



## ELEKTROMOTIVE GROUP LIMITED

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### Unaudited Half-Year Financial Statement And Dividend Announcement

#### PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

##### 1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

|   | Note | Group                  |                        | % Increase/ (Decrease) |
|---|------|------------------------|------------------------|------------------------|
|   |      | (Unaudited) 30/09/2016 | (Unaudited) 30/09/2015 |                        |
| <b>Group</b>                                |      |                        |                        |                        |
| <b>S\$'000</b>                              |      |                        |                        |                        |
| <b>Continuing operations</b>                |      |                        |                        |                        |
| <b>Revenue</b>                              |      |                        |                        |                        |
| Publishing                                  |      | 494                    | 549                    | (10.0)                 |
|   |      | <u>494</u>             | <u>549</u>             | (10.0)                 |
| <b>Other income</b>                         | (i)  | 415                    | 1                      | >100.0                 |
| <b>Direct costs:</b>                        |      |                        |                        |                        |
| - Printing and editorial costs              |      | (284)                  | (294)                  | (3.4)                  |
| Employee compensation                       |      | (2,062)                | (698)                  | >100.0                 |
| Amortisation, depreciation and impairment   |      | (2)                    | (15)                   | (86.7)                 |
| Operating lease expenses                    |      | (25)                   | (6)                    | >100.0                 |
| Other operating expenses                    |      | (770)                  | (675)                  | 14.1                   |
| Total expenses                              |      | <u>(3,143)</u>         | <u>(1,688)</u>         | 86.2                   |
| <b>Loss before income tax</b>               |      | <b>(2,234)</b>         | <b>(1,138)</b>         | 96.3                   |
| Income tax expense                          |      | -                      | -                      | -                      |
| <b>Loss from continuing operations</b>      |      | <b>(2,234)</b>         | <b>(1,138)</b>         | 96.3                   |
| <b>Discontinued operations</b>              |      |                        |                        |                        |
| (Loss)/ profit from discontinued operations | (ii) | (1,397)                | 896                    | NM                     |
| <b>Total Loss</b>                           |      | <b>(3,631)</b>         | <b>(242)</b>           | <b>&gt;100.0</b>       |

|   | <b>Group</b>                      |                                   | <b>%<br/>Increase/<br/>(Decrease)</b> |
|---|-----------------------------------|-----------------------------------|---------------------------------------|
|   | <b>S\$'000</b>                    |                                   |                                       |
| <b>Note</b>   | <b>(Unaudited)<br/>30/09/2016</b> | <b>(Unaudited)<br/>30/09/2015</b> |                                       |
| Total Loss  | (3,631)                           | (242)                             | >100.0                                |
| <b>Other comprehensive income</b>                             |                                   |                                   |                                       |
| Items that maybe reclassified subsequently to profit or loss: |                                   |                                   |                                       |
| - Currency translation differences arising from consolidation |                                   |                                   |                                       |
| - (Losses)/ gains   | (38)                              | 178                               | >100.0                                |
| Total comprehensive loss for the period                       | <u>(3,669)</u>                    | <u>(64)</u>                       | >100.0                                |
| <b>(Loss)/ income attributable to:</b>                        |                                   |                                   |                                       |
| - Equity holders of the company                               | <b>(3,134)</b>                    | <b>(716)</b>                      | >100.0                                |
| - Non-controlling interests                                   | <b>(497)</b>                      | <b>474</b>                        | >100.0                                |
| <b>Total comprehensive (loss)/ income attributable to:</b>    |                                   |                                   |                                       |
| - Equity holders of the company                               | <b>(3,172)</b>                    | <b>(538)</b>                      | >100.0                                |
| - Non-controlling interests                                   | <b>(497)</b>                      | <b>474</b>                        | >100.0                                |

NM denotes not meaningful

**Notes to income statement:**

**(i) Included in other income are:**

|   |            |          |        |
|---|------------|----------|--------|
| Recovery of arbitration award and costs | 412        | -        | 100.0  |
| Others                                  | 3          | 1        | >100.0 |
|   | <u>415</u> | <u>1</u> | >100.0 |

