approval for diversification of core business into Corporate Advisory Services

28 October 2016

Incorporated wholly-owned subsidiary, Tianjin Forise Corporation Management Consultancy Limited, in the PRC with its principal activities being the provision of corporate advisory and management consulting services

Existing Clients have requested for additional financial services
Management has potential Clients ready to engage the Group for these services

Corporate Advisory Services – Industry Overview

Increasing Demand for Corporate Advisory Services in China

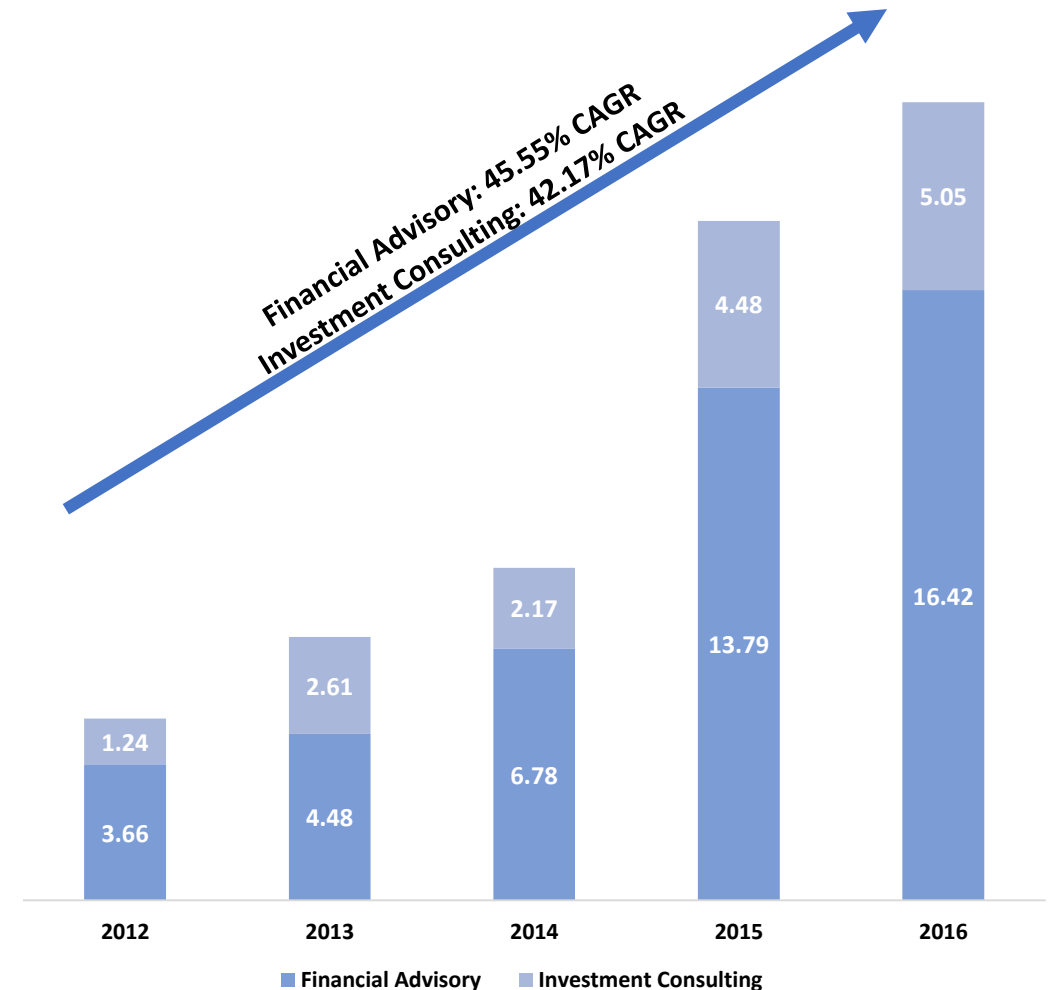
Growing Chinese firms seeking to expand internationally
 International firms looking to enter China
 Strategize amid slowing growth conditions in a highly competitive marketplace
 Navigate complex regulatory issues from new financial regulation

Industry profitability expected to remain steady

Rising global business sentiment and profit
 Large premiums for highly value-added services that are skill and knowledge intensive
 Low capital intensity and comparatively low cost structure
 Insulated from decline by countercyclical demand



Net Income of Corporate Advisory Businesses⁽¹⁾ in China (RMB bn)



Source: CEIC Data, China Securities Regulatory Commission, 2017

(1) Net Income of Financial Advisory and Investment Consulting businesses of Securities Companies in China

Corporate Advisory Services – Management Team

Decades of experience at renowned MNCs

Business Development, Investment Management, Asset Management, Corporate Advisory, Strategic Planning, and Financial Restructuring

Deep and varied industry knowledge

Manufacturing, Property Development, Hospitality & Tourism, Retail, and Capital Markets

Extensive network of business partners, financial institutions, and government organizations

