



ELEKTROMOTIVE GROUP LIMITED

This announcement has been prepared by Elektromotive Group Limited (the "Company") and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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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) 30/09/2015	(Restated)* 30/09/2014	
		S\$'000		
Continuing operations				
Revenue				
Publishing		1,028	1,213	(15.3)
Exhibition and events		-	29	(100.0)
Electric vehicles charging equipment		4,639	1,616	187.1
		<u>5,667</u>	<u>2,858</u>	98.3
Other income	(i)	9	224	(96.0)
Direct costs:				
- Publications		(406)	(528)	(23.1)
- Exhibitions and events		-	(20)	(100.0)
- Electric vehicles charging equipment		(1,869)	(982)	90.3
Personnel expenses		(1,854)	(1,512)	22.6
Amortisation, depreciation and impairment		(384)	(266)	44.4
Operating lease expenses		(120)	(253)	(52.6)
Finance expenses		(46)	(20)	130.0
Other operating expenses		(1,237)	(648)	90.9
Total expenses		<u>(5,916)</u>	<u>(4,229)</u>	39.9
Share of loss of JV company		-	(34)	(100.0)
Loss before income tax		(240)	(1,181)	(79.7)
Income tax expense		-	-	-
Loss from continuing operations		(240)	(1,181)	(79.7)
Discontinued operations				
Loss from discontinued operations		(2)	(8)	(75.0)
Total Loss		(242)	(1,189)	(79.6)

	Group		% Increase/ (Decrease)
	S\$'000		
Note	(Unaudited) 30/09/2015	(Restated)* 30/09/2014	
Total Loss	(242)	(1,189)	(79.6)
Other comprehensive income			
Items that maybe reclassified subsequently to profit or loss:			
- Currency translation differences arising from consolidation			
- Gains/ (losses)	178	(8)	NM
Total comprehensive loss for the period	<u>(64)</u>	<u>(1,197)</u>	(94.7)
(Loss)/ income attributable to:			
- Equity holders of the company	(716)	(1,163)	(38.4)
- Non-controlling interests	<u>474</u>	<u>(26)</u>	NM
Total comprehensive (loss)/ income attributable to:			
- Equity holders of the company	(538)	(1,171)	(54.1)
- Non-controlling interests	<u>474</u>	<u>(26)</u>	NM

* Certain comparative figures have been restated due to adoption of FRS 111 (new) – “Joint Arrangements”. Please refer to paragraph 5 of this announcement for details.

NM - Not meaningful

Notes to income statement:

(i) Included in other income are:

Negative goodwill arising from acquisition of subsidiary	-	208	(100.0)
Others	<u>9</u>	<u>16</u>	(43.8)
	<u>9</u>	<u>224</u>	(96.0)

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	
	30/09/2015 (Unaudited) S\$'000	31/03/2015 (Audited) S\$'000	30/09/2015 (Unaudited) S\$'000	31/03/2015 (Audited) S\$'000
Current assets				
Cash and cash equivalents	2,123	914	1,042	111
Trade and other receivables	4,129	2,103	13	-
Inventories	644	859	-	-
Other current assets	1,898	364	83	61
	8,794	4,240	1,138	172
Assets directly associated with discontinued operations	22	23	-	-
	8,816	4,263	1,138	172
Non-current assets				
Investment in subsidiaries	-	-	8,630	8,630
Property, plant and equipment	97	117	17	27
Intangible assets	8,915	9,070	-	-
	9,012	9,187	8,647	8,657
TOTAL ASSETS	17,828	13,450	9,785	8,829
Current liabilities				
Trade and other payables	5,674	4,553	660	1,238
Due to subsidiaries (trade)	-	-	1,264	1,035
Due to subsidiaries (non-trade)	-	-	3,035	3,193
Borrowings, current portion	1,642	1,425	400	800
	7,316	5,978	5,359	6,266
Liabilities directly associated with discontinued operations	384	392	-	-
	7,700	6,370	5,359	6,266
Non-current liabilities				
Borrowings, non-current portion	239	296	-	-
Deferred income tax liabilities	30	69	-	-
	269	365	-	-
TOTAL LIABILITIES	7,969	6,735	5,359	6,266
NET ASSETS	9,859	6,715	4,426	2,563
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	135,749	132,541	135,749	132,541
Accumulated losses	(130,187)	(129,471)	(131,323)	(129,978)
Currency translation reserve	2,929	2,751	-	-
	8,491	5,821	4,426	2,563
Non-controlling interests	1,368	894	-	-
TOTAL EQUITY	9,859	6,715	4,426	2,563

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

Amount repayable in one year or less, or on demand

As at 30/09/2015		As at 31/03/2015	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
1,091	551	482	943

Amount repayable after one year

As at 30/09/2015		As at 31/03/2015	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	239	-	296

Details of any collateral

Trade receivables of EUK amounting to about \$1.1 million (2015: \$0.48 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.