**(ii) Included in (loss)/ profit from discontinued operations are:**

|   |                |            |        |
|---|----------------|------------|--------|
| (Loss)/ profit from electric vehicles ("EV") charging solutions | (a) (1,142)    | 970        | NM     |
| Loss from publishing operations – Singapore                     | (b) (245)      | (72)       | >100.0 |
| Loss from F&B   | (10)           | (2)        | >100.0 |
|   | <u>(1,397)</u> | <u>896</u> | NM     |

- (a) On 9 September 2016, the Company announced that it had entered into a sales and purchase agreement with Chargemaster Plc to dispose its 55% stake in Elektromotive Limited ("EUK"). As such, EUK has been classified as a disposal group in accordance with FRS 105, para 6 for the financial period ended 30 September 2016 ("HY 2017") and the financial period ended 30 September 2015 ("HY 2016").

The income statement for the EV division is as follow:

|   | <b>Group<br/>S\$'000</b>         |                                   | <b>%</b>                        |
|---|----------------------------------|-----------------------------------|---------------------------------|
|   | <b>(Unaudited)<br/>30/9/2016</b> | <b>(Unaudited)<br/>30/09/2015</b> | <b>Increase/<br/>(Decrease)</b> |
| Revenue                                   | 1,225                            | 4,639                             | (73.6)                          |
| Other income                              | 2                                | -                                 | 100.0                           |
| Changes in inventories and overhead costs | (931)                            | (1,869)                           | (50.2)                          |
| Employee compensation                     | (659)                            | (888)                             | (25.8)                          |
| Amortisation, depreciation and impairment | (327)                            | (364)                             | (10.2)                          |
| Operating lease expenses                  | (28)                             | (69)                              | (59.4)                          |
| Other operating expenses                  | (395)                            | (433)                             | (19.1)                          |
| Finance expenses                          | (29)                             | (46)                              | (36.7)                          |
| (Loss)/ profit                            | <u>(1,142)</u>                   | <u>970</u>                        | NM                              |

- (b) On 29 April 2016, the Company completed the disposal of Wine & Dine Experience Pte Ltd ("WDE") and the comparative figures for HY 2016 has been classified as loss from discontinuing operations.

Comparative figures have been re-classified to conform with current year presentation as per (a) and (b) above.