PRC, Singapore, Hong Kong, United Kingdom, and Australia



Mr. Wang Xin
Executive Chairman



Mr. Peng Fei
Executive Director



Mr. Peng Weile
Executive Director



Corporate Advisory Services – Client Centric Strategy & Business Model

Tap on Top Management's extensive network



Develop Client base for regular work



Form business associations and strategic alliances



Build a highly skilled professional team

Deliver highly value-added and tailored solutions



Enable Clients to achieve their objectives

Create competitive advantages

Improve performance

Sustain profitability & growth

Unlock efficiency gains

Value creation

Tackle organizational challenges

Grow reputation and cultivate strong track record



Facilitate repeat businesses



Generate new Clients and businesses

Financial Review



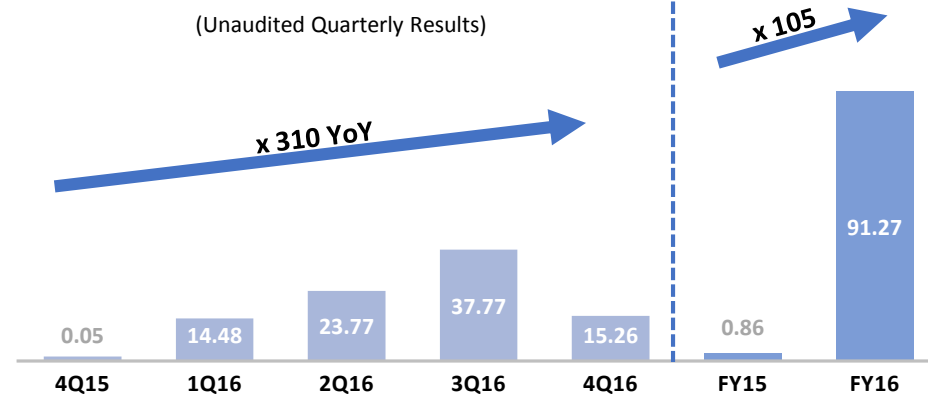
Resilient Financial Results

Forise International Limited

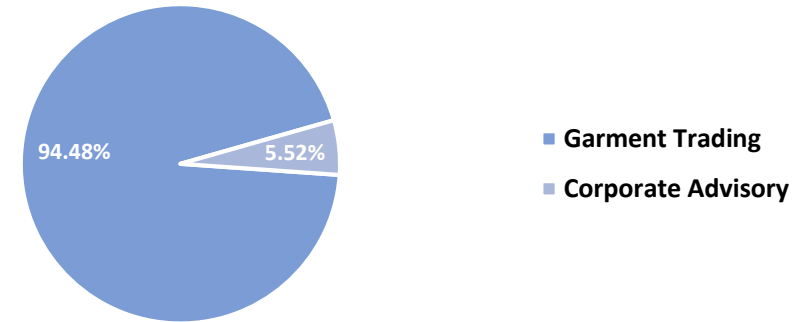


Revenues (RMB mn)

(Unaudited Quarterly Results)

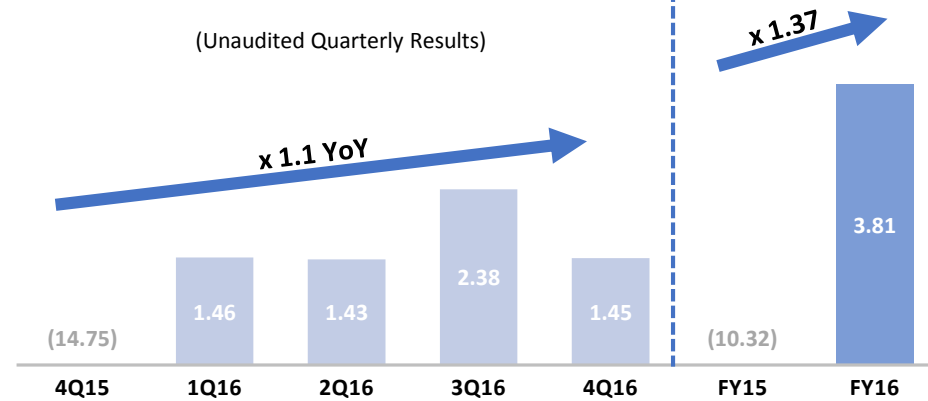


FY16 Revenue Breakdown by Segment

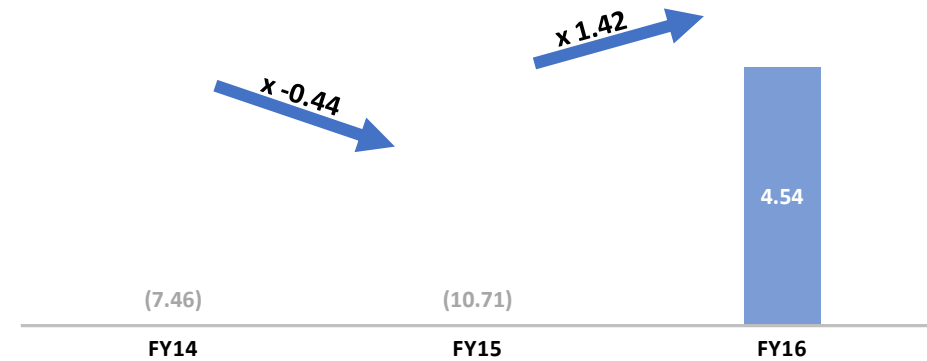


Net Loss / Income (RMB mn)

(Unaudited Quarterly Results)