	For the 6 months ended	
	30/09/2015	30/09/2014 (Restated)*
	S\$'000	S\$'000
Cash flows from operating activities		
Total loss	(242)	(1,189)
Adjustments for:		
Share of losses of JV company	-	34
Amortisation and depreciation	384	266
Grant of performance share awards	129	-
Negative goodwill arising from business acquisition	-	(208)
Interest expense	46	20
	317	(1,077)
Changes in working capital, net of effects from acquisition of subsidiary:		
Trade and other receivables	(3,602)	(185)
Inventories	215	(77)
Trade and other payables	1,113	(80)
Net cash used in operating activities	(1,957)	(1,419)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(7)	(11)
Purchase of intangible assets	(200)	(220)
Acquisition of subsidiaries, net of cash	-	86
Net cash used in investing activities	(207)	(145)
Cash flows from financing activities		
Proceeds from issuance of shares	3,079	1,000
Proceeds from term loans	560	591
Repayment of loan from directors	(400)	-
Interest paid	(46)	(20)
Net cash generated from financing activities	3,193	1,571
Net increase in cash and cash equivalents	1,029	7
Cash and cash equivalents at beginning of the financial period	927	781
Effects of currency translation on cash and cash equivalents	178	(8)
Cash and cash equivalents at end of the financial period	2,134	780
Cash and cash equivalents	2,123	766
Cash held by discontinued group	11	14
Cash and cash equivalents per statement of cash flows	2,134	780

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				Non-Controlling Interests	Total
	Share Capital	Currency translation reserve	Accumulated losses	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group (unaudited)						
<u>For the 6 months period ended 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)/ income for the period	-	178	(716)	(538)	474	(64)
Balance at 30/09/2015	135,749	2,929	(130,187)	8,491	1,368	9,859
<u>For the 6 months period ended 30/09/2014</u>						
Balance at 01/04/2014	131,141	2,682	(126,678)	7,145	824	7,969
Issuance of shares	1,000	-	-	1,000	-	1,000
Total comprehensive loss for the period	-	(8)	(1,163)	(1,171)	(26)	(1,197)
Balance at 30/09/2014	132,141	2,674	(127,841)	6,974	798	7,772
The Company (unaudited)						
<u>For the 6 months period ended 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)
Balance at 30/09/2015	135,749	-	(131,323)	4,426	-	4,426
<u>For the 6 months period ended 30/09/2014</u>						
Balance at 01/04/2014	131,141	-	(127,039)	4,102	-	4,102
Issue of shares	1,000	-	-	1,000	-	1,000
Total comprehensive loss for the period	-	-	(1,278)	(1,278)	-	(1,278)
Balance at 30/09/2014	132,141	-	(128,317)	3,824	-	3,824

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.

		Share Capital S\$'000
Number of shares		
As at 01/04/2015	684,225,646	132,541
Issue of shares pursuant to rights issue	684,225,646	3,079
Issue of shares pursuant to grant of performance awards	43,000,000	129
As at 30/09/2015	<u>1,411,451,292</u>	<u>135,749</u>
Treasury shares		
At the beginning and end of the period	<u>-</u>	<u>-</u>

Notes:

1. On 7 May 2015, the Company completed completed a rights cum warrants issue.
2. On 10 July 2015, the Company issued 43,000,000 shares pursuant to the Elektromotive Performance Shares Plan.

There are no outstanding warrants pursuant to the Warrants 2012. The 508,071,989 warrants which were issued pursuant to the Warrants 2012 expired on 10 July 2015. (As at 30 September 2014, there were 508,071,989 outstanding warrants which would be exercisable into 508,071,989 ordinary shares of the Company).

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 announced on 26 November 2014, the fourth sub-tranche of Tranche 2 Equity Linked Redeemable Structured Convertible Notes have been issued by the Company to the Subscriber. The number of Shares to be issued under the outstanding notes will be calculated in accordance to the formula (see Circular dated 4 May 2013).

