

**OEL (HOLDINGS) LIMITED**  
(Company Registration No: 198403368H)

**Second Quarter and Half Year Financial Statement and Dividend Announcement for the Period Ended 30.06.2015**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY AND HALF YEAR RESULTS**

1(a) A Statement of Comprehensive Income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial period.

1(a)(i) Statement of Comprehensive Income

	Group					
	2Q 2015 S\$'000	2Q 2014 S\$'000	Change %	1H 2015 S\$'000	1H 2014 S\$'000	Change %
<b><u>Continuing operations</u></b>						
Revenue	515	1,268	-59.4%	1,374	2,166	-36.6%
Cost of sales	(478)	(2,207)	-78.3%	(4,888)	(2,093)	133.5%
Gross profit (loss)	37	(939)	NM	(3,514)	73	NM
Other operating income	23	351	-93.5%	56	2,346	-97.6%
Distribution costs	(15)	(40)	-62.5%	(34)	(145)	-76.6%
Administrative expenses	(519)	(1,998)	-74.0%	(1,261)	(5,422)	-76.7%
Other operating expenses	(2,803)	(641)	337.3%	(2,920)	(940)	210.6%
Finance costs	(5)	(29)	-82.8%	(12)	(48)	-75.0%
Loss before tax	(3,282)	(3,296)	-0.4%	(7,685)	(4,136)	85.8%
Income tax	-	-	-	-	957	-100.0%
Loss for the period	(3,282)	(3,296)	-0.4%	(7,685)	(3,179)	141.7%
<b><u>Discontinued operations</u></b>						
Loss for the period from discontinued operations	-	(372)	-100%	-	(454)	100.0%
<b>Loss for the period</b>	<b>(3,282)</b>	<b>(3,668)</b>	<b>-10.5%</b>	<b>(7,685)</b>	<b>(3,633)</b>	<b>111.5%</b>
Loss attributable to:						
Owners of the Company	(3,282)	(3,481)	-5.7%	(7,685)	(3,405)	125.7%
Non-controlling interests	-	(187)	-100%	-	(228)	-100.0%
	<b>(3,282)</b>	<b>(3,668)</b>	<b>-10.5%</b>	<b>(7,685)</b>	<b>(3,633)</b>	<b>111.5%</b>

## 1(a)(ii) Notes to Statement of Comprehensive Income

### Continuing operations

Loss for the period is stated after (charging) crediting the following:

Depreciation of property, plant and equipment	(293)	(321)	-8.7%	(610)	(654)	-6.7%
Foreign currency exchange adjustment (loss) gain, net	(2,434)	16	NM	(1,856)	428	NM
Gain (loss) on disposal of property, plant and equipment	15	(91)	NM	15	(56)	NM
Property, plant and equipment written off	-	(173)	-100%	-	(173)	-100.0%
Interest income	3	11	-72.7%	11	25	-56.0%
Project costs written off	-	-	NM	(3,820)	-	NM

Group					
2Q 2015 S\$'000	2Q 2014 S\$'000	Change %	1H 2015 S\$'000	1H 2014 S\$'000	Change %

### Discontinued operations

Loss for the period is stated after (charging) crediting the following:

Depreciation of property, plant and equipment	-	(84)	-100%	-	(170)	-100.0%
Foreign currency exchange adjustment gain, net	-	-	NM	-	4	-100.0%
Loss on disposal of property, plant and equipment	-	(63)	-100%	-	(63)	-100.0%

Group					
2Q 2015 S\$'000	2Q 2014 S\$'000	Change %	1H 2015 S\$'000	1H 2014 S\$'000	Change %

## 1(a)(iii) Statement of Other Comprehensive Income

Loss for the period

Other comprehensive income (loss):

Item that may be reclassified subsequently to profit or loss

- exchange differences on translation of foreign operations

Total comprehensive loss for the period

Total comprehensive loss attributable to:

Owners of the Company

Non-controlling interests

Group					
2Q 2015 S\$'000	2Q 2014 S\$'000	Change %	1H 2015 S\$'000	1H 2014 S\$'000	Change %
(3,282)	(3,668)	-10.5%	(7,685)	(3,633)	111.5%
2,549	171	1390.6%	2,360	(92)	NM
(733)	(3,497)	-79.0%	(5,325)	(3,725)	43.0%
(733)	(3,310)	-77.9%	(5,325)	(3,497)	52.3%
-	(187)	-100%	-	(228)	-100%
(733)	(3,497)	-79.0%	(5,325)	(3,725)	43.0%