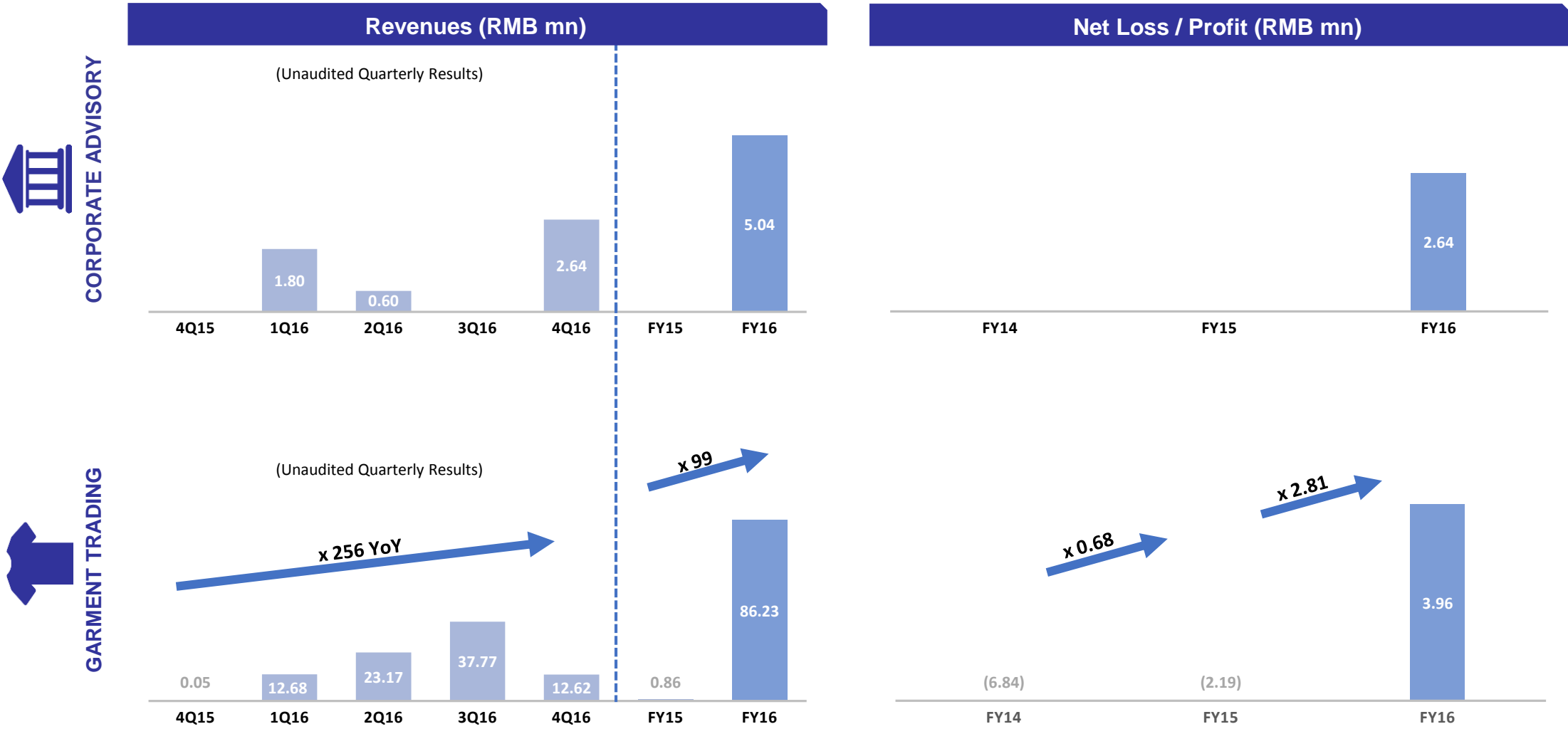


EBIT (RMB mn)



