

NTEGRATOR INTERNATIONAL LIMITED

(Co. Regn. No: 199904281D)

FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 DECEMBER 2013**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL 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 year.**

	Group		
	S\$'000		%
	FY2013	FY2012	Increase/ (Decrease)
Revenue	48,403	32,794	47.6%
Cost of sales			
- Equipment and consumables used	(32,993)	(24,863)	32.7%
- Freight charges	(363)	(311)	16.7%
- Commission and consultancy	(2,529)	(604)	318.7%
- Changes in inventories and contract work-in-progress	(3,728)	706	(628.0%)
	(39,613)	(25,072)	58.0%
Gross profit	8,790	7,722	13.8%
Other income – Interest income from bank deposits	64	42	52.4%
Other gains – net	390	172	126.7%
Expenses			
- Administrative	(13,036)	(7,461)	74.7%
- Finance	(164)	(203)	(19.2%)
(Losses)/ profit before income tax	(3,956)	272	(1554.4%)
Income tax expense	-	(22)	(100%)
Net (losses)/ profit	(3,956)	250	(1682.4%)
Other comprehensive (losses), net of tax:			
Items that may be reclassified subsequently to profit or loss			
Currency translation differences arising from consolidation			
- Gains/ (losses)	1,012	(804)	
Total comprehensive (losses)	(2,944)	(554)	
(Losses)/ profit attributable to:			
Equity holders of the Company	(3,576)	447	(900.0%)
Non-controlling interests	(380)	(197)	92.9%
	(3,956)	250	(1682.4%)

Group		
S\$'000		%
FY2013	FY2012	Increase/ (Decrease)

Total comprehensive (losses) attributable to:

Equity holders of the Company	(3,054)	(353)
Non-controlling interests	110	(201)
	<u>(2,944)</u>	<u>(554)</u>

Earnings per share for profit attributable to equity holders of the Company (cents per share)

- Basic	(0.52)	0.09
- Diluted	<u>(0.34)</u>	<u>0.07</u>

Any discrepancies in the tables included in this announcement between the total sums of amounts listed and the totals shown are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

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	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	11,455	9,487	585	2,605
Trade and other receivables	31,522	28,927	4,583	847
Inventories	619	377	-	-
	43,596	38,791	5,168	3,452
Non-current assets				
Investments in subsidiaries	-	-	18,000	16,000
Property, plant and equipment	1,157	182	-	-
	1,157	182	18,000	16,000
Total assets	44,753	38,973	23,168	19,452
LIABILITIES				
Current liabilities				
Trade and other payables	13,850	16,106	573	493
Current income tax liabilities	-	-	-	-
Borrowings	12,136	5,227	-	-
	25,986	21,333	573	493
Non-current liabilities				
Borrowings	176	-	-	-
	176	-	-	-
Total liabilities	26,162	21,333	573	493
NET ASSETS	18,591	17,640	22,595	18,959
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	22,665	18,663	22,665	18,663
Treasury shares	(11)	(11)	(11)	(11)
Other reserves	(1,010)	(1,425)	248	355
Retained profits / (accumulated losses)	(3,250)	326	(307)	(48)
	18,394	17,553	22,595	18,959
Non-controlling interests	197	87	-	-
Total equity and non-controlling interests	18,591	17,640	22,595	18,959

1(b)(ii) Aggregate amount of group's borrowings and debt securities.**Amount repayable in one year or less, or on demand**

As at 31 December 2013		As at 31 December 2012	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	12,136	-	5,227

Amount repayable after one year

As at 31 December 2013		As at 31 December 2012	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	176	-	-