NM=Not meaningful

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

	Group		Company	
	30.06.2015	31.12.2014	30.06.2015	31.12.2014
	S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and bank balances	2,282	6,221	2,124	5,982
Trade receivables	3,820	7,355	27	40
Other receivables	2,110	5,152	11,146	9,358
Inventories	6,150	6,162	-	-
Total current assets	14,362	24,890	13,297	15,380
<b>Non-current assets</b>				
Associates	-	-	-	26
Available-for-sale investments	24	12	24	12
Property, plant and equipment	11,348	12,327	4,859	4,961
Investment property	3,741	3,741	3,741	3,741
Total non-current assets	15,113	16,080	8,624	8,740
<b>Total assets</b>	29,475	40,970	21,921	24,120
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Trade payables	9,949	12,104	226	168
Other payables	3,759	7,388	2,134	3,587
Finance leases	33	33	33	33
Bank loans	171	540	171	540
Total current liabilities	13,912	20,065	2,564	4,328
<b>Non-current liabilities:</b>				
Finance leases	49	66	49	66
Deferred tax liabilities	411	411	411	411
Total non-current liabilities	460	477	460	477
<b>Capital, reserves and non-controlling interests</b>				
Share capital	38,530	38,530	38,530	38,530
Reserves	(23,427)	(18,102)	(19,633)	(19,215)
Equity attributable to owners of the Company	15,103	20,428	18,897	19,315
Non-controlling interests	-	-	-	-
Total equity	15,103	20,428	18,897	19,315
<b>Total liabilities and equity</b>	29,475	40,970	21,921	24,120

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

Amount repayable in one year or less, or on demand

As at 30.06.2015		As at 31.12.2014	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
33	171	33	540

Amount repayable after one year

As at 30.06.2015		As at 31.12.2014	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
49	-	66	-

**Details of any collateral**

The above secured borrowings are secured by certain plant and equipment of the Group and the Company.

1(c) A Consolidated Statement of Cash Flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial period.

	Group			
	2Q 2015 S\$'000	2Q 2014 S\$'000	1H 2015 S\$'000	1H 2014 S\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Loss before tax	(3,282)	(3,668)	(7,685)	(4,590)
Adjustments for:				
Depreciation of property, plant and equipment	293	405	610	824
(Gain) loss on disposal of property, plant and equipment	(15)	154	(15)	119
Property, plant and equipment written off	-	173	-	173
Interest expense	5	174	12	152
Interest income	(3)	(11)	(11)	(25)
Project costs written off	-	-	3,000	-
Operating loss before movements in working capital	(3,002)	(2,833)	(4,089)	(3,347)
Trade receivables	(833)	575	52	2,487
Other receivables	207	1,445	2,964	1,560
Inventories	3	498	12	(39)
Trade payables	(1,164)	(1,861)	(989)	(7,502)
Other payables	1,803	(1,675)	(1,516)	(4,753)
Cash used in operations	(2,986)	(3,851)	(3,566)	(11,594)
Income tax paid	-	(6)	-	(6)
Income tax refund	-	-	-	402
Interest paid	(5)	(114)	(12)	(152)
Interest received	3	11	11	25
Net cash used in operating activities	(2,988)	(3,960)	(3,567)	(11,325)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of property, plant and equipment	-	(734)	-	(1,827)
Purchase of available-for-sale investment	-	-	(12)	-
Proceeds on disposal of property, plant and equipment	19	(20)	19	167
Net cash from (used in) investing activities	19	(754)	7	(1,660)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
(Decrease) increase in bank loans	(186)	241	(369)	(194)
Repayment of obligations under finance leases	(9)	(31)	(17)	(63)
Dividends paid	-	(3,341)	-	(3,341)
Restricted cash	474	4,137	2,845	5,356
Net cash from financing activities	279	1,006	2,459	1,758
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(2,690)</b>	<b>(3,708)</b>	<b>(1,101)</b>	<b>(11,227)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>3,183</b>	<b>9,402</b>	<b>1,593</b>	<b>16,918</b>
Effect of exchange rate changes on the balance of cash held in foreign currencies	6	(4)	7	(1)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>499</b>	<b>5,690</b>	<b>499</b>	<b>5,690</b>

Represented by :

CASH AND CASH EQUIVALENTS

Cash and bank balances  
Less: Restricted cash\*

30.06.2015 S\$'000	30.06.2014 S\$'000
2,282	12,918
(1,783)	(7,228)
<u>499</u>	<u>5,690</u>

\*Restricted cash mainly comprises the retention sum of S\$1.78 million which forms part of the cash proceeds from the disposal of the Distributionship business in 2013 and is expected to be released to the Company in November 2015 upon all obligations have been fulfilled.