Source: Company filings

Encouraging Performance of Business Segments



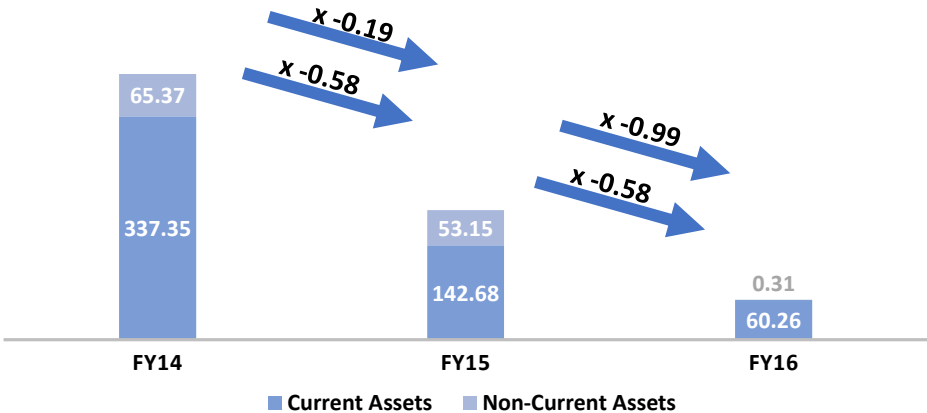
Source: Company filings

Stronger Balance Sheet

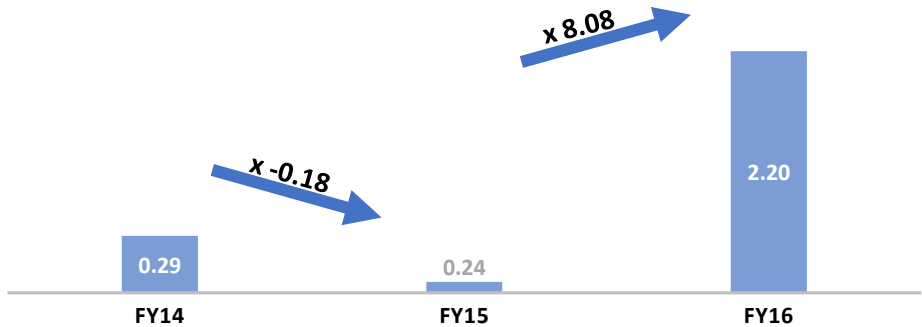
Forise International Limited



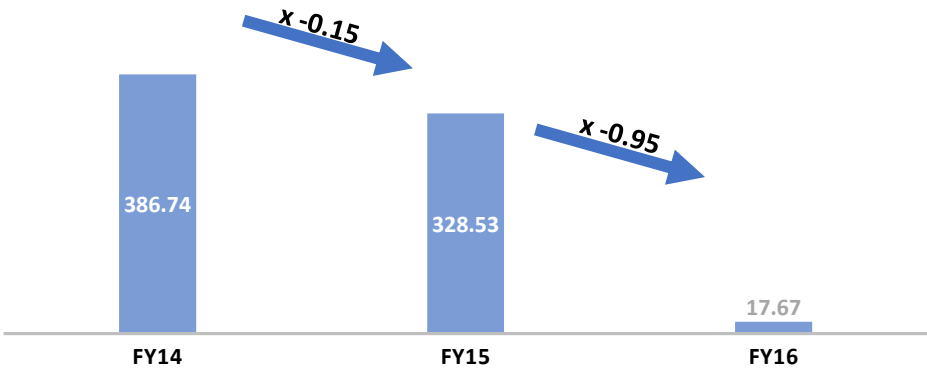
Assets (RMB mn)



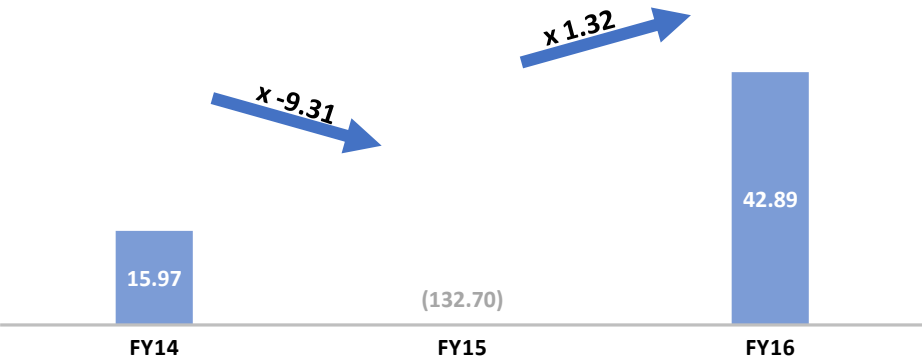
Cash Ratio



Total Liabilities (RMB mn)



Shareholders' Equity (RMB mn)



Source: Company filings

Key Financial Indicators

Financial Performance	FY16	FY15	FY14
Earnings Per Share (RMB)	0.1359	-0.0109	-0.087
Return on Assets (%)	6.28	-5.27	-1.70
Return on Equity (%)	8.87	7.78	-42.79
Financial Position	31 Dec 2016	31 Dec 2015	31 Dec 2014
Net Asset Value Per Share (RMB)	0.02	-0.06	0.06
Cash & Cash Equivalents (RMB mn)	38.86	79.58	113.57
Cash Ratio	2.20	0.24	0.29
Current Ratio	3.41	0.43	0.87