The Company had on 13 July 2015 granted 86,000,000 options pursuant to the Elektromotive Employees' Share Option Scheme 2014 ("ESOS"). The options are exercisable into 86,000,000 ordinary shares of the Company after 24 months from the date of grant. (As at 30 September 2014, no options were granted pursuant to the ESOS.)

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.

Refer to 1(d)(ii) above. The Company did not have any treasury shares as at 30 September 2015 and 31 March 2015.

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. There were no treasury shares outstanding as at 30 September 2015.

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 2015.

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 2015, 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.

Impact of change in accounting policy on the statement of comprehensive income

	For the financial period ended 30/09/2014	Effect of change in accounting policy	For the financial period ended 30/09/2014 (Restated)
Statement of comprehensive income	S\$'000	S\$'000	S\$'000
Revenue	2,979	(121)	2,858
Other income	224	-	224
Total expenses	(4,384)	155	(4,229)
Share of loss of JV company	-	(34)	(34)
Loss before income tax	(1,181)	-	(1,181)
Income tax expense	-	-	-
Loss from continuing operations	(1,181)	-	(1,181)
Discontinued operations	(8)	-	(8)
Loss from discontinued operations			
Total loss	(1,189)	-	(1,189)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- Losses	(8)	-	(8)
Total comprehensive loss	(1,197)	-	(1,197)

Impact of change in accounting policy on the statement of cash flows

	For the financial period ended 30/09/2014	Effect of change in accounting policy	For the financial period ended 30/09/2014 (Restated)
	S\$'000	S\$'000	S\$'000
Net cash used in operating activities	(1,359)	(60)	(1,419)
Includes:			
- Cash used in operations	(1,359)	(60)	(1,419)
Net cash used in investing activities	(313)	168	(145)
Net cash provided by financing activities	1,571	-	1,571
Net (decrease)/ increase in cash and cash equivalents	(101)	108	7

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.

	30/09/2015	30/09/2014
Loss per share ("LPS") attributable to shareholders		
- on weighted average number of shares	(0.06) cents	(0.21) cents
- on a fully diluted basis	(0.06) cents	(0.21) cents

Notes:

- (1) The weighted average number of ordinary shares outstanding is 1,275,913,684 and 566,912,919 for the financial period ended 30 September 2015 ("HY 2016") and the financial period ended 30 September 2014 ("HY 2015") respectively.
- (2) The basic and diluted LPS for HY 2016 and HY 2015 were the same as the outstanding warrants were out-of-money.

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	
	30/09/2015	31/03/2015	30/09/2015	31/03/2015
Net asset value based on existing issued share capital as at the respective period	0.60 cents	0.85 cents	0.31 cents	0.37 cents

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.**

Revenue

Revenue for the 6 months ended 30 September 2015 increased 98.3% to \$5.67 million as compared to \$2.86 million in the previous corresponding period. This is largely due to an increase in revenue from our EV division which registered a growth of 187.1% in revenue. The increase in revenue from our EV division is largely due to the rapid chargers installations which were completed during the financial period and as a result of the strong increase in EV sales in the United Kingdom.

Loss attributable to shareholders

Loss attributable to shareholders for the period under review was S\$0.72 million. This was 38.4% lower than the loss of S\$1.16 million for the prior period ended 30 September 2014.

The better bottom line performance was achieved largely due to our EV division which registered a profit of S\$0.97 million for the financial period as compared to a loss of \$0.21 million in HY 2015.

This was offset by a loss of S\$0.22 million from our publishing division as compared to a profit of S\$0.05 in HY 2015. The loss in HY 2016 included S\$0.16 million relating to foreign exchange loss due to the weakening Malaysian Ringgit and legal fees incurred in Malaysia amounting to about S\$0.05 million.

Personnel expenses increased by 22.6% to \$1.85 million as compared to \$1.51 million in the previous corresponding period due to the issue of 43 million shares pursuant to the Elektromotive Performance Shares Plan amounting to S\$0.13 million and also an increase in headcount in our EV division.

Amortisation, depreciation and impairment increased by 44.4% to S\$0.38 million as compared to S\$0.27 million in the previous corresponding period due to higher amortisation of intangible assets in our EV division.

Finance expenses increased by 130% to \$0.05 million as compared to S\$0.02 million in HY 2015 as a result of higher borrowings in our EV division.

Operating lease expenses decreased by 52.6% to S\$0.12 million as compared to S\$0.25 million in HY 2015 as the lease for one of the Group's premises expired in December 2015.