**1(d)(i) A Statement of Changes in Equity (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 (S\$'000)	SHARE CAPITAL	CURRENCY TRANSLATION RESERVE	ASSET REVALUATION RESERVE	CAPITAL RESERVE	SHARE ISSUE RESERVE	RETAINED EARNINGS (ACCUMULATED LOSSES)	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	NON-CONTROLLING INTERESTS	TOTAL EQUITY
Balance at 01.01.2014	38,530	1,237	6,397	-	(182)	(83)	45,899	474	46,373
<b>Total comprehensive loss for the period</b>									
Loss for the period	-	-	-	-	-	(3,405)	(3,405)	(228)	(3,633)
Other comprehensive loss for the period	-	(92)	-	-	-	-	(92)	-	(92)
Total	-	(92)	-	-	-	(3,405)	(3,497)	(228)	(3,725)
<b>Transactions with owners, recognised directly in equity</b>									
Dividends	-	-	-	-	-	(3,341)	(3,341)	-	(3,341)
Total	-	-	-	-	-	(3,341)	(3,341)	-	(3,341)
Balance at 30.06.2014	38,530	1,145	6,397	-	(182)	(6,829)	39,061	246	39,307
Balance at 01.01.2015	38,530	(1,956)	6,539	-	(182)	(22,503)	20,428	-	20,428
<b>Total comprehensive income (loss) for the period</b>									
Loss for the period	-	-	-	-	-	(7,685)	(7,685)	-	(7,685)
Other comprehensive income for the period	-	2,360	-	-	-	-	2,360	-	2,360
Total	-	2,360	-	-	-	(7,685)	(5,325)	-	(5,325)
Balance at 30.06.2015	38,530	404	6,539	-	(182)	(30,188)	15,103	-	15,103

COMPANY (\$\$'000)	SHARE CAPITAL	ASSET REVALUATION RESERVE	SHARE ISSUE RESERVE	RETAINED EARNINGS	TOTAL EQUITY
Balance at 01.01.2014	38,530	6,397	(182)	10,122	54,867
Total comprehensive loss for the period	-	-	-	(788)	(788)
Total	-	-	-	(788)	(788)
<b>Transactions with owners, recognised directly in equity</b>					
Dividends	-	-	-	(3,341)	(3,341)
Total	-	-	-	(3,341)	(3,341)
Balance at 30.06.2014	38,530	6,397	(182)	5,993	50,738
Balance at 01.01.2015	38,530	6,539	(182)	(25,572)	19,315
<b>Total comprehensive loss for the period</b>					
Loss for the period	-	-	-	(418)	(418)
Total	-	-	-	(418)	(418)
Balance at 30.06.2015	38,530	6,539	(182)	(25,990)	18,897

- 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 is no change in the Company's share capital since the end of the immediately preceding financial year. The Company has no outstanding convertible securities as at 30 June 2015 and 31 December 2014.

- 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 financial year.**

	30.06.2015	31.12.2014
Total number of shares excluding treasury shares	668,266,667	668,266,667

- 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.**

There were no sales, transfers, disposal, cancellation and/ or use of treasury shares as at 30 June 2015 and 31 December 2014. The Company does not have any treasury shares as at 30 June 2015 and 31 December 2014.

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

The figures have neither been audited nor reviewed by our auditors.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a 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.**

Except for the adoption of revised Financial Reporting Standards ("FRS") as disclosed in Section 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as compared with those used in the audited financial statements for the year ended 31 December 2014.

- 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 effects of, the change.**

The Group has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2015. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current period or prior years.