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

	Group S\$'000	
	FY2013	FY2012
Cash flows from operating activities:		
Net (losses)/ profit	(3,956)	250
Adjustments for		
- Income tax expense	-	22
- Depreciation and amortisation	229	246
- Intangible assets written off	-	89
- Amortisation of bills receivables	-	(38)
- Interest expense	70	203
- Interest income	(31)	(42)
- Currency translation differences	184	(1,017)
- Exercise of share option	(107)	-
	(3,611)	(287)
Changes in working capital		
- Inventories	(242)	674
- Trade and other receivables	(2,595)	6,828
- Trade and other payables	(2,256)	(1,908)
Cash generated from operations	(8,704)	5,307
Interest received	31	42
Interest paid	(70)	(203)
Income tax paid	-	(171)
Net cash (used in)/ provided by operating activities	(8,743)	4,975
Cash flows from investing activities:		
Additions to property, plant and equipment	(866)	(102)
Net cash used in investing activities	(866)	(102)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	4,002	2,836
Proceeds from borrowings	6,833	1,200
Repayment of borrowings	(135)	(5,609)
Repayment of lease liabilities	(60)	(15)
Capital contribution from non-controlling interest of a subsidiary	490	-
Net cash provided by/ (used in) financing activities	11,130	(1,588)
Net increase in cash and cash equivalents	1,521	3,285
Cash and cash equivalents		
Beginning of financial year	8,569	5,054
Effects of currency translation on cash and cash equivalents	342	230
End of financial year	10,432	8,569

Cash and cash equivalents comprise the following:

Cash and cash equivalents
Less: Bank overdrafts

Group	
S\$'000	
FY2013	FY2012
11,455	9,487
(1,023)	(918)
10,432	8,569

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	← Attributable to equity holders of the Company →					Total S\$'000	Non- controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Treasury shares S\$'000	Employee share option reserve S\$'000	Foreign currency translation reserve S\$'000	Retained profits/ (accumulated losses) S\$'000			
	2013							
Beginning of financial year	18,663	(11)	355*	(1,780)*	326	17,553	87	17,640
Shares issued pursuant to exercise of warrants	4,002	-	-	-	-	4,002	-	4,002
Exercise of share options	-	-	(107)	-	-	(107)	-	(107)
Total comprehensive (losses)/ income for the year	-	-	-	522	(3,576)	(3,054)	110	(2,944)
End of financial year	22,665	(11)	248*	(1,258)*	(3,250)	18,394	197	18,591
2012								
Beginning of financial year	15,827	(11)	355*	(980)*	(121)	15,070	288	15,358
Shares issued pursuant to exercise of warrants	2,836	-	-	-	-	2,836	-	2,836
Total comprehensive (losses)/ income for the year	-	-	-	(800)	447	(353)	(201)	(554)
End of financial year	18,663	(11)	355*	(1,780)*	326	17,553	87	17,640

* Not available for distribution

Company	Share capital	Treasury shares	Employee share option reserve	Retained profits/(accumulated losses)	Equity attributable to shareholders of the Company
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2013					
Beginning of financial year	18,663	(11)	355*	(48)	18,959
Shares issued pursuant to exercise of warrants	4,002	-	-	-	4,002
Exercise of share options	-	-	(107)	-	(107)
Total comprehensive loss for the year	-	-	-	(259)	(259)
End of financial year	22,665	(11)	248*	(307)	22,595
2012					
Beginning of financial year	15,827	(11)	355*	54	16,225
Shares issued pursuant to exercise of warrants	2,836	-	-	-	2,836
Total comprehensive loss for the year	-	-	-	(102)	(102)
End of financial year	18,663	(11)	355*	(48)	18,959

* Not available for distribution

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.

	Ordinary Shares	Share Option Scheme ("ESOS")	Warrants
Balance as at 31 December 2012	564,940,007	20,778,000	120,861,787
Listing of New Warrants W160603	-	-	335,306,013
Listing of New Warrants pursuant to the W131206	-	-	8,166,031
Exercised of Warrants	188,362,062	-	(188,362,062)
Exercise of Employee Share Options	6,300,000	(6,300,000)	-
Lapsed of warrants W131206	-	-	(4,817,391)
Balance as at 31 December 2013	759,602,069	14,478,00	271,154,378

Total number of outstanding shares options are as follows:

Date ESOS Grant	Exercise Period	Exercise Price	ESOS outstanding as at 31.12.2012	ESOS outstanding as at 31.12.2013
11.09.2006	11.09.2007 to 10.09.2017	S\$0.13	816,000	816,000
25.08.2008	25.08.2009 to 25.08.2019	S\$0.04	18,162,000	12,662,000
25.08.2008	25.08.2009 to 25.08.2014	S\$0.04	1,800,000	1,000,000

Total number of outstanding warrants are as follows:

Date of Listing	Warrants Number	Exercise Period	Exercise Price (S\$)	Warrants Outstanding
07.06.2013	W160603	07.06.2013 to 03.06.2016	0.020	271,154,378
Balance as at 31 December 2013				271,154,378

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.