Other operating expenses increased by 90.9% to S\$1.23 million as compared to S\$0.65 million in the previous corresponding period. The increase is due to the following:

- Professional fees incurred relating to the rights issue amounting to S\$0.15 million.
- Foreign exchange loss of S\$0.16 million due to the weakening Malaysian Ringgit
- An increase in other operating expenses in our EV division of about S\$0.22 million.

Balance sheet

The increase in trade and other receivables is mainly due to an increase in the debtors from the EV division as a result of higher sales during HY 2016. The higher sales in HY 2016 has also resulted in a decrease in inventories during the period.

The increase in other current assets is mainly due to prepaid expenses in HY 2016 relating to our EV division.

The increase in trade and other payables is largely due to our EV division for which the cost of goods sold has increased by 90.3% as a result of the higher sales.

The loans to directors amounting to S\$0.4 million was repaid during the financial year. The increase in current borrowings is due to the factoring loan of our EV division which increased by about S\$0.6 million during the financial period.

Cash-flow

Cash and cash equivalents as at end of period was S\$2.13 million as compared to S\$0.93 million at the beginning of the period.

Cash used in operating activities increase by S\$0.54 million to S\$1.96 million in HY 2016 as compared to HY 2015 largely due to an increase in trade and other receivables and offset by the increase in trade and other payables.

Cash used in investing activities increased to S\$0.21 million in HY 2016 as compared to S\$0.15 million in HY 2015 due mainly to cash generated from acquisition of subsidiaries in HY 2015 amounting to S\$0.08 million.

Cash generated from financing activities increased to S\$3.2 million in HY 2016 as compared to S\$1.6 million in HY 2015 due to new borrowings granted to EUK as well as proceeds from the rights issue. The Company raised about S\$2.8 million from the rights issue in May 2015.

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

In the FY 2015 result announcement dated 29 May 2015, the Company disclosed that, "The EV and publishing divisions showed improved year-on-year performance in FY 2015. And, barring unforeseen circumstances, the trend will continue into FY 2016."

Our EV division registered a profit of S\$0.97 million for HY 2016 which is in line with the above statement.

In FY 2015, the publishing division incurred a loss of S\$0.29 million. The publishing division incurred a loss of S\$0.22 million in HY 2016 which included a foreign exchange loss of S\$0.16 million and legal fees of about S\$0.05 million.

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.

Despite lower fuel prices, sales of electric vehicles ("EV") globally continued to gain traction at a fast pace, particularly in the major markets, like the US, Japan and EU countries.

EV sales worldwide are expected to exceed one million units before end 2015, with the bulk being sold in the last few years.

This is reflected in the performance of our EV division in the first half of our current FY. Going forward, the long-term outlook of our EV division remains generally positive.

Charge Your Car Limited ("CYC"), a wholly owned unit of our UK subsidiary, today operates one of the largest network of chargers, and has the largest user network in the UK, with more than 10,000 drivers in its user network, and growing rapidly. In the longer term, CYC is expected to become an integral and valuable part of our EV division.

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 sharecents

None.

(ii) Previous corresponding periodcents

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 2015.

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 2015.

14. Use of Net Proceeds

The following relates to the net proceeds of S\$2.8 million raised from the rights issue in May 2015:

Purpose	Net proceeds utilised as at the date of announcement (S\$'000)
Publishing business – working capital ⁽¹⁾	189
EV division – working capital ⁽²⁾	80
Working capital ⁽³⁾	1,875
Total	2,144

- (1) The amount allocated for working capital had been utilized mainly for the payment to suppliers of S\$0.2 million.
- (2) The amount allocated for working capital had been utilized mainly for the payment of salary and wages and staff related costs of S\$0.05 million and payment to suppliers of S\$0.03 million.
- (3) The amount allocated for working capital has been utilized mainly for the payment of salary and wages and staff related costs of S\$0.68 million, payment to suppliers of S\$0.72 million, repayment of directors' loans of S\$0.4 million and other expenses of S\$0.08 million.

15. Negative assurance

We, Ricky Ang Gee Hing and Tan Chong Chai, 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 2015 to be false or misleading.

For and on behalf of the Board

(signed)
Ricky Ang Gee Hing
Executive Vice-Chairman
and Managing Director

(signed)
Tan Chong Chai
Executive 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

Ricky Ang Gee Hing
Executive Vice-Chairman and MD
13 November 2015

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.