Source: Company filings

Growth Plans



The Opportunity – Rising Disposable Income in China

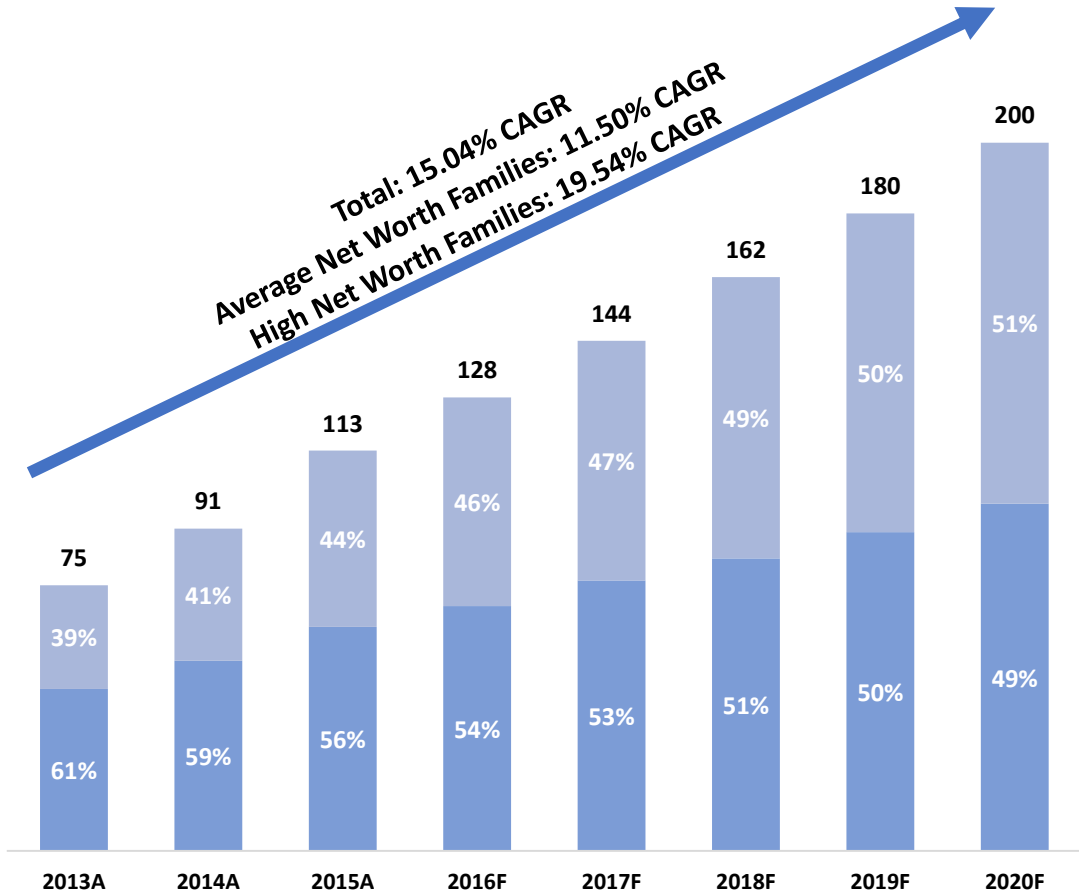
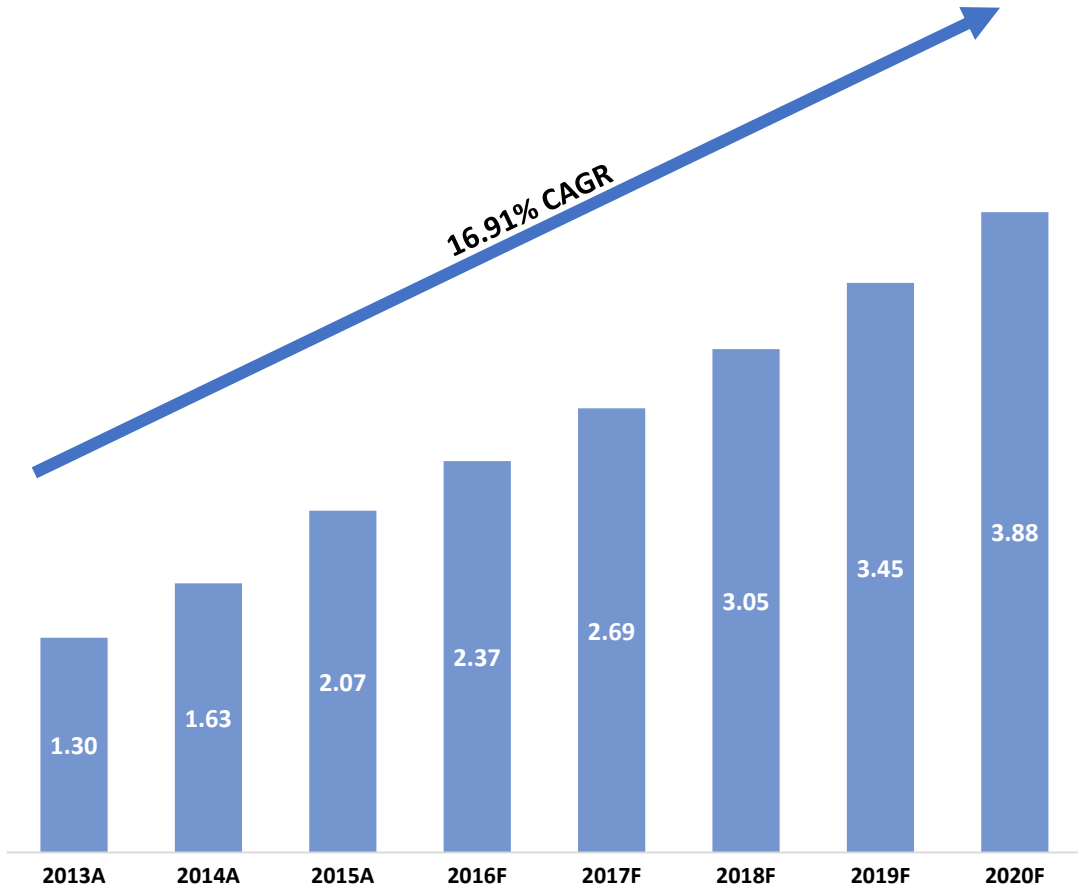


Source: The Economist Intelligence Unit, China Country Forecast, March 2017

The Opportunity – Strong Upside Potential of China’s Asset Management Industry

Number of High Net Worth Families⁽¹⁾ in China (mn)

Total Investable Assets in China (RMB tn)