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

|  | Group                                |                                    | Company                              |                                    |
|--|--------------------------------------|------------------------------------|--------------------------------------|------------------------------------|
|  | 30/09/2016<br>(Unaudited)<br>S\$'000 | 31/03/2016<br>(Audited)<br>S\$'000 | 30/09/2016<br>(Unaudited)<br>S\$'000 | 31/03/2016<br>(Audited)<br>S\$'000 |
| <b>Current assets</b>  |                                      |                                    |                                      |                                    |
| Cash and cash equivalents  | 888                                  | 4,184                              | 733                                  | 3,892                              |
| Trade and other receivables  | 374                                  | 1,359                              | 127                                  | 10                                 |
| Inventories  | 2                                    | 523                                | -                                    | -                                  |
| Other current assets   | 41                                   | 2,065                              | 33                                   | 29                                 |
|  | 1,305                                | 8,131                              | 893                                  | 3,931                              |
| Assets of disposal group held-for-sale/<br>directly associated with discontinued<br>operations                 | 6,914                                | 13                                 | 3,919                                | -                                  |
|  | 8,219                                | 8,144                              | 4,812                                | 3,931                              |
| <b>Non-current assets</b>  |                                      |                                    |                                      |                                    |
| Investment in subsidiaries   | -                                    | -                                  | -                                    | 3,919                              |
| Property, plant and equipment  | 7                                    | 150                                | 1                                    | 2                                  |
| Intangible assets  | -                                    | 4,731                              | -                                    | -                                  |
|  | 7                                    | 4,731                              | 1                                    | 3,921                              |
| <b>TOTAL ASSETS</b>  | <b>8,226</b>                         | <b>13,025</b>                      | <b>4,813</b>                         | <b>7,852</b>                       |
| <b>Current liabilities</b>   |                                      |                                    |                                      |                                    |
| Trade and other payables   | 1,039                                | 7,710                              | 785                                  | 5,003                              |
| Due to subsidiaries (non-trade)  | -                                    | -                                  | 3,328                                | 3,246                              |
| Current income tax liabilities   | -                                    | 9                                  | -                                    | -                                  |
| Borrowings, current portion  | -                                    | 422                                | -                                    | -                                  |
|  | 1,039                                | 8,141                              | 4,113                                | 8,249                              |
| Liabilities directly associated with disposal<br>group classified as held-for-sale/<br>discontinued operations | 2,657                                | 16                                 | -                                    | -                                  |
|  | 3,696                                | 8,157                              | 4,113                                | 8,249                              |
| <b>Non-current liabilities</b>   |                                      |                                    |                                      |                                    |
| Borrowings, non-current portion  | -                                    | 198                                | -                                    | -                                  |
| Deferred income tax liabilities  | -                                    | 27                                 | -                                    | -                                  |
|  | -                                    | 225                                | -                                    | -                                  |
| <b>TOTAL LIABILITIES</b>   | <b>3,696</b>                         | <b>8,382</b>                       | <b>4,113</b>                         | <b>8,249</b>                       |
| <b>NET ASSETS</b>  | <b>4,530</b>                         | <b>4,643</b>                       | <b>700</b>                           | <b>(397)</b>                       |
| <b>EQUITY</b>  |                                      |                                    |                                      |                                    |
| <b>Capital and reserves attributable to equity holders of the Company</b>                                      |                                      |                                    |                                      |                                    |
| Share capital  | 140,049                              | 136,549                            | 140,049                              | 136,549                            |
| Accumulated losses   | (138,925)                            | (135,791)                          | (139,518)                            | (137,059)                          |
| Share option reserve   | 169                                  | 113                                | 169                                  | 113                                |
| Currency translation reserve   | 2,721                                | 2,759                              | -                                    | -                                  |
|  | 4,014                                | 3,630                              | 700                                  | (397)                              |
| <b>Non-controlling interests</b>   | 516                                  | 1,013                              | -                                    | -                                  |
| <b>TOTAL EQUITY</b>  | <b>4,530</b>                         | <b>4,643</b>                       | <b>700</b>                           | <b>(397)</b>                       |

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

**Amount repayable in one year or less, or on demand**

| As at 30/09/2016   |                      | As at 31/03/2016   |                      |
|--------------------|----------------------|--------------------|----------------------|
| Secured<br>S\$'000 | Unsecured<br>S\$'000 | Secured<br>S\$'000 | Unsecured<br>S\$'000 |
| 16                 | 251                  | 17                 | 405                  |

**Amount repayable after one year**

| As at 30/09/2016   |                      | As at 31/03/2016   |                      |
|--------------------|----------------------|--------------------|----------------------|
| Secured<br>S\$'000 | Unsecured<br>S\$'000 | Secured<br>S\$'000 | Unsecured<br>S\$'000 |
| 27                 | 109                  | 37                 | 161                  |

The above Group borrowings as at 30 September 2016 relates to EUK and have been included as part of liabilities associated with discontinued operations.

**Details of any collateral**

Trade receivables of EUK amounting to about \$0.14 million (2016: \$0.28 million) have been pledged as security to a bank to secure factoring loan.