	FY 2013	FY 2012
Beginning of financial year	564,940,007	410,943,127
Exercised of Warrants	188,362,062	153,996,880
Exercised of Employee Share Options	6,300,000	-
End of financial year	759,602,069	564,940,007

1(d)(iv) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Total treasury shares as at 31 December 2013 and 31 December 2012 is 251,000. There is no movement for the current financial period.

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

The figures have not been audited nor reviewed.

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 applied the same accounting policies and methods of computation in the financial statements for the current reporting financial year compared with the audited annual financial statements for the financial year ended 31 December 2012 except as described in section 5 below.

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 January 2013, the Group adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Group and the Company and had no material effect on the amounts reported for the current or prior financial 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 year, after deducting any provision for preference dividends.

	Group	
	FY 2013	FY 2012
Earnings per ordinary share of the group		
Based on weighted average number of ordinary shares on issue (cents)	(0.52)	0.09
Weighted average number of ordinary shares	681,963,484	487,579,655
Based on a fully diluted basis (cents)	(0.34)	0.07
Fully diluted number of ordinary shares	1,045,234,447	706,579,794
Issued share capital at the end of financial year	759,602,069	564,940,007

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	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Net asset value per ordinary share based on issued share capital at the end of (cents):	2.45	3.12	2.97	3.36
No. of shares used in computation of net assets per share	759,602,069	564,940,007	759,602,069	564,940,007

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.

Group Revenue	\$'000	\$'000	%
	FY 2013	FY 2012	Increase/ (Decrease)
Project Sales	29,949	22,262	34.5%
Project Management and Maintenance Services	18,454	10,532	75.2%
Total Group	48,403	32,794	47.6%

Gross Profit	\$'000	\$'000	%
	FY 2013	FY 2012	Increase/ (Decrease)
Project Sales	4,570	5,077	(10.0%)
Project Management and Maintenance Services	4,220	2,645	59.5%
Total Group	8,790	7,722	13.8%

(a) Overview

The Group's core businesses remained healthy in FY 2013, with Group revenue registering a strong 47.6% improvement from S\$32.8 million in the previous financial year to S\$48.4 million with positive operating profit.

There are considerable economies of scale to be leveraged in our business and the Group's strategy remains focused on growth. The Group continually looking into new business ventures and will continued to take measured risks, especially in fast growing emerging Myanmar market where we can take advantage of our deep market understanding, excellent network and strong track record. Setting up a wholly owned subsidiary in Myanmar should enable us to acquire further opportunities. During FY 2013, the Group invested in a developmental project in Indo-China which is no longer commercially viable and did not materialize. The Group made a prudent decision to write off the investment in manpower and equipment related to this project. This one-time write-off amounted to S\$2.8 million.

The Group's FY2013 profit was further eroded by the non-performance of one of our sub-contractor in a major project. The Group had to take over the sub-contractor's obligation and portion of work to ensure the smooth delivery of commitments to our customer. The project was successfully delivered but at an additional cost of approximately S\$1.88 million.

Whilst Ntegrator's core businesses remain profitable, these one-time write-off and cost-overrun eroded the modest operating profit generated. Consequently, the Group has incurred a net loss for FY 2013.

(b) Revenue

Group revenue for FY 2013 was S\$48.4 million, an increase of 47.6% over FY 2012.

Project Sales revenue recorded a 34.5% improvement as compared to the previous year. This was due to more overseas projects being secured and completed during the financial year (with the exception of Thailand where projects were delayed due to the political unrest).

Project Management and Maintenance Services which gives the Group a steady stream of recurring income, continued to grow, recording an increase of 75.2% as compared to the previous year. This improvement reflects the growing confidence of our existing customers and their satisfaction with our performance and value added services. The Group will continue to grow this segment of the business.

(c) The core business operations of the Group generated a gross profit of S\$8.8 million as compared to S\$7.7 million in the previous year registering a 13.8% improvement.