**6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial period, after deducting any provision for preference dividends**

**Continuing operations**

Loss per ordinary share for the period after deducting any provision for preference dividends:-

(i) Based on weighted average number of ordinary shares in issue

(ii) On a fully diluted basis\*

Group			
2Q 2015	2Q 2014	1H 2015	1H 2014
(0.49) cents	(0.49) cents	(1.15) cents	(0.47) cents
(0.49) cents	(0.49) cents	(1.15) cents	(0.47) cents

**Discontinuing operations**

Loss per ordinary share for the period after deducting any provision for preference dividends:-

(i) Based on weighted average number of ordinary shares in issue

(ii) On a fully diluted basis\*

Group			
2Q 2015	2Q 2014	1H 2015	1H 2014
- cents	(0.06) cents	- cents	(0.07) cents
- cents	(0.06) cents	- cents	(0.07) cents

Note: The net earnings per share for the six months ended 30 June 2015 is calculated based on 668,266,667 (30 June 2014: 668,266,667) ordinary shares in issue.

\* There are neither any instruments that are convertible into ordinary shares of the Company nor any share options outstanding.

**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 period reported on and (b) immediately preceding financial period.**

Net asset value per ordinary share based on existing issued share capital as at the end of the period reported on

Group	
30.06.2015	31.12.2014
2.26 cents	3.06 cents

Net asset value per ordinary share based on existing issued share capital as at the end of the period reported on

Company	
30.06.2015	31.12.2014
2.83 cents	2.89 cents

Note: The net asset value per ordinary share is calculated based on the issued share capital of 668,266,667 ordinary shares as at 30 June 2015 (31 December 2014: 668,266,667 ordinary shares).

- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

## **REVIEW OF PERFORMANCE**

### **CONTINUING OPERATIONS**

The Group's continuing operations comprise Shipyard operations and Property Management which derives rental income from leasing of its property at No. 8 Aljunied Avenue 3 in Singapore. Subsequent to the end of FY2014, the Group's equity interest in a biofuel business in Singapore was reduced from 25% to 0.5% following a rights issue undertaken by the biofuel company in February 2015.

#### **Revenue**

The Group posted revenue of S\$0.52 million in 2<sup>nd</sup> Quarter 2015 ("2Q2015") as compared to S\$1.27 million in 2<sup>nd</sup> Quarter 2014 ("2Q2014"). In 1H2015, the Group recorded revenue of S\$1.37 million compared to S\$2.17 million in 1H2014.

Revenue from the Shipyard operations amounted to S\$0.34 million in 2Q2015 and S\$1.01 million in 1H2015, mainly from the provision of ship repair services. The Property Management recorded rental income of S\$0.18 million in 2Q2015 and S\$0.36 million in 1H2015.

#### **Gross Loss**

The Group posted a gross profit of S\$0.04 million in 2Q2015 as compared to a gross loss of S\$0.94 million in 2Q2014. In 1H2015, the Group recorded a gross loss of S\$3.51 million compared to a gross profit of S\$0.07 million in 1H2014. The loss was attributed to the write-off of project costs of S\$0.82 million following the final award in the arbitration proceedings ordered by the Arbitral Tribunal (as announced by the Company on 21 April 2015), and write-off of other project costs of S\$3.0 million following a review of the recoverable amounts during the period.

#### **Other Operating Income**

The Group registered other operating income of S\$0.06 million as compared to S\$2.35 million in 1H2014. The decrease was due to the absence of negotiated discounts of approximately S\$1.7 million received in 1H2014 for amounts owing to certain suppliers of the Shipyard operations.

#### **Operating Expenses**

Operating expenses comprise mainly distribution, administrative and other operating expenses. In 2Q2015, total operating expenses amounted to S\$3.34 million compared to S\$2.68 million in 2Q2014. In 1H2015, total operating expenses decreased to S\$4.22 million from S\$6.51 million in 1H2014 mainly due to the reduction in legal and professional fees and implementation of cost saving measures which more than offset unrealised foreign exchange loss of S\$1.86 million.

#### **Loss from Continuing Operations**

The Group reported a loss of S\$3.28 million in 2Q2015 as compared to a loss of S\$3.27 million in 2Q2014. In 1H2015, the loss was S\$7.69 million as compared to a loss of S\$3.18 million in 1H2014. The larger loss was attributed mainly to the write-off of project costs, reduction in other operating income, unrealised foreign exchange loss, legal costs for arbitration proceedings and absence of an income tax credit of S\$0.96 million during the period in review.

## **DISCONTINUED OPERATIONS**

In 1H2014, the Group recorded loss of S\$0.45 million from discontinued operations. This loss was attributed mainly to the biofuel business.