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

|   | <b>For the 6 months ended</b> |                   |
|---|-------------------------------|-------------------|
|   | <b>30/09/2016</b>             | <b>30/09/2015</b> |
|   | <b>S\$'000</b>                | <b>S\$'000</b>    |
| <b>Cash flows from operating activities</b>                             |                               |                   |
| Total loss  | (3,631)                       | (242)             |
| Adjustments for:  |                               |                   |
| Loss on disposal of subsidiary company                                  | 245                           | -                 |
| Amortisation and depreciation   | 329                           | 384               |
| Employee share options expense  | 56                            | -                 |
| Grant of performance share awards                                       | -                             | 129               |
| Interest expense  | 29                            | 46                |
|   | <b>(2,972)</b>                | <b>317</b>        |
| Changes in working capital, net of effects from disposal of subsidiary: |                               |                   |
| Trade and other receivables   | 641                           | (3,602)           |
| Inventories   | 125                           | 215               |
| Trade and other payables  | (629)                         | 1,113             |
| <b>Net cash used in operating activities</b>                            | <b>(2,835)</b>                | <b>(1,957)</b>    |
| <b>Cash flows from investing activities:</b>                            |                               |                   |
| Purchase of property, plant and equipment                               | (3)                           | (7)               |
| Purchase of intangible assets   | -                             | (200)             |
| Proceeds from disposal of subsidiary company, net of cash               | (5)                           | -                 |
| <b>Net cash used in investing activities</b>                            | <b>(8)</b>                    | <b>(207)</b>      |
| <b>Cash flows from financing activities</b>                             |                               |                   |
| Proceeds from issuance of shares  | -                             | 3,079             |
| (Repayment of)/ proceeds from term loans                                | (215)                         | 560               |
| Repayment of loan from directors  | -                             | (400)             |
| Interest paid   | (29)                          | (46)              |
| <b>Net cash (used in)/ generated from financing activities</b>          | <b>(244)</b>                  | <b>3,193</b>      |
| Net (decrease)/ increase in cash and cash equivalents                   | (3,087)                       | 1,029             |
| Cash and cash equivalents at beginning of the financial period          | 4,188                         | 927               |
| Effects of currency translation on cash and cash equivalents            | (30)                          | 178               |
| <b>Cash and cash equivalents at end of the financial period</b>         | <b>1,071</b>                  | <b>2,134</b>      |
| Cash and cash equivalents   | 888                           | 2,123             |
| Cash held by discontinued group   | 183                           | 11                |
| <b>Cash and cash equivalents per statement of cash flows</b>            | <b>1,071</b>                  | <b>2,134</b>      |

