

Unionmet (Singapore) Limited

(Incorporated in Singapore)
(Co. Reg. No: 200409104W)

UNAUDITED QUARTERLY FINANCIAL STATEMENT ANNOUNCEMENT FOR THE PERIOD ENDED 30 NOVEMBER 2014

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF 4th QUARTER RESULTS

1(a) 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.

The Board of Directors (the "Board") hereby announces the results of the Group for the 4th quarter ended 30 November 2014 and 12 months ended 30 November 2014.

The Group has announced on 28 November 2014 that it has changed its financial year end from 30 November to 31 March. Pursuant to the change in financial year end, the Group's results for this quarter ending 30 November 2014 is a fourth quarterly results instead of full yearly results.

The Group will be announcing its full year results sometime in May 2015 in respect of its new financial year ending 31 March 2015.

1(a)(i) Group Consolidated Statement of Comprehensive Income

	Quarter ended			12 months ended		
	30/11/2014	30/11/2013	Change	30/11/2014	30/11/2013	Change
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
		(restated)			(restated)	
Continuing operations						
Revenue	212	-	100.0	212	110	92.7
Cost of Sales	(75)	-	100.0	(75)	(76)	(1.3)
Gross Profit	137	-	100.0	137	34	302.9
Other income/(expenses)	141	51	176.5	(1,639)	24	(6,929.2)
Selling and distribution expenses	(45)	-	100.0	(45)	(1)	4,400.0
General and administrative expenses	(539)	(358)	50.6	(1,852)	(1,422)	30.2
Loss before tax	(306)	(307)	0.3	(3,399)	(1,365)	149.0
Income tax	-	-	-	-	-	-
Loss after tax	(306)	(307)	0.3	(3,399)	(1,365)	149.0
Discontinued operations						
Loss after tax from discontinued operations	(59)	(2,544)	(97.8)	(523)	(1,794)	(70.8)
Net loss after tax for the period	(365)	(2,851)	(87.2)	(3,922)	(3,159)	24.2
Attributable to owners of the Company:						
Loss after tax from continuing operations	(339)	(307)	10.4	(3,432)	(1,365)	151.4
Loss after tax from discontinued operations	(59)	(2,544)	97.7	(523)	(1,794)	(70.8)
Loss attributable to owners of the Company	(398)	(2,851)	86.3	(3,955)	(3,159)	25.2
Non-controlling interests:						
Profit after tax from continuing operations	33	-	100.0	33	-	100.0
Loss after tax from discontinued operations	-	-	-	-	-	-
Loss for the period attributable to non-controlling interests	33	-	100.0	33	-	100.0

Note: Comparative figures for quarter ended 30 November 2013 and 12 months ended 30 November 2013 have been reclassified between continuing and discontinued operations to enable better comparison of the current period results on the propose disposal of Liuzhou Union Zinc Industry co. Ltd, Guangxi Intai Technology Co. Ltd and Unionmet Holdings Limited.

1(a)(i) Group Consolidated Statement of Comprehensive Income

	Quarter ended			12 months ended		
	30/11/2014	30/11/2013	Change	30/11/2014	30/11/2013	Change
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
		(restated)			(restated)	
Net loss after tax for the period	(365)	(2,851)	(87.2)	(3,922)	(3,159)	24.2
Other comprehensive income:						
Currency translation difference arising from consolidation	31	72	(56.9)	(2,550)	318	(901.9)
Total comprehensive income for the period	(334)	(2,779)	(88.0)	(6,472)	(2,841)	(127.8)
Total comprehensive income attributable to owners of the Company:						
Total comprehensive income from continuing operations	(308)	(307)	0.39	(3,418)	(1,365)	150.4
Total comprehensive income from discontinued operations	(59)	(2,472)	(97.6)	(3,087)	(1,476)	109.1
Total comprehensive income attributable to owners of the Company	(367)	(2,779)	(86.8)	(6,505)	(2,841)	129.0
Non-controlling interests:						
Total comprehensive income from continuing operations	33	-	100.0	33	-	100.0
Total comprehensive income from discontinued operations	-	-		-	-	
Total comprehensive income attributable to non-controlling interests	33	-	100.0	33	-	100.0

1(a)(ii) Notes to Group Consolidated Statement of Comprehensive Income

Loss from ordinary activities is stated after charging(crediting):