## **PROFIT / LOSS ATTRIBUTABLE TO OWNERS OF THE COMPANY**

As a result of the above, the Group recorded a loss attributable to owners of the company of S\$7.69 million as compared to a loss of S\$3.41 million in 1H2014. Full year loss for FY2014 was S\$19.08 million. The bulk of the FY2014 losses was recognised in 2H2014 following the conclusion of certain arbitration proceedings.

## **REVIEW OF WORKING CAPITAL, ASSETS AND LIABILITIES**

The Group's current assets decreased to S\$14.4 million as at 30 June 2015 from S\$24.9 million as at 31 December 2014 due mainly to a reduction in trade and other receivables and cash and bank balances.

Current liabilities decreased to S\$13.9 million as at 30 June 2015 from S\$20.1 million as at 31 December 2014, attributed mainly to a decrease in trade and other payables.

Based on the above, the Group had positive working capital (total current assets less total current liabilities) of S\$0.5 million at the end of June 2015.

## **REVIEW OF CASH FLOW STATEMENT**

Cash flow from operating activities was a net cash outflow of S\$3.6 million compared to a net cash outflow of S\$11.3 million for the same corresponding period of last year. The net cash outflow was mainly due to the losses in the Shipyard operations and the settlement of trade and other payables.

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

Not applicable

- 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 Group continues to execute cost-containment measures for its Shipyard operations. It is also exploring various options for its Shipyard operations, including repair work, outsourcing and other services.

As part of its efforts to explore new business avenues, as announced on 30 June 2015, the Company entered into a conditional sale and purchase agreement to acquire a stake of 51% in Allied Resources Limited for a consideration of S\$18.2 million in cash and shares. Allied Resources owns 50% interests in Qian An Oilfield Development Co. Ltd. (Qian An) which is jointly owned with PetroChina Company Limited. Qian An is principally engaged in the exploration, development and production of oil and gas natural gas from two oil fields in Jilin, China. The oil fields are currently in production.

The diversification of the Group's business scope to include the mineral, oil and gas business was approved by shareholders at an EGM held on 23 June 2015 and subsequent announcement dated 23 June 2015.

As announced on 7 July 2015, the Company entered into a Bond Subscription Agreement under which the Company proposes to issue up to S\$40 million in aggregate principal amount of redeemable zero coupon convertible bonds.

As announced on 3 August 2015, a Circular was issued to the Shareholders in relation to (a) the proposed issue of up to S\$40 million in aggregate principal amount of redeemable zero coupon convertible bonds issuable in (i) an initial tranche of S\$2 million; and (ii) 19 separate successive tranches of subsequent bonds, each having a principal amount of S\$2 million (collectively, the “Bonds”); and (b) the proposed allotment and issue of up to 1,000,000,000 new shares to be issued on conversion of the Bonds. The Group will be holding an EGM on 19 August 2015 to seek the approval of shareholders.

The Group will continue to explore and evaluate strategic business opportunities, including but not limited to strategic investments, partnerships, or mergers and acquisitions, that have potential to generate value for shareholders.

## 11 Dividend

### (a) Current Financial Period Reported On

Any dividend proposed for the current financial period reported on? None

Name of dividend	NA
Dividend Type	NA
Dividend Amount per Share (in cents)	NA
Dividend Rate (in %)	NA
Tax Rate	NA

### (b) Corresponding Period of the Immediately Preceding Financial year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

Name of dividend	NA
Dividend Type	NA
Dividend Amount per Share (in cents)	NA
Dividend Rate (in %)	NA
Tax Rate	NA

### (c) Whether the dividend is before tax, net of tax or tax exempt?

Not applicable.

### (d) Date payable

Not applicable.

### (e) 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 six months ended 30 June 2015.

**13 Interested person transactions**

The Company does not have a general mandate from shareholders for the interested person transactions. There were no IPTs of S\$100,000 or more for 2Q2015 and 1H2015.

**14 Confirmation pursuant to Rule 705(5) of the Listing Manual (Section B: Rules of Catalyst)**

The Board hereby confirms that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited quarter and half-year financial statements for the period ended 30 June 2015 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Low Beng Tin  
Managing Director

**BY ORDER OF THE BOARD**

**GWENDOLIN LEE SOO FERN**  
**COMPANY SECRETARY**  
**06 August 2015**

This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The 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 details of the contact person for the Sponsor are: -

Name: Mr Tan Chong Huat (Registered Professional, RHT Capital Pte. Ltd.)  
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