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

|  | Attributable to equity holders of the Company |   |  |                                  | Total<br>S\$'000 | Non-<br>controlling<br>Interests<br>S\$'000 | Total<br>S\$'000 |
|--|---|---|--|----------------------------------|------------------|---|------------------|
|  | Share<br>Capital<br>S\$'000                   | Currency<br>translation<br>reserve<br>S\$'000 | Share<br>options<br>reserve<br>S\$'000 | Accumulated<br>Losses<br>S\$'000 |                  |   |                  |
| <b>The Group (unaudited)</b>                         |   |   |  |                                  |                  |   |                  |
| <u>For the 6 months period ended</u>                 |   |   |  |                                  |                  |   |                  |
| <u>30/09/2016</u>                                    |   |   |  |                                  |                  |   |                  |
| Balance at 01/04/2016                                | 136,549                                       | 2,759   | 113                                    | (135,791)                        | 3,630            | 1,013                                       | 4,643            |
| Issuance of shares                                   | 3,500   | -   | -                                      | -                                | 3,500            | -   | 3,500            |
| Total comprehensive loss for the period              | -   | (38)  | -                                      | (3,134)                          | (3,172)          | (497)                                       | (3,669)          |
| Employee share option scheme:                        |   |   |  |                                  |                  |   |                  |
| - Value of employee services                         | -   | -   | 56                                     | -                                | 56               | -   | 56               |
| <b>Balance at 30/9/2016</b>                          | <b>140,049</b>                                | <b>2,721</b>                                  | <b>169</b>                             | <b>(138,925)</b>                 | <b>4,018</b>     | <b>516</b>                                  | <b>4,530</b>     |
| <u>For the 6 months period ended</u>                 |   |   |  |                                  |                  |   |                  |
| <u>30/09/2015</u>                                    |   |   |  |                                  |                  |   |                  |
| Balance at 01/04/2015                                | 132,541                                       | 2,751   | -                                      | (129,471)                        | 5,821            | 894   | 6,715            |
| Issuance of shares                                   | 3,208   | -   | -                                      | -                                | 3,208            | -   | 3,208            |
| Total comprehensive (loss)/<br>income for the period | -   | 178   | -                                      | (716)                            | (538)            | 474   | (64)             |
| <b>Balance at 30/9/2015</b>                          | <b>135,749</b>                                | <b>2,929</b>                                  | <b>-</b>                               | <b>(130,187)</b>                 | <b>8,491</b>     | <b>1,368</b>                                | <b>9,859</b>     |
| <b>The Company (unaudited)</b>                       |   |   |  |                                  |                  |   |                  |
| <u>For the 6 months period ended</u>                 |   |   |  |                                  |                  |   |                  |
| <u>30/09/2016</u>                                    |   |   |  |                                  |                  |   |                  |
| Balance at 01/04/2016                                | 136,549                                       | -   | 113                                    | (137,059)                        | (397)            | -   | (397)            |
| Issuance of shares                                   | 3,500   | -   | -                                      | -                                | 3,500            | -   | 3,500            |
| Total comprehensive loss for the year                | -   | -   | -                                      | (2,459)                          | (2,459)          | -   | (2,459)          |
| Employee share option scheme:                        |   |   |  |                                  |                  |   |                  |
| - Value of employee services                         | -   | -   | 56                                     | -                                | 56               | -   | 56               |
| <b>Balance at 30/9/2016</b>                          | <b>140,049</b>                                | <b>-</b>                                      | <b>169</b>                             | <b>(139,518)</b>                 | <b>700</b>       | <b>-</b>                                    | <b>700</b>       |
| <u>For the 6 months period ended</u>                 |   |   |  |                                  |                  |   |                  |
| <u>30/09/2015</u>                                    |   |   |  |                                  |                  |   |                  |
| Balance at 01/04/2015                                | 132,541                                       | -   | -                                      | (129,978)                        | 2,563            | -   | 2,563            |
| Issue of shares                                      | 3,208   | -   | -                                      | -                                | 3,208            | -   | 3,208            |
| Total comprehensive loss for the period              | -   | -   | -                                      | (1,345)                          | (1,345)          | -   | (1,345)          |
| <b>Balance at 30/09/2015</b>                         | <b>135,749</b>                                | <b>-</b>                                      | <b>-</b>                               | <b>(131,323)</b>                 | <b>4,426</b>     | <b>-</b>                                    | <b>4,426</b>     |

**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.**

|  |                             | <b>Share Capital<br/>S\$'000</b> |
|--|-----------------------------|----------------------------------|
| <b>Number of shares</b>                              |                             |                                  |
| As at 01/04/2016                                     | 1,735,525,365               | 136,549                          |
| Issue of shares pursuant to placement <sup>(1)</sup> | <u>700,000,000</u>          | <u>3,500</u>                     |
| As at 30/09/2016                                     | <u><u>2,435,525,365</u></u> | <u><u>140,049</u></u>            |
| <b>Treasury shares</b>                               |                             |                                  |
| At the beginning and end of the period               | <u><u>-</u></u>             | <u><u>-</u></u>                  |

Notes:

1. On 21 April 2016, the Company completed a placement of 700 million new shares.

Pursuant to the Warrants 2015 Issue, there are 1,368,451,292 outstanding warrants which would be exercisable into 1,368,451,292 ordinary shares of the Company as at 30 September 2016 and 30 September 2015.

During the six months ended 30 September 2016, no options were granted pursuant to Elektromotive Employees' Share Option Scheme 2014 ("ESOS"). (During the six months 30 September 2015, 86,000,000 options were granted pursuant to the ESOS).

