



COURAGE MARINE GROUP LIMITED

勇利航業集團有限公司

(Incorporated in Bermuda on 5 April 2005)

(Company Registration no: 36692)

Unaudited Results For The Second Quarter And First Six Months Ended 30 June 2015

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

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

(i) Income Statement for the Second Quarter and First Six Months Ended 30 June 2015:

	US\$'000		% Change	US\$'000		% Change
	Q2 2015	Q2 2014		6 months 2015	6 months 2014	
Turnover	1,723	4,530	(62)	2,950	9,845	(70)
Cost of sales	(3,170)	(5,415)	(41)	(6,038)	(10,786)	(44)
Gross loss	(1,447)	(885)	64	(3,088)	(941)	228
Other income	150	160	(6)	205	189	8
Other gains and losses	(1,410)	1,481	NM	(1,399)	1,427	NM
Administrative expenses	(632)	(720)	(12)	(1,145)	(1,363)	(16)
Other expenses	(11,094)	(500)	2,119	(11,094)	(500)	2,119
Finance cost	(298)	(430)	(31)	(592)	(716)	(17)
Loss before tax	(14,731)	(894)	1,548	(17,113)	(1,904)	799
Income tax credit	43	23	87	41	21	95
Loss for the period	(14,688)	(871)	1,586	(17,072)	(1,883)	807
Other comprehensive income						
Gain on revaluation of owner-occupied property	325	151	115	325	151	115
Deferred tax charge arising on revaluation of leasehold land and building	(43)	(17)	153	(43)	(17)	153
Total comprehensive expense for the period attributable to owners of the Company	(14,406)	(737)	1,855	(16,790)	(1,749)	860

(ii) Additional Information

	US\$'000		% Change	US\$'000		% Change
	Q2 2015	Q2 2014		6 months 2015	6 months 2014	
Profit before tax is arrived after (charging) / crediting:						
Other income including interest income	150	160	(6)	205	189	8
Interest on borrowings	(298)	(430)	(31)	(592)	(716)	(17)
Depreciation and amortisation	(589)	(559)	5	(1,201)	(1,132)	6
(Loss) gain on disposal of property, plant and equipment	(1,478)	1,475	NM	(1,478)	1,475	NM
Gain (loss) on held-for-trading investment	61	6	917	70	(22)	NM
Gain (loss) on foreign exchange (net)	7	(15)	NM	9	(41)	NM

NOTES

NM denotes not meaningful.

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

	Group		Company	
	US\$'000	US\$'000	US\$'000	US\$'000
	30/6/2015	31/12/2014	30/6/2015	31/12/2014
ASSETS				
Current assets				
Cash and cash equivalents	12,773	8,883	124	65
Trade receivables	376	156	-	-
Other receivables and prepayments	5,036	3,160	66	28
Amounts due from a joint venture	669	553	-	-
Held-for-trading investment	-	444	-	-
Pledged bank deposits	251	4,361	-	-
Total current assets	19,105	17,557	190	93
Non-current assets				
Property, plant and equipment	50,889	68,711	-	-
Interest in a joint venture	5,330	5,330	-	-
Interests in subsidiaries	-	-	8,023	8,023
Amounts due from subsidiaries	-	-	29,917	31,055
Long-term receivables and deposits	1,450	5,329	-	-
Available-for-sale investment	79	79	-	-
Total non-current assets	57,748	79,449	37,940	39,078
Total assets	76,853	97,006	38,130	39,171
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Other payables and accruals	842	2,193	8	860
Bank borrowings - due within one year	11,024	4,024	-	-
Total current liabilities	11,866	6,217	8	860
Non-current liabilities				
Deferred tax liabilities	311	311	-	-
Bank borrowings - due after one year	23,144	32,156	-	-
Total non-current liabilities	23,455	32,467	-	-
Capital and reserves				
Share capital	19,059	19,059	19,059	19,059
Share premium	28,027	28,027	28,027	28,027
Revaluation reserve	2,016	1,734	-	-
Other reserve	1,531	1,531	-	-
(Accumulated losses) retained profits	(9,101)	7,971	(8,964)	(8,775)
Total	41,532	58,322	38,122	38,311
Total liabilities and equity	76,853	97,006	38,130	39,171
Net current assets / (liabilities)	7,239	11,340	182	(767)
Total assets less current liabilities	64,987	90,789	38,122	38,311