Gross profit for Project sales recorded a decrease by 10.0%. This decrease was due to a change in our project mix as competition drove more opportunities to lower margin projects. This decline in margin was compensated by the improvement in Project Management and Maintenance Services which yielded an increase of 59.5% or S\$4.2 million as compared to the previous year of S\$2.6 million. The margin increase for Project Management and Maintenance Services is in line with the revenue increase.

At the cost front, Equipment and Consumables increased by 32.7% from S\$24.9 million to S\$33.0 million in FY 2013 and is in line with the increase in the Group revenue.

Freight costs increased by 16.7% to S\$0.4 million in FY2013, as more overseas projects completed during this financial year than the previous year. Overseas projects also incurred an increase in Commission and Consultancy from S\$0.6 million to S\$2.5 million in FY2013.

Changes in inventories and contract work-in-progress recorded a decrease of 628.0% as many work-in-progress projects were completed in current financial year.

Other gains increased by 126.7% or S\$0.22 million due to:

- Recovering S\$0.17 million bad debts (which were written off in the previous financial year) from late paying customers; and
- plus S\$50,000 from an exchange gain in the current financial year.

Administrative expenses increased by 74.7% or S\$5.6 million. A further breakdown of the costs is tabled below:-

	FY 2013	FY 2012	% Increase / (Decrease)
Employee Compensation	6,686	5,502	21.5%
Cost incurred for developmental project	2,818	-	n.m.
Amortisation / Depreciation	229	246	(6.9%)
Trade Debts Written Off	136	130	4.6%
Operating Lease	560	234	139.3%
Inventories written off	41	97	(57.7%)
Incorporation expenses of New Subsidiary	78	-	-
Entertainment	130	79	64.6%
Bank Charges	157	70	124.30%
Legal and Other Professional Charges	576	209	175.6%
Telephone and Utilities	177	110	60.9%
Other Administrative Expense	1,448	784	84.7%
Total	13,036	7,461	74.7%

n.m. – not meaningful

- Employee Compensation saw an increase of 21.5% or S\$1.2 million majority of which was due to the recruitment of additional staff for the newly incorporated subsidiary, Fiber Reach Pte Ltd;
- A one-time write-off cost for a developmental project;
- Operating rental cost increased by 139.3% or S\$0.3 million due to additional office and warehouse as the Group expanded;
- Legal and Other Professional Charges recorded an increase of 175.6% or S\$0.4 million due to the issuance of new warrants, legal advices on incorporation of new subsidiary in Myanmar and advice on the non-performance of sub-contractor; and
- Other Administrative Expense increased by 84.7% or S\$0.7 million, in line with the expansion of the Group.

Finance costs decreased by 19.2% from S\$0.2 million to S\$0.16 million due to lesser borrowings at the beginning of the financial year. However, we will see an increase in finance costs in the next financial year as more borrowings will be incurred for future projects in the sales pipeline.

(d) Balance Sheet

The increase in cash and cash equivalents from S\$9.5 million to S\$11.5 million was mainly due to cash generated from financing activities. Please refer to paragraph (e) below in the cash flow statements.

Trade and other receivables increased by S\$2.6 million due mainly to projects that were completed in the last quarter of the financial year but are not due for collection.

The increase in Inventories are purchases of equipment for our regular course of business and will be resold as part of projects.

The purchase of site equipment and upgrades of computer server and software added approximately S\$0.9 million to Property, Plant and Equipment. Further details on the breakdown are detailed in the cash flow statements.

There is no change in policy for settling with Trade and Other Payables. The decrease in Trade and other payables of approximately S\$2.3 million in FY 2013 were due to timing of purchases.

The increase in Long Term and Current Borrowings were due to borrowings from financial institutions for the completion of projects.

(e) Cash flow

Net cash of S\$8.7 million were used in operational activities. This is mainly due to:

- cash used in operating activities before changes in working capital of approximately S\$3.6 million (due to loss incurred in FY2013);
- increase in receivables of approximately S\$2.6 million;
- increase in inventories of S\$0.2 million; and
- decrease in payables of approximately S\$2.3 million.