	Quarter ended		12 months ended	
	30/11/2014	30/11/2013	30/11/2014	30/11/2013
	US\$'000	US\$'000	US\$'000	US\$'000
		(restated)		(restated)
Continuing operations				
Depreciation	40	5	48	23
Interest expenses	13	-	-	-
Professional fees	138	54	469	249
Rental expenses	70	29	185	146
Staff costs	229	206	841	809
Discontinued operations				
Amortization of land use rights	-	4	5	20
Depreciation	7	19	61	48
Professional fees	-	8	26	87
Rental expenses	4	20	42	45
Staff costs	19	287	213	515

1(a)(ii) Notes to Group Consolidated Statement of Comprehensive Income (contd)

Breakdown of other (expenses)/income, net:

	Quarter ended		12 months ended	
	30/11/2014	30/11/2013	30/11/2014	30/11/2013
	US\$'000	US\$'000	US\$'000	US\$'000
Continuing operations				
Interest income	1	27	46	49
Subsidy income	-	16	9	16
Others	91	-	91	3
Exchange gain/(loss), net	(101)	8	(62)	(44)
Revaluation gain on marketable securities	151	-	151	-
Fixed assets expensed off	(1)	-	(1)	-
Loss on disposal of subsidiaries	-	-	(1,873)	-
	141	51	(1,639)	24

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	
	US\$'000		US\$'000	
	Unaudited 30/11/2014	Audited 30/11/2013	Unaudited 30/11/2014	Audited 30/11/2013
Non-current assets				
Property, plant and equipment	11,635	1,168	106	26
Investment in subsidiaries	-	-	1,002	4,438
Goodwill	2,067	-	-	-
Land use rights	-	804	-	-
	13,702	1,972	1,108	4,464
Current assets				
Assets associated with disposal group classified as held for sale	6,409	-	-	-
Cash and short-term deposits	19,076	31,669	15,568	21,672
Trade receivables	254	878	-	-
Other receivables and prepayments	401	657	10,112	88
Amount due from a subsidiary	-	-	-	184
Tax refundable	-	7	-	-
Inventories	13	2,695	-	-
Marketable securities	827	-	827	-
	26,980	35,906	26,507	21,944
Current liabilities				
Liabilities associated with disposal group classified as held for sale	2,720	-	-	-
Trade payables	293	48	-	2
Other payables	2,488	1,065	140	225
Tax payable	-	57	-	-
Short term bank loan	-	1,131	-	-
	5,501	2,301	140	227
Net current assets	21,479	33,605	26,367	21,717
Non-current liability				
Deferred tax liabilities	-	856	-	-
Bank loan	3,924	-	-	-
Other payables	6	-	-	-
	3,930	856	-	-
Net assets	31,251	34,721	27,475	26,181
Equity				
Share capital	35,569	32,794	35,569	32,794
(Accumulated losses)/Reserves	(6,967)	1,927	(8,094)	(6,613)
Reserve of disposal group classified as held for sale	2,389	-	-	-
Equity attributable to owners of the Company	30,991	34,721	27,475	26,181
Non-controlling interests	260	-	-	-
	31,251	34,721	27,475	26,181

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

Amount repayable in one year or less, or on demand

As at 30/11/2014		As at 30/11/2013	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
-	-	-	-

Amount repayable after one year

As at 30/11/2014		As at 30/11/2013	
Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000
3,924	-	-	-

Details of any collateral

The Group's borrowings are secured by property and land use rights.