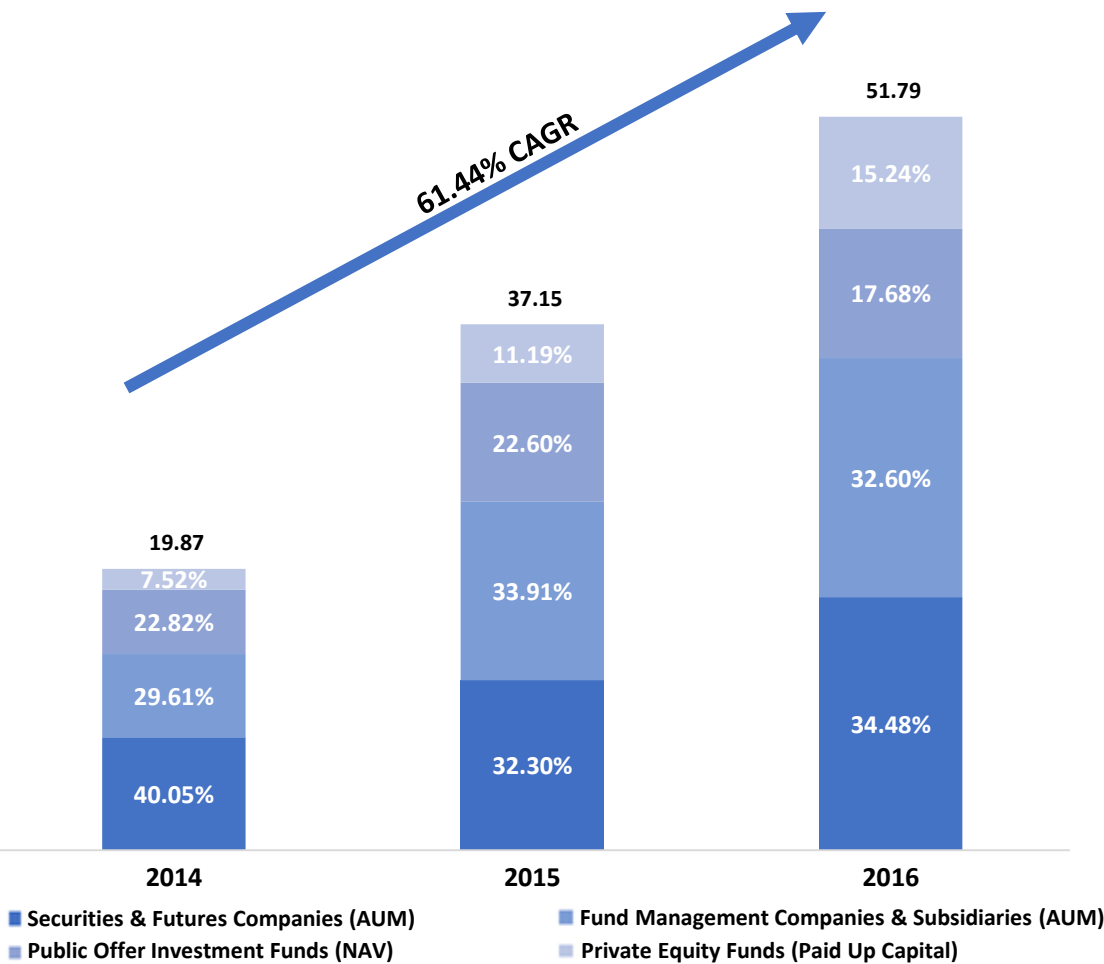


■ Average Net Worth Families ■ High Net Worth Families

Source: Boston Consulting Group & Industrial Bank of China, China Wealth Report, June 2016
(1) High Net Worth Families are defined as those with investable assets exceeding RMB 6 mn

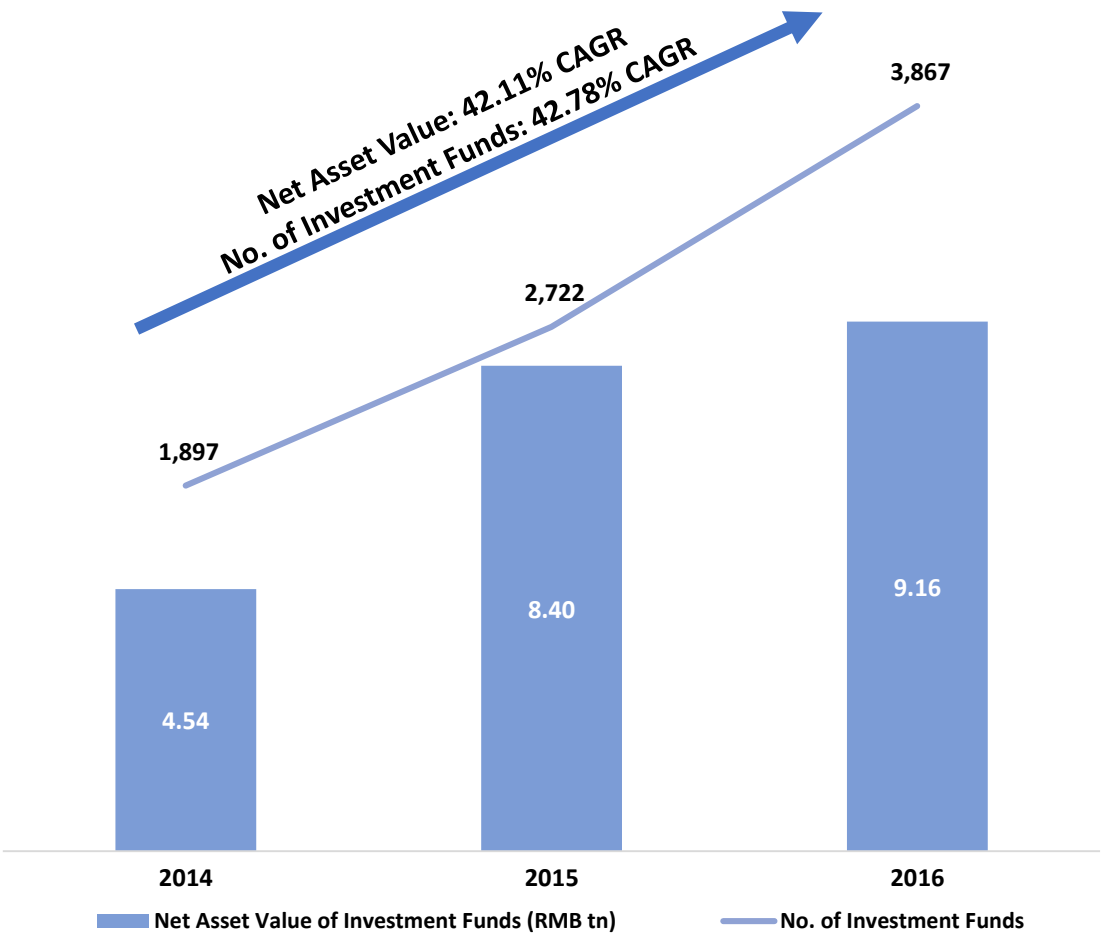
The Opportunity – China’s Thriving Asset Management Industry