As at 30 September 2016 and 30 September 2015, 86,000,000 options are exercisable into 86,000,000 ordinary shares of the Company after 24 months from the date of grant, being 13 July 2015.

**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.**

The issued shares excluding treasury shares as at 30 September 2016 and 31 March 2016 is 2,435,525,365 shares and 1,735,525,365 shares respectively. The Company did not have any treasury shares as at 30 September 2016 and 31 March 2016.

**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. The Company does not have any treasury shares during and as at the end of the current financial period reported on.

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

The figures are unaudited and have not been reviewed by the auditors.

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

Not applicable.



**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those for the audited financial statements for the financial year ended 31 March 2016.

**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.**

The Group has adopted all new and revised Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS ("Int FRS") that are relevant to the operations and effective for financial period on or after 1 April 2016, where applicable.

The adoption of these new and revised standards from the effective date is not expected to result in any material adjustments to the financial statements of the Group for the current financial reporting year.

**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.**

|  | 30/09/2016 | 30/09/2015 |
|--|------------|------------|
| Loss per share ("LPS") attributable to shareholders      |            |            |
| - on weighted average number of shares (Singapore cents) | (0.13)     | (0.06)     |
| - on a fully diluted basis (Singapore cents)             | (0.13)     | (0.06)     |

Notes:

- (1) The weighted average number of ordinary shares outstanding is 2,318,858,698 and 1,275,913,684 for the financial period ended 30 September 2016 ("HY 2017") and the financial period ended 30 September 2015 ("HY 2016") respectively.
- (2) The basic and diluted LPS for HY 2017 and HY 2016 were the same as the outstanding warrants were out-of-money and the 86,000,000 options have not vested.

**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    |            |
|--|------------|------------|------------|------------|
|  | 30/09/2016 | 31/03/2016 | 30/09/2016 | 31/03/2016 |
| Net asset value based on existing issued share capital as at the respective period (Singapore cents) | 0.16       | 0.21       | 0.03       | (0.02)     |

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 mentioned previously, the (loss)/ profit from EUK and WDE have been classified as discontinued operations in HY 2017 and HY 2016.

#### Revenue

Revenue from continuing operations for the 6 months ended 30 September 2016 decreased 10.0% to S\$0.49 million as compared to S\$0.55 million in the previous corresponding period due to a decrease in revenue from our Malaysian publishing operations.

#### Loss from discontinuing operations – EV division

Revenue from our EV division for the 6 months ended 30 September 2016 decreased 73.6% to S\$1.23 million as compared to S\$4.64 million in the previous corresponding period. Due to a delay in the installation and fulfillment of rapid chargers in the financial year ended 31 March 2015 ("FY 2015"), these installations were only completed and the related revenue recognized in HY 2016, consequently, revenue for HY 2016 was higher.

Employee compensation decreased by 25.8% to S\$0.66 million as compared to S\$0.89 million in the previous corresponding period due (i) to the cessation of our EV operations in Singapore from 1 April 2016 and (ii) the weakening of the Sterling pound against the Singapore dollar during the financial period.

Finance expenses decreased by 36.7% to S\$29,000 as compared to S\$46,000 in HY2016 as a result of lower borrowings.

The EV division incurred a loss of S\$1.14 million as compared to a profit of S\$0.97 million in the previous corresponding period due to weak demand for charger sales and installations as government funding for charging infrastructure has slowed down and the higher HY 2016 revenue arising as a result of the delays in the installation of rapid chargers in FY 2015 as mentioned above.

#### Loss attributable to shareholders

Loss attributable to shareholders for the period under review was S\$3.13 million as compared to S\$0.72 million in the previous corresponding period.

The higher loss was due to the following:

- a loss of S\$0.63 million in HY 2017 from our EV division as compared to a profit of S\$0.51 million in HY 2016. The weak performance is due to weak demand in the rapid chargers installation in HY 2017 as compared to the previous corresponding period;
- loss incurred from the disposal of WDE amounting to S\$0.25 million as compared to an operating loss of S\$72,000 incurred by WDE in HY 2016; and
- increase in employee compensation during the financial period.