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

	Quarter ended		12 months ended	
	US\$'000	US\$'000	Unaudited	Audited
	30/11/2014	30/11/2013	30/11/2014	30/11/2013
Operating activities:				
Loss before tax from continuing operations	(306)	(307)	(3,399)	(1,088)
Loss before tax from discontinued operations	(59)	(2,544)	(452)	(2,115)
Loss before tax	(365)	(2,851)	(3,851)	(3,203)
Adjustments for:				
Depreciation of property, plant and equipment	39	28	109	78
Amortization of land use rights	1	5	5	17
Interest income	-	(65)	(50)	(122)
Reversal of inventories write-down, net	1	(1)	-	(219)
Gain on disposal of property, plant and equipment	-	(1)	-	(13)
Loss on disposal of subsidiary	-	-	1,875	-
Impairment of property, plant and equipment	-	1,433	-	1,433
Unrealised exchange gain, net	(4)	(8)	(35)	(3)
Revaluation of marketable securities	(151)	-	(151)	-
Foreign currency translation	(715)	500	(349)	60
Operating cash flows before working capital changes	(1,194)	(960)	(2,447)	(1,972)
Trade receivables	681	120	499	1,570
Other receivables and prepayments	4,231	2,121	(1,952)	1,121
Inventories	(69)	340	1,453	(22)
Trade payables	2	33	(42)	(122)
Other payables	79	550	215	602
Cash flows generated/(used in) from operations	3,730	2,204	(2,274)	1,177
Income tax paid	-	-	(63)	-
Interest received	-	68	50	122
Net cash flows generated/(used in) from operating activities	3,730	2,272	(2,287)	1,299
Investing activities:				
Purchase of property, plant and equipment	(4,101)	(469)	(6,018)	(1,334)
Purchase of marketable securities	(676)	-	(676)	-
Purchase of land	(2,365)	-	(2,365)	-
Acquisition of subsidiary	(2,158)	-	(2,158)	-
Disposal of subsidiaries, net of cash	-	-	(813)	-
Sales proceed of property, plant and equipment	-	3	-	21
Net cash flows used in from investing activities	(9,300)	(466)	(12,030)	(1,313)
Financing activities:				
Net proceeds from issuance of new shares in Rights Issue	-	-	2,775	-
Short term bank loan	-	1,131	1,892	1,131
Bank loan	1,892	-	966	-
Net cash flows generated from financing activities	1,892	1,131	5,633	1,131
Net (decrease)/increase in cash and cash equivalents	(3,678)	2,937	(8,684)	1,117
Effect of exchange rate changes on cash and cash equivalents	(22)	111	149	209
Cash and cash equivalents at beginning of the year	26,834	28,621	31,669	30,343
Cash and cash equivalents at end of the year	23,134	31,669	23,134	31,669

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	Statutory reserve	Accumulated losses	Foreign currency translation reserve	Reserve of disposal group classified as held for sale	Equity attributable to owners of the Company	Non-controlling interests	Total Equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Opening Balance at 1 December 2013	32,794	2,226	(4,342)	4,043	-	34,721	-	34,721
Acquisition of a subsidiary	-	-	-	-	-	-	227	227
Loss/profit for the period	-	-	(3,955)	-	-	(3,955)	33	(3,922)
Transfer to retained earnings on disposal	-	(1,282)	3,633	(2,351)	-	-	-	-
Transfer to reserve of disposal group classified as held for sale	-	(944)	-	(1,445)	2,389	-	-	-
Other comprehensive income for the period	-	-	(2,262)	(288)	-	(2,550)	-	(2,550)
Total comprehensive income for the period	-	(2,226)	(2,584)	(4,084)	2,389	(6,505)	33	(6,472)
Issue of shares on Rights Issue	2,775	-	-	-	-	2,775	-	2,775
Closing balance at 30 November 2014	35,569	-	(6,926)	(41)	2,389	30,991	260	31,251
Opening Balance at 1 December 2012	32,794	2,226	(1,183)	3,725	-	37,562	-	37,562
Loss for the year	-	-	(3,159)	-	-	(3,159)	-	(3,159)
Other comprehensive income for the period	-	-	-	318	-	318	-	318
Total comprehensive income for the period	-	-	(3,159)	318	-	(2,841)	-	(2,841)
Closing balance at 30 November 2013	32,794	2,226	(4,342)	4,043	-	34,721	-	34,721

Company	Share capital	Accumulated losses	Total Equity
	US\$'000	US\$'000	US\$'000
Opening Balance at 1 December 2013	32,794	(6,613)	26,181
Loss for the period	-	(1,481)	(1,481)
Total comprehensive income for the period	-	(1,481)	(1,481)
Issue of shares on Rights Issue	2,775	-	2,775
Closing balance at 30 November 2014	35,569	(8,094)	27,475
Opening Balance at 1 December 2012	32,794	(5,525)	27,269
Loss for the year	-	(1,088)	(1,088)
Total comprehensive income for the period	-	(1,088)	(1,088)
Closing balance at 30 November 2013	32,794	(6,613)	26,181

- 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.**

The Company completed a rights issue on 24 March 2014 (the "**Rights Issue**") resulting in the issue of 56,566,243 new shares. As at 30 November 2014, the share capital net of expenses arising from the Rights Issue is US\$35,568,740 (FY2013: US\$32,793,475).