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

Amount repayable in one year or less, or on demand

As at 30/06/2015		As at 31/12/2014	
Secured	Unsecured	Secured	Unsecured
US\$11,024,000	-	US\$4,024,000	-

Amount repayable after one year

As at 30/06/2015		As at 31/12/2014	
Secured	Unsecured	Secured	Unsecured
US\$23,455,000	-	US\$32,156,000	-

Details of any collateral

Secured borrowings are generally secured by:

1. Corporate guarantee from Courage Marine Group Limited on the outstanding loan balance
2. First preferred mortgage over the vessels held by Courage Marine Co. Ltd., Heroic Marine S.A. and Zorina Navigation Corp., named "MV Courage", "MV Heroic" and "MV Zorina", respectively, and
3. Assignment of insurance in respect of MV Courage, MV Heroic and MV Zorina

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	
	US\$'000	
	2Q of 2015	2Q of 2014
Operating activities		
Loss before income tax	(14,731)	(892)
Adjustments for:		
Dividends from held-for-trading investments	-	(20)
Depreciation of property, plant and equipment	589	559
Change in fair value of investment property	-	(15)
Change in fair value of held-for-trading investment	(61)	(6)
Gain on disposal of property, plant and equipment	1,478	(1,475)
Discount effect on long-term loan receivable	-	246
Interest income	(6)	(15)
Finance costs	298	132
Impairment loss on deposit paid	1,685	254
Impairment loss on property, plant and equipment	9,409	-
Imputed interest income on long-term receivables	(123)	(118)
Operating cash flows before movements in working capital	(1,462)	(1,350)
(Increase) decrease in trade receivables	(26)	574
Decrease in other receivables and prepayment	395	314
Increase (decrease) in other payables and accruals	297	(24)
Cash used in operating activities	(796)	(486)
Interest expense paid	(298)	(132)
Interest income received	6	15
Income tax paid	-	(7)
Proceeds on disposal of held-for-trading investment	514	20
Net cash used in operating activities	(574)	(590)
Investing activities		
Deposit for acquisition of property, plant and equipment and investment properties	(173)	(254)
Purchase of property, plant and equipment	-	(1)
Proceeds on disposal of plant and equipment	6,204	8,393
Withdrawal (placement) of pledged bank deposits	4,118	(6)
Advance to a joint venture	(58)	-
Net cash from investing activities	10,091	8,132
Financing activities		
Repayment of loans	(1,006)	(4,526)
Decrease in bank overdraft	-	(2,477)
Net cash used in financing activities	(1,006)	(7,003)
Net increase in cash and cash equivalents	8,511	539
Cash and cash equivalents at the beginning of the period	4,262	13,270
Cash and cash equivalents at the end of the period	12,773	13,809

	Group	
	US\$'000	
	6 months of 2015	6 months of 2014
Operating activities		
Loss before income tax	(17,113)	(1,904)
Adjustments for:		
Dividends from held-for-trading investments	-	(20)
Depreciation of property, plant and equipment	1,201	1,132
Change in fair value of investment property	-	(15)
Change in fair value of held-for-trading investment	(70)	22
Loss (gain) on disposal of property, plant and equipment	1,478	(1,475)
Discount effect on long-term loan receivable	-	246
Interest income	(61)	(30)
Finance costs	592	716
Impairment loss on deposit paid	1,685	254
Impairment loss on property, plant and equipment	9,409	-
Imputed interest income on long-term receivables	(123)	(118)
Operating cash flows before movements in working capital	(3,002)	(1,192)
(Increase) decrease in trade receivables	(220)	978
Decrease (increase) in other receivables and prepayment	610	(371)
Decrease in other payables and accruals	(1,351)	(690)
Cash used in operating activities	(3,963)	(1,275)
Interest expense paid	(592)	(716)
Interest income received	61	30
Income tax paid	(2)	(9)
Proceeds on disposal of held-for-trading investment	514	20
Net cash used in operating activities	(3,982)	(1,950)
Investing activities		
Deposit for acquisition of property, plant and equipment and investment properties	(239)	(254)
Purchase of plant and equipment	(75)	(7,742)
Proceeds on disposal of property, plant and equipment	6,204	8,393
Withdrawal (placement) of pledged bank deposits	4,110	(14)
Advance to a joint venture	(116)	-
Net cash from investing activities	9,884	383
Financing activities		
Repayment of loans	(2,012)	(5,319)
New loans raised	-	10,000
Decrease in bank overdraft	-	(2,457)
Net cash (used in) from financing activities	(2,012)	2,224
Net increase in cash and cash equivalents	3,890	657
Cash and cash equivalents at the beginning of the period	8,883	13,152
Cash and cash equivalents at the end of the period	12,773	13,809