Employee compensation increased by 195.4% to S\$2.07 million as compared to S\$0.7 million in the previous corresponding period due to damages for contractual breach paid to executive directors who stepped down during the financial period amounting to S\$1.71 million.

Operating lease expenses increased by 316.7% to S\$25,000 as compared to S\$6,000 in HY 2016 due to a new lease taken up by the Company during the financial period.

Other operating expenses increased by 14.1% to S\$0.77 million as compared to S\$0.68 million in the previous corresponding period largely due to fees made for professional services during HY 2017.

#### Balance sheet

In accordance with FRS105, the Group has classified the assets and liabilities associated with EUK as assets of disposal group held-for-sale and liabilities directly associated with disposal group held-for-sale.

The decrease in trade and other receivables arising from the deconsolidation of WDE of about S\$0.4 million and the reclassification of EUK as assets for disposal group-held-for-sale.

The decrease in inventories, other current assets and intangible assets is due to the classification of EUK as assets for disposal group-held-for-sale.

The decrease in trade and other payables is due to:

- completion of the placement 700 million new shares of S\$3.5 million for which the proceeds were received prior to 31 March 2016;
- settlement in HY 2017 of severance payment to employees of S\$0.35 million;
- S\$0.33 million arising from the deconsolidation of WDE; and
- classification of EUK's liabilities as liabilities directly associated with disposal group classified as held-for-sale.

The decrease in borrowings is due to classification to liabilities directly associated with disposal group classified as held-for-sale.

The Group's balance sheet before the classification of EUK as disposal group held-for-sale is presented below for comparative purposes.

| <b>(S\$'000)</b>   | <b>30/09/2016<br/>(Unaudited)</b> | <b>31/03/2016<br/>(Audited)</b> |
|--|-----------------------------------|---------------------------------|
| <b>Current assets</b>  |                                   |                                 |
| Cash and cash equivalents                                    | 1,071                             | 4,184                           |
| Trade and other receivables                                  | 852                               | 1,359                           |
| Inventories  | 379                               | 523                             |
| Other current assets   | 1,397                             | 2,065                           |
|  | 3,699                             | 8,131                           |
| Assets directly associated with discontinued operations      | -                                 | 13                              |
|  | 3,699                             | 8,144                           |
| <b>Non-current assets</b>                                    |                                   |                                 |
| Property, plant and equipment                                | 109                               | 150                             |
| Intangible assets  | 4,418                             | 4,731                           |
|  | 4,527                             | 4,881                           |
| <b>TOTAL ASSETS</b>  | <b>8,226</b>                      | <b>13,025</b>                   |
| <b>Current liabilities</b>                                   |                                   |                                 |
| Trade and other payables                                     | 3,242                             | 7,710                           |
| Current income tax liabilities                               | 8                                 | 9                               |
| Borrowings, current portion                                  | 267                               | 422                             |
|  | 3,517                             | 8,141                           |
| Liabilities directly associated with discontinued operations | 16                                | 16                              |
|  | 3,533                             | 8,157                           |

**Non-current liabilities**

|                                 |              |              |
|---------------------------------|--------------|--------------|
| Borrowings, non-current portion | 136          | 198          |
| Deferred income tax liabilities | 27           | 27           |
|                                 | 163          | 225          |
| <b>TOTAL LIABILITIES</b>        | <b>3,696</b> | <b>8,382</b> |
| <b>NET ASSETS</b>               | <b>4,530</b> | <b>4,643</b> |

Cash-flow

Cash and cash equivalents as at end of period was S\$1.07 million as compared to S\$4.19 million at the beginning of the period.

Cash used in operating activities increase by S\$0.87 million to S\$2.83 million in HY 2017 as compared to HY 2016 largely due to the operating loss incurred by our EV division and the increase in employee compensation.