There were no shares held as treasury shares and the Company does not have any shares that may be issued on conversion of any outstanding convertibles as at 30 November 2014 and 30 November 2013.

- 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.**

	30/11/2014	30/11/2013
Total number of ordinary shares in issue	670,120,238	613,553,995

There were no shares held as treasury shares as at 30 November 2014 and 30 November 2013.

- 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.**

Not applicable.

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

These figures have neither been audited nor reviewed by the Company's auditors.

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

The Group has adopted all the new/revised Singapore Financial Reporting Standards ("**SFRSs**") that became effective on or after 1 December 2013. Except for the adoption of these new/revised **SFRSs**, the Group has consistently adopted the same accounting policies and methods of computations as stated in the audited financial statements of the Group for the financial year ended 30 November 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.**

Please refer to item 4 above. The adoption of the new/revised SFRSs and Interpretations (INT FRS) had no material effect on the Group's accounting policies and had no significant impact on the Group's financial statements.

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

	Group	
	30/11/2014	30/11/2013
(Losses)/Earnings per ordinary share from continuing operations of the group, after deducting any provision for preference dividends (in US cents):		
(a) Based on weighted average number of ordinary shares on issue; and	(0.06)	(0.46)
Weighted average number of ordinary shares for basic earnings/(losses) per share computation	634,999,439	613,553,995
(b) Based on a fully diluted basis	(0.06)	(0.46)
Weighted average number of ordinary shares adjusted for the effect for dilution	634,999,439	613,553,995

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.

	Group		Company	
	30/11/2014	30/11/2013	30/11/2014	30/11/2013
Net asset value per ordinary share based on issued share capital at the end of the respective periods (in US cents):	4.66	5.66	4.10	4.27
No. of ordinary shares used in computing net asset value	670,120,238	613,553,995	670,120,238	613,553,995

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

As previously announced in the Group's financial results announcements, the Group will continue to review its trading activities while seeking to diversify into the businesses of property development and oil blending and distribution.

As of to-date, the Group has achieved the following:

- Completed the Proposed Acquisition to acquire 1,300,500 ordinary shares representing 51% of the entire issued and paid up share capital of Biofuel Research Pte Ltd ("Biofuel") on 24 October 2014;
- Completed the purchase of a landed property at 71 Blandford Drive, Singapore 559863 for a cash consideration of S\$3,080,000 for the development for sale of a two-storey semi-detached dwelling house with attic.

The Company's subsidiary, USP Properties Pte. Ltd. ("USPP"), had on 20 October 2014 obtained a Qualifying Certificate from the Singapore Land Authority to purchase the above land for redevelopment and for sale. USPP has also commenced the development work;

The Group's trading business continues to suffer a loss despite Management efforts to turnaround the business over the last few months. In the last two quarters, Luizhou Union Zinc Industry Co. Ltd ("**Union Zinc**") has suffered a loss of US\$56,000 (3Q2014) and US\$59,000 (4Q 2014) respectively. In view of the uncertain commodity market prospect and the continuing losses of Union Zinc, the Group will dispose of the trading business.

REVIEW OF PERFORMANCE (4Q2014 VS 4Q2013)

Revenue

Key revenue contributor for this quarter comes from the newly acquired subsidiary, Biofuel. Sales from the Group's oil-blending business has also started but its revenue was insignificant for the period 4Q 2014.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (continued)**

Operating Expenses

General and administrative expenses increased by US\$181,000 (50.6%) to US\$539,000 (4Q2013: US\$358,000) mainly arose from the legal fees incurred on the acquisition of Biofuel and bearing Biofuel's expenses.

Loss After Tax

The loss before tax of US\$0.3 million was mainly due to the Group's overheads.

REVIEW OF FINANCIAL POSITION (Cumulative 4Q2014 VS FY2013)

Non-Current Assets

The increase in property, plant and equipment to US\$11.6 million (FY2013: US\$1.2 million) was attributable to the Group's acquisition of land and Biofuel as well as the installation of the oil-blending equipment. A goodwill of US\$ 2.1 million was recognized on completion of acquisition of Biofuel.

Current Assets

Further to the announcement on 2 January 2015 to dispose Union Zinc, all its assets have been classified as held for sale. In line with this reclassification, the Group's current assets have correspondingly decreased.

Cash under the Group decreased to US\$19 million partly because of the cash outflow in the recent acquisition and the reclassification of Union Zinc's cash to held for sale.