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

	Share Capital	Share Premium	Property Revaluation Reserve	Other Reserve	Retained profits attributable to the shareholders	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
The Group						
Balance at 1 April 2014	19,059	28,027	1,073	1,531	16,683	66,373
Loss for the period	-	-	-	-	(871)	(871)
Gain on revaluation of owner-occupied property	-	-	151	-	-	151
Deferred tax charge arising on revaluation of leasehold land and building	-	-	(17)	-	-	(17)
Balance at 30 June 2014	19,059	28,027	1,207	1,531	15,812	65,636
Balance at 1 April 2015	19,059	28,027	1,734	1,531	5,587	55,938
Loss for the period	-	-	-	-	(14,688)	(14,688)
Gain on revaluation of owner-occupied property	-	-	325	-	-	325
Deferred tax charge arising on revaluation of leasehold land and building	-	-	(43)	-	-	(43)
Balance at 30 June 2015	19,059	28,027	2,016	1,531	(9,101)	41,532

	Share Capital	Share Premium	Property Revaluation Reserve	Other Reserve	Retained profits attributable to the shareholders	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
The Company						
Balance at 1 April 2014	19,059	28,027	-	-	25,680	72,766
Loss for the period	-	-	-	-	(150)	(150)
Balance at 30 June 2014	19,059	28,027	-	-	25,530	72,616
Balance at 1 April 2015	19,059	28,027	-	-	(8,883)	38,203
Loss for the period	-	-	-	-	(81)	(81)
Balance at 30 June 2015	19,059	28,027	-	-	(8,964)	38,122

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 or 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

On 7 May 2015, the Company completed its share consolidation ("Share Consolidation") of every 10 ordinary shares of par value US\$0.018 each in the issued and unissued capital of the Company ("Shares") into 1 ordinary share of par value US\$0.18 in the capital of the Company (each, a "Consolidated Share"), fractional entitlements to be disregarded. Under the Share Consolidation, the Company is entitled to, *inter alia*, aggregate and sell and/or repurchase any fractional entitlements, and pursuant thereto, the Company has purchased at par and cancelled 2.8 Consolidated Shares in aggregate arising from fractions of Consolidated Shares from, *inter alia*, the securities accounts maintained with the Central Depository (PTE) Limited (the "Fractional Cancellation"). As a result of the Share Consolidation and the Fractional Cancellation, the Company's issued share capital comprised 105,882,928 Consolidated Shares.

The Company does not have any outstanding convertibles as at 30 June 2015 and 31 December 2014.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

As at 30/06/2015	As at 31/12/2014
105,882,928	1,058,829,308

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

There were no shares being held as treasury shares by the Company.

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

The figures have not been audited or 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 adopted the same accounting policies and method of computation in the financial statements for the current period compared with the financial statements for the financial year ended 31 December 2014.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Not Applicable.

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:- (a) based on the weighted average number of ordinary shares on issue; and (b) on a fully diluted basis (detailing any adjustments made to the earnings)

	Group			
	Q2 2015	Q2 2014	6 months 2015	6 months 2014
	US Cents	US Cents	US Cents	US Cents
a Based on the weighted average number of ordinary shares in issue	(13.87)	(0.82)	(16.12)	(1.78)
b On a fully diluted basis	(13.87)	(0.82)	(16.12)	(1.78)

NOTES:

The earnings (loss) per ordinary share is calculated by dividing the consolidated profit (loss) attributable to the shareholders of the Company by the weighted average number of ordinary shares in issue during the financial period reported on.

The fully diluted earnings (loss) per ordinary share is the same as the earnings (loss) per ordinary share as there were no options granted or outstanding during the financial period.

Weighted average number of ordinary shares in issue and basic loss per share were stated after taking into account the effect of the share consolidation that took place on 7 May 2015. Comparative figures have also been restated on the assumption that the share consolidation had been effective in prior period.

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	
	30/6/2015	31/12/2014	30/6/2015	31/12/2014
	US Cents	US Cents	US Cents	US Cents
Net asset value per ordinary share	39.22	55.08	36.00	36.18

NOTES:

The total number of issued shares were stated after taking into account the effect of the share consolidation that took place on 7 May 2015. Comparative figures have also been restated on the assumption that the share consolidation had been effective in prior period.