Size of Asset Management Business in China (RMB tn)

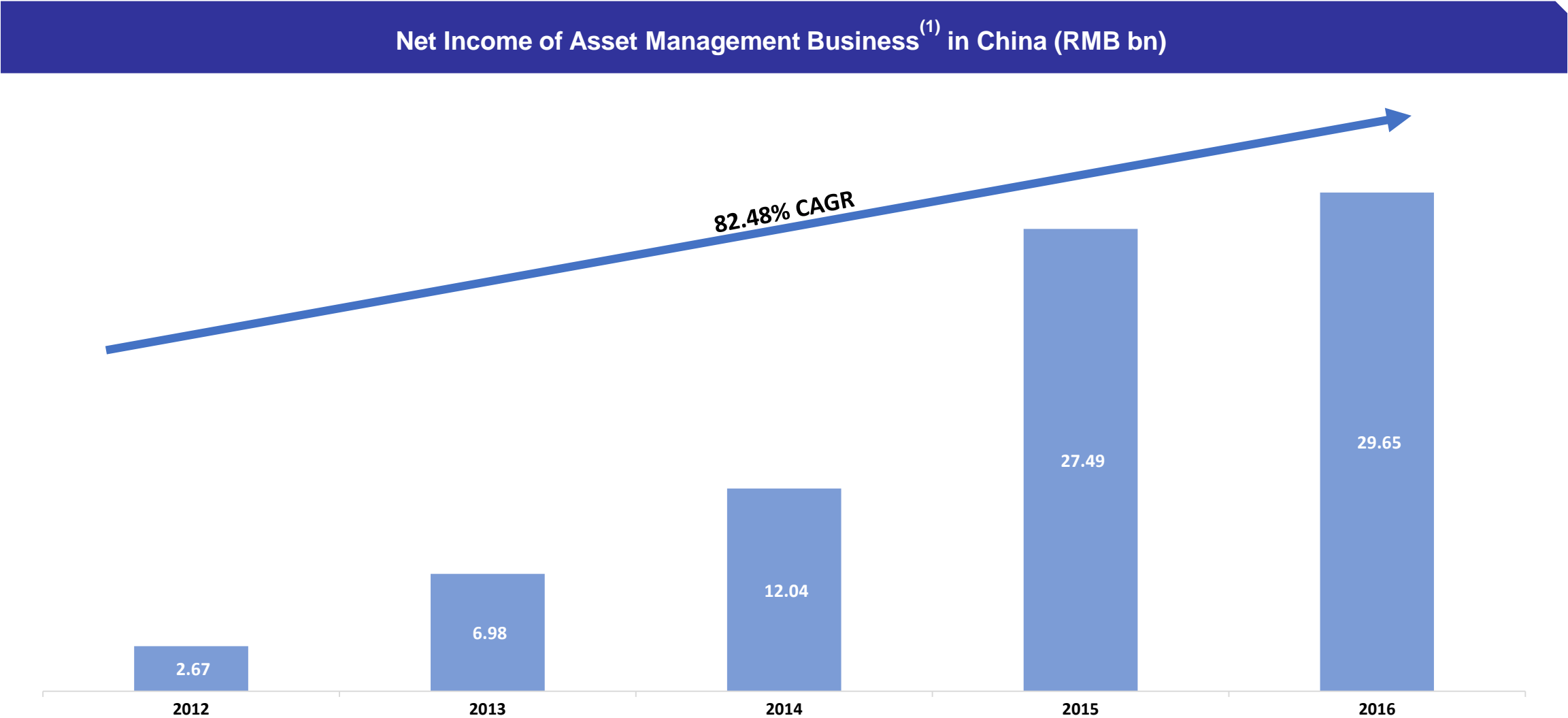


Source: CEIC Data, Asset Management Association of China, 2017

Public Offer Investment Funds in China



The Opportunity – China’s Thriving Asset Management Industry



Source: CEIC Data, China Securities Regulatory Commission, 2017
(1) Net Income of Asset Management business of Securities Companies in China

Strategy Going Forward



Proposed Renounceable Non-Underwritten Rights Issue

Proposed Renounceable Non-Underwritten Rights Issue

Issue size of up to 1,065,000,000 new ordinary shares

1 Rights Share for every 2 existing ordinary shares

Rationale

Strengthen capital base

Provide opportunity for Shareholders to maintain equity participation

Place Company in better position to take advantage of opportunities for business growth and development

SGX-ST Rights Issue Listing Application

Company will be informed by SGX-ST of its decision for the listing application after removal from the Watch-list

29 Dec 2016

Company announcement for proposed renounceable non-Underwritten rights issue

8 Mar 2017

Company informed by SGX-ST that it will defer its decision until Company's exit from the Watch-list has been approved

Fund Management & Asset Management

MOU entered into with a registered Fund Management Company to establish a joint venture