Cash used in investing activities decreased to S\$8,000 in HY 2017 as compared to S\$0.21 million in HY 2016 due mainly to the absence of intangible assets of S\$0.2 million in HY 2017.

Cash used in financing activities was S\$0.24 million in HY 2017 as compared to cash generated of S\$3.2 million in HY 2016 mainly due to repayment of term loans and interest paid. In HY 2016, the Company raised S\$3.1 million from a rights issue.

As a result of the foregoing, the Group had a positive working capital of S\$0.27 million (excluding assets and liabilities of disposal group held-for-sale) as at 30 September 2016.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders in relation to the current financial period under review.

**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.**

On 4 November 2016, the Company has announced that it entered into a termination deed for the proposed acquisition of QT Interactive Technology Investments Limited. The Company has also announced that it has entered into a non-binding MOU with Gemini Investment Corp and Arion Technology Inc to acquire a 63.13% stake in Dream T Entertainment Co., Ltd.

Notwithstanding the termination, it is the Company's intention to cease, dispose or transfer its existing electric vehicle charging solutions and publishing businesses. The Company has on 9 September 2016 announced the proposed disposal of its 55% stake in the issued capital of EUK to Chargemaster Plc.

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

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

None.

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

None.

**(ii) Previous corresponding period .....cents**

None.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

No dividend has been declared or recommended during and for the six months ended 30 September 2016.

**13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to the effect.**

The Group has not obtained a general mandate from shareholders for IPTs. There were no IPTs of S\$100,000 and above for the six months ended 30 September 2016.

**14. Use of Net Proceeds**

The following relates to the net proceeds of S\$0.6 million equity linked redeemable structured convertible notes issued in FY 2016 and has been fully utilised:

| Purpose   | Net proceeds<br>utilised as at<br>the date of<br>announcement<br>(S\$'000) | Balance<br>unutilised<br>(S\$'000) |
|---|--|------------------------------------|
| EV business in Asia (excluding Japan) and Australasia<br>- Working capital <sup>(1)</sup> | 69   | -                                  |
| Working capital <sup>(2)</sup>  | 525  | -                                  |
| <b>Total</b>  | <b>594</b>   | <b>-</b>                           |

(1) The amount allocated for working capital had been utilised mainly for the payment of salary and wages and staff related costs of S\$0.07 million.

(2) The amount allocated for working capital has been utilised mainly for the payment of salary and wages and staff related costs of S\$0.25 million, payment to creditors of \$0.27 million.

The following relates to the net proceeds of S\$3.5 million raised from the placement of 700 million shares in April 2016 and has been fully utilised:

| Purpose                        | Net proceeds utilised as at the date of announcement (S\$'000) | Balance unutilised (S\$'000) |
|--------------------------------|--|------------------------------|
| Working capital <sup>(1)</sup> | 3,450  | -                            |
| <b>Total</b>                   | <b>3,450</b>   | <b>-</b>                     |

- (1) The amount allocated for working capital had been utilised mainly for:
- the payment of salary and wages and staff related costs of S\$1.86 million;
  - the payment of directors' fees of S\$0.18 million;
  - working capital loans to EUK of S\$0.27 million; and
  - payment to creditors of S\$1.14 million

## 15. Negative assurance

We, Ng Kai Man and Lee Keng Mun, being two directors of Elektromotive Group Limited (the "Company") do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial results for the six months ended 30 September 2016 to be false or misleading in any material aspect.

For and on behalf of the Board

(signed)  
Ng Kai Man  
Executive Director

(signed)  
Lee Keng Mun  
Independent Director

## 16. Confirmation by the Company pursuant to Rule 720(1) of the Catalist Rules

The Company confirms that it has procured all the required undertakings from all directors and executive officers of the Company under Rule 720(1) of the Catalist Rules.

## BY ORDER OF THE BOARD

**Ng Kai Man**  
**Executive Director**  
**11 November 2016**

*This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, exchange rate movement, cost of capital and capital availability, competition from other companies, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.*