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

Turnover

2Q2015

The Group turnover decreased by 62% from approximately US\$4.5 million in 2Q14 to US\$1.7 million in 2Q15, reflecting the poor dry bulk market and low freight rate. The Baltic Dry Index (the "BDI") remained low and was at the 600 level during most of 2Q15.

1H2015

The Group turnover decreased by 70% from approximately US\$9.8 million in the six months ended 30 June 2014 to approximately US\$3 million in the six months ended 30 June 2015. The dry bulk market was under intense pressure and the BDI was at the 500 - 700 level during 1H2015.

Profitability

2Q2015

The Group's cost of sales decreased by 41% from approximately US\$5.4 million in 2Q14 to approximately US\$3.2 million in 2Q15. It was mainly due to less variable cost consumed with less fleet utilisation. The Group recorded a gross loss of US\$1.4 million in 2Q15 compared to a gross loss of US\$0.9 million in 2Q14.

Other income consists of interest income from banks and certificate of deposit, sundry income, and other one-off income. The Group recorded other income of US\$150,000 in 2Q15, a decrease of 6% compared to 2Q14. This was mainly due to less interest income from bank deposits.

Other gains and losses consist of changes in fair value of investment property, changes in fair value of held-for-trading investments, gains and losses on the disposal of fixed assets and exchange gains and losses. The Group recorded other losses of approximately US\$1.4 million in 2Q15 due to the disposal loss of MV Cape Pioneer. The Group recorded other gains of approximately US\$1.5 million in 2Q14 due to the disposal gain of MV Cape Warrior.

Administrative expenses decreased by 12% from approximately US\$0.7 million in 2Q14 to approximately US\$0.6 million in 2Q15 as the Group had less legal and professional expenses during the quarter.

The Group conducted a review of the Group's vessels and other receivables and determined that a number of those assets were impaired. The Group recorded other expenses of approximately US\$11.1 million in 2Q15 as there were further impairment loss on deposits paid in connection with an earlier co-trading arrangement entered into by the Group (following which such deposits have been fully provided for) and impairment loss in respect of the vessels in light of decrease in revenue, utilisation rate, and market value of the vessels and scrap materials. The recoverable amount of the vessels has been determined on the basis of their value in use. The Group recorded other expenses of US\$0.5 million in 2Q14 due to the impairment loss on deposits paid in connection with an earlier co-trading arrangement entered into by the Group and discount effect on the long-term loan advanced.

The Group recorded finance costs of approximately US\$0.3 million in 2Q15 compared to US\$0.4 million in 2Q14 mainly due to the bank borrowings.

The Group's subsidiaries recorded an income tax credit of US\$43,000 during 2Q15 compared to approximately US\$23,000 in 2Q14. It was due mainly to the over-provision of the deferred tax liability in the previous year.

The Group recorded a gain on revaluation of owner-occupied property for approximately US\$0.3 million in 2Q15 compared to a gain of US\$0.2 million in 2Q14.

The Group recorded a deferred tax charge on revaluation of leasehold land and building for approximately US\$43,000 in 2Q15 compared to a deferred tax charge of approximately US\$17,000 in 2Q14.

Overall, the Group recorded a higher net loss of approximately US\$14.4 million in 2Q15 due to lower turnover with lower freight rate, disposal loss of MV Cape Pioneer, and the impairment loss of the Group's vessels' value in use and deposits paid in connection with an earlier co-trading arrangement entered into by the Group.

1H2015

The Group's cost of sales decreased by 44% from approximately US\$10.8 million in 1H14 to approximately US\$6 million in 1H15. It was mainly due to less variable cost consumed with less fleet utilisation. The Group recorded a gross loss of US\$3.1 million in 1H15 compared to a gross loss of US\$0.9 million in 1H14.

Other income consists of interest income from banks and certificate of deposit, sundry income, and other one-off income. The Group recorded other income of US\$0.2 million in 1H15, an increase of 8% compared to 1H14. This was largely due to a one-off interest income received in 1H15.

Other gains and losses consist of changes in fair value of investment property, changes in fair value of held-for-trading investments, gains and losses on the disposal of fixed assets and exchange gains and losses. The Group recorded other losses of approximately US\$1.4 million in 1H15 due to the disposal loss of MV Cape Pioneer. The Group recorded other gains of approximately US\$1.4 million in 1H14 due to the disposal gain of MV Cape Warrior.