The Company has also used part of its cash into stocks and securities in the bid for better cash and treasury management.

Current Liabilities

In line with the propose disposal of Union Zinc, all its current liabilities have been reclassified as associated with the disposed group held for sale.

There was an increase in trade payables and other payables resulting from the acquisition of the new subsidiary.

A 1.5 year term bank loan was obtained to finance the purchase of the land at 71 Blandford Drive.

Non Current Liabilities

The increase of bank loan to US\$3.9 million was due to: (a) a loan taken by Biofuel to finance its construction of new plant in Tuas; and (b) a loan taken by USPP to finance its land acquisition.

Net Cash per Share

Based on the ordinary shares in issued as at 30 November 2014, the Group has a net cash per share of US2.8 cents.

Cash Flow

There was a net decrease of US\$3.7 million to US\$23.1 million from US\$26.8 million in the beginning of the quarter (4Q2013: US\$31.7 million) due to the following:

- (i) Cash inflow of US\$3.7 million from operating activities;
- (ii) Cash outflow of US\$2.1 million due to the acquisition of Biofuel;
- (iii) Cash outflow of US\$2.4 million due to the land acquisition of 71 Blandford Drive for property development;
- (iv) Cash outflow of US\$4.1 million due to increased capital expenditure of the Group;
- (v) Cash outflow of US\$0.7 million due to investment in securities;
- (vi) Cash inflow of US\$1.9 million on loan obtained by the Group for the refinancing of the Blandford Drive purchase and a construction loan drawdown by Biofuel.

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 will continue its efforts to restructure its business and grow the new businesses in the effort to turnaround the Group as described below:

For the Oil Blending business:

The oil-blending equipment which the Group purchased has been delivered and installed. The Group is currently undergoing trial production and expect full commissioning in Q2 2015. As the Group has not started any commercial production, the Group has not been affected by the depressed oil prices. The Group will monitor closely on the oil prices trend in the coming months before it commences its commercial production.

Biofuel which is in the business of biodiesel has been affected by the low oil prices. However, Biofuel's new factory is expected to obtain Temporary Occupation Permit (TOP) in Q1 2015 which could boast ten times of its previous capacity. Biofuel has already returned its old factory premise and this will reduce its expenses significantly. Barring the oil prices, the Group is optimistic about the prospects for Biofuel and its top-line contribution to the Group.

For the Property Development business:

The Group has one development under construction, i.e. 71 Blandford Drive and has made an offer of another land parcel in the prime district in Singapore. The Group expects the Blandford Drive project to contribute positively in 2015. The Group will continue to make cautious moves into this new business. Management believes that there are good opportunities still available in the Singapore market.

For the Trading business:

On 2 January 2015, the Group announced that it had entered into a Sale and Purchase Agreement to dispose of Union Zinc for a consideration of S\$4.5 million; circa US\$3.5 million ("**Proposed Disposal**"). The deficit of proceeds of the sale of Union Zinc over the Net Book Value is approximately US\$0.35 million. As at the latest practicable date, the net cash position of Union Zinc is RMB15.25 million (circa US\$2.5 million), after excluding third party loans. The gain of proceeds from the Proposed Disposal over the net cash position is US\$1.0 million. The net loss attributable to the Proposed Disposal is US\$0.35 million (assume US\$: RMB of 1: 6.1468). The disposal of Union Zinc will reduce the Group's overheads and losses and strengthen the Group's cash position for its other new businesses.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No dividend has been declared.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared or recommended for the financial period ended 30 November 2014.

13. 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)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company does not have any IPT mandate.

14. Use of Proceeds from the Rights Issue.

The Board refers to the following:

- (i) Net proceeds of US\$3.27 million (S\$4.71 million) raised from the rights issue in July 2009;
- (ii) Net proceeds of US\$2.78 million (S\$3.51 million) raised from the rights issue in March 2014.

The Group had used the net proceeds of US\$2.78 million (S\$3.51 million) raised from the rights issue in March 2014 for its land acquisition of 71 Blandford Drive.

15. Negative Assurance Confirmation

The Board hereby confirms that, to the best of their knowledge, nothing has come to the attention of the Board which may render the quarter ended 30 November 2014 financial results to be false or misleading in any material aspect.

BY ORDER OF THE BOARD
Li Hua
Executive Chairman/Chief Executive Officer

14 January 2015
Singapore