Currently evaluating prospects and risk profile of fund management business

Become a licensed Fund Management Company

Obtain Capital Markets Services Licence

Initially commence operations as a Fund-of-Funds

Build asset gathering infrastructure outside China

Leverage Group's existing relationships and network



Establish global asset allocation strategy

Full spectrum of public and private assets classes



Internally grow specific expertise

Direct investing capabilities
Bespoke risk allocation strategies

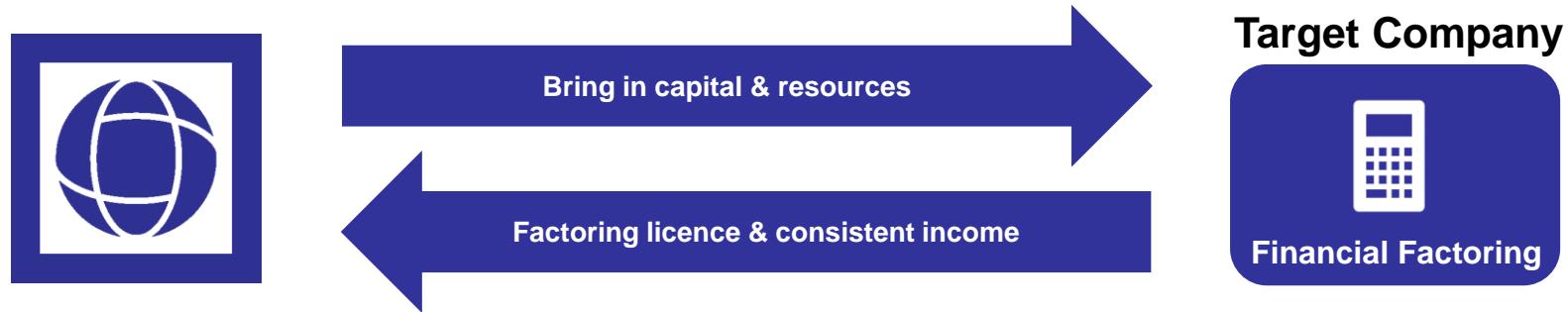


21 Jan 2017

Company announcement of MOU entered into with a registered Fund Management Company to establish JV engaged in fund and asset management in Singapore

Financial Factoring

Potential acquisition of a Financial Factoring Company in China



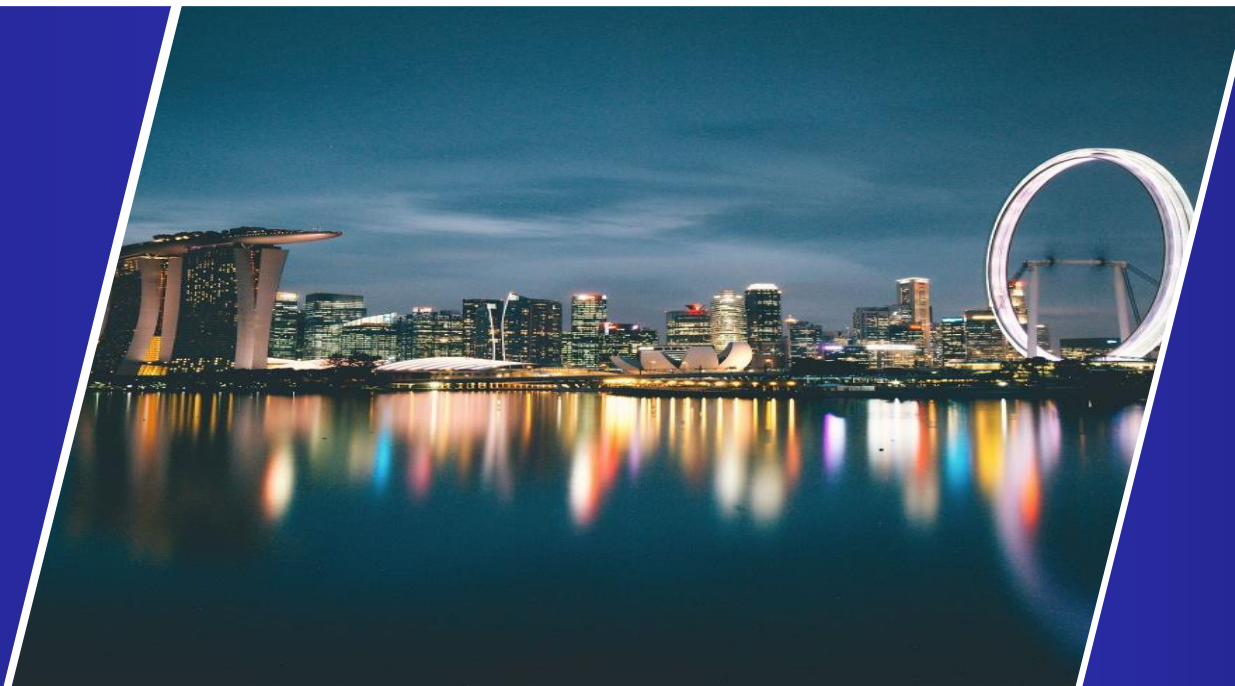
21 Jan 2017

Company announcement of the possible acquisition of a financial factoring company in the PRC

Currently evaluating acquisition's feasibility and prospects of factoring business in China



Conclusion



Vision

We aspire to offer a comprehensive suite of innovative and highly value-added Corporate Advisory Solutions and Financial Services to grow our business and deliver greater value to our Shareholders



Corporate Advisory



Strategic Planning



Financial Restructuring



Management Consulting



Fund Management



Asset Management



Financial Factoring



Insurance Brokerage

Thank You