The Group had used S\$0.9 million for the purchase of fixed assets. This consist of:

- S\$0.6 million for the purchase of site equipment for our subsidiary, Fiber Reach Pte Ltd for the completion of one of the major project; and
- S\$0.3 million was used for the purchase of computers, furniture and upgrading of the Group server.

Cash generated from financing activities amounted to S\$11.0 million. This consist of:

- S\$4.0 million were raised from the conversion of warrants and share options;
- S\$6.8 million from borrowings from financial institutions;
- S\$0.2 million repayment of bank borrowings and lease repayment; and
- S\$0.5 million capital contribution for non-controlling interest of a subsidiary.

Overall, the Group's cash and cash equivalent increased by 20.74% or S\$2.0 million to S\$11.5 million at 31 December 2013.

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.

Business conditions are expected to remain challenging and competitive for the next 12 months.

The Group's groups strategy is two-fold. Firstly, to continue to invest and focus on increasing our recurring revenue stream from Project Management and Maintenance Service business and rely less on one-off Project Sales business. Secondly, the Group will continue to take measured risks specifically in the fast-growing emerging Myanmar market. Our track record and reputation has been strong in these endeavours and we will continue to focus on our recurring service business and growing in Myanmar and other markets.

Outstanding order book as at the date of this announcement was S\$53.5 million.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	Interim	Final
Dividend Type	-	-
Dividend Amount per Share (in cents)	-	-
Optional: Dividend Rate (in %)	-	-
Tax Rate	-	-

(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 for the current financial period.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

- 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 immediately preceding year.**

Group Revenue	\$'000	\$'000	%
	FY 2013	FY 2012	Increase/ (Decrease)
Singapore	23,061	19,776	16.6%
Myanmar (Supported by Export Letter of Credit)	8,391	2,972	182.3%
Vietnam (Supported by Export Letter of Credit)	16,427	7,591	116.4%
Others	524	2,455	(78.7%)
Total Group	48,403	32,794	47.6%

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

Please refer to Paragraph 8 for explanation on business segmentation.

- 15. A breakdown of sales.**

Group	\$'000	\$'000	%
	FY 2013	FY 2012	Increase/ (Decrease)
(a) Sales reported for first half year	21,021	14,052	49.6%
(b) Operating profit after tax before deducting minority interests reported for first half year	537	267	101.1%
(c) Sales reported for second half year	27,382	18,742	46.1%
(d) Operating (loss) / profit after tax before deducting minority interests reported for second half year	(4,493)	(17)	26329.4%

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

Total Annual Dividend

	Latest Full Year (FY2013)	Previous Full Year (FY2012)
Ordinary	-	-
Preference	-	-
Total:	-	-

- 17. Interested Person Transactions**

The Company does not have an IPT mandate. There were no transactions with interested persons in FY2013.

- 18. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 902(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company does not have a shareholders' mandate for interested person transactions.

- 19. 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**

Pursuant to Rule 704 (10) of the Catalist Rules of Singapore Exchange Securities Trading Limited, the Board of Directors of Ntegrator International Ltd wishes to confirm that there are no persons occupying managerial positions in the Company or any of its principals subsidiaries who are relatives of a Director or Chief Executive Officer or substantial shareholder of the Company.

- 20. Use of Proceeds – Warrants conversion**

As at 31 December 2013, approximately S\$0.7 million of the proceeds from issuance of shares arising from conversion of warrants has been utilized, in accordance to its intended use, a summary of which is set out below:-

<u>Items</u>	<u>Amount (S\$)</u>	
Conversion of W160603		1,283,032.70
<u>Application of Proceeds</u>		
Professional Fees	138,457.99	
Issuance of Warrants	61,799.83	
Repayment of bank loans	497,240.81	
	<hr/>	
Total Application of Proceeds		697,498.63
		<hr/>
Balance of Conversion of Warrants		<u>585,534.07</u>

BY ORDER OF THE BOARD

Jimmy Chang Joo Whut
Managing Director

21 February 2014

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("Sponsor"), Asian Corporate Advisors Pte Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("Exchange"). The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.

This announcement has not been examined or approved by the Exchange and the Exchange 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 Ms Foo Quee Yin.
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