Administrative expenses decreased by 16% from approximately US\$1.4 million in 1H14 to approximately US\$1.1 million in 1H15 as the Group had less legal and professional expenses during the period.

The Group conducted a review of the Group's vessels and other receivables and determined that a number of those assets were impaired. The Group recorded other expenses of approximately US\$11.1 million in 1H15 as there were impairment loss on deposits paid in connection with an earlier co-trading arrangement entered into by the Group (following which such deposits have been fully provided for) and impairment loss in respect of the vessels in light of decrease in revenue, utilisation rate, and market value of the vessels and scrap materials. The recoverable amount of the vessels has been determined on the basis of their value in use. The Group recorded other expenses of US\$0.5 million in 1H14 due to the further impairment loss on deposits paid in connection with an earlier co-trading arrangement entered into by the Group and discount effect on the long-term loan advanced to a joint venture.

The Group recorded finance costs of approximately US\$0.6 million in 1H15 compared to US\$0.7 million in 1H14 mainly due to the bank borrowings.

The Group's subsidiaries recorded an income tax credit of US\$41,000 during 1H15 compared to approximately US\$21,000 in 1H14. It was due mainly to the over provision of the deferred tax liability in the previous year.

The Group recorded a gain on revaluation of owner-occupied property for approximately US\$0.3 million in 1H15 compared to a gain of US\$0.2 million in 1H14 following a re-valuation by an independent valuer who was appropriate qualification and relevant experience in the valuation of similar property in the relevant location.

The Group recorded a deferred tax charge on revaluation of leasehold land and building for approximately US\$43,000 in 1H15 compared to a deferred tax charge of approximately US\$17,000 in 1H14.

Overall, the Group recorded a higher net loss of approximately US\$16.8 million in 1H15 compared to US\$1.7 million in 1H14 due to lower turnover with lower freight rate, disposal loss of MV Cape Pioneer, and the impairment loss of the vessels' value in use and

Other receivables and prepayments

As the interest free loan to Santarli Realty is expected by the Group to be repaid within twelve months from the end of the period, the balance is reclassified to current receivable at 30 June 2015.

Cashflow

There was a net increase in cash and cash equivalents of approximately US\$3.9 million in 1H15. Despite approximately US\$4 million being used in operating activities, the Group had proceeds of approximately US\$6.2 million on the disposal of MV Cape Pioneer, and proceeds from the withdrawal of pledged bank deposits in the amount of US\$4.1 million. The Group had cash and bank balances of approximately US\$12.8 million as at 30 June 2015.

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

The Group's financial performance for 1H2015 was in line with the Group's commentary in the financial results announcement of the Group for FY2014 dated 27 February 2015, as updated in the Group's profit guidance announcement dated 6 August 2015.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The dry bulk market remains poor during the recent months. The BDI, which has a close correlation to freight rates, was around the 500 - 700 level during the first half of 2015. Low demand of commodities in the Greater China Region, and over-supply of vessels led to more pressure on the freight rates of the dry bulk market. Although the BDI climbs up gradually to 1,200 level in July and August, the Group remains cautious on the outlook for the next 12 months.

During 2Q15, the Group had disposed a Capesize vessel and recorded a loss on disposal of approximately US\$1.4 million subject to the finalisation of such amount pursuant to audit of FY2015. The updated tonnage of the Group's fleet is approximately 186,000 dwt. Fleet utilisation is expected to remain low for the rest of the year. Due to poor operating environment, the Group will continue to explore various options for reducing costs, including operating costs.

In view of the foregoing, the financial performance of the Group for 2015 will continue to be adversely affected by the current challenging economic conditions.

11. Dividend

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

No.

(b)(i) Amount per share in cents

Not applicable.

(b)(ii) Previous corresponding period in cents

Not applicable.

(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 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 was declared or recommended for the current financial period reported on.

13. Interested Person Transactions

Not applicable

14. Negative Confirmation By The Board Pursuant To Rule 705(5)

We, Hsu Chih-Chien and Wu Chao Huan being two directors of Courage Marine 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 statements for the six months and second quarter ended 30 June 2015 to be false or misleading in any material aspect.

By Order of the Board

WU CHAO-HUAN
Managing Director
13 August 2015