



ELEKTROMOTIVE GROUP LIMITED

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This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The details of the contact person for the Sponsor are:

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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.

		Group S\$'000		%
	Note	30/09/2013	30/09/2012	Increase/ (Decrease)
Continuing operations				
Revenue				
Publishing		1,138	1,404	(18.9)
Exhibition and events		23	65	(64.6)
Electric vehicles charging equipment		3,578	3,270	9.4
		<u>4,739</u>	<u>4,739</u>	
Other income	(i)	336	73	360.3
Direct costs:				
- Publications		(624)	(765)	(18.4)
- Exhibition and events		(21)	(70)	(70.0)
- Electric vehicle charging equipment		(2,313)	(2,341)	(1.2)
Personnel expenses		(1,452)	(1,550)	(6.3)
Amortization and depreciation		(180)	(89)	102.2
Operating lease expenses		(239)	(205)	16.6
Other operating expenses, net	(ii)	(1,558)	(1,690)	(7.8)
Total expenses		<u>(6,387)</u>	<u>(6,710)</u>	(4.8)
Finance costs		(33)	(33)	-
Share of loss of associate		(43)	-	100.0
Loss before income tax		(1,388)	(1,931)	(28.1)
Income tax expense		(24)	(49)	(51.0)
Loss from continuing operations		(1,412)	(1,980)	(28.6)
Discontinued operations				
Loss from discontinued operations – net of tax		-	(71)	NM
Total Loss		(1,412)	(2,051)	(31.1)

	Note	Group		% Increase/ (Decrease)
		S\$'000		
		30/09/2013	30/09/2012	
Statement of comprehensive loss for 6 months period ended 30 September				
Loss attributable to Shareholder		(1,537)	(1,992)	(22.8)
Other comprehensive income				
“Items that maybe reclassified subsequently to profit or loss”				
- Currency translation difference arising from consolidation		86	39	120.5
Total Comprehensive loss for the period		<u>(1,451)</u>	<u>(1,953)</u>	(25.7)
(Loss)/income attributable to:				
- Equity holders of the company		(1,537)	(1,992)	(22.8)
- Non-controlling interests		<u>125</u>	<u>(59)</u>	NM
Total comprehensive (loss)/income attributable to:				
- Equity holders of the company		(1,451)	(1,953)	(25.7)
- Non-controlling interests		<u>125</u>	<u>(59)</u>	NM

Notes to income statements:

		Group		% Increase/ Decrease
		S\$'000		
		30/09/2013	30/09/2012	
(i) Other income:				
Gain on disposal of property, plant and equipment		322	-	100.0
Others		<u>14</u>	<u>73</u>	(80.8)
		<u>336</u>	<u>73</u>	360.3
(ii) Included in other operating expenses are:				
Legal fees relating to arbitration of TNTI and suits against Elektromotive Limited (“EUK” vendors		240	543	(55.8)
Expenses incurred in relation to rights issue		<u>-</u>	<u>83</u>	NM
		<u>240</u>	<u>626</u>	

NM - Not meaningful

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	
	30/09/2013 S\$'000	31/03/2013 S\$'000	30/09/2013 S\$'000	31/03/2013 S\$'000
Current assets				
Cash and cash equivalents	1,159	481	534	169
Trade and other receivables	1,379	2,880	10	1,061
Inventories	737	1,263	-	-
Other current assets	248	762	179	700
	3,523	5,386	723	1,930
Assets directly associated with discontinued operations	41	42	-	-
	3,564	5,428	723	1,930
Non-current assets				
Investment in subsidiaries	-	-	8,630	8,630
Investment in associate	40	-	-	-
Property, plant and equipment	289	1,548	165	205
Intangible assets	8,837	8,577	-	-
	9,166	10,125	8,795	8,835
TOTAL ASSETS	12,730	15,553	9,518	10,765
Current liabilities				
Trade and other payables	3,698	5,130	1,348	2,167
Due to subsidiaries (trade)	-	-	962	890
Due to subsidiaries (non-trade)	-	-	3,105	2,370
Borrowings, current portion	898	968	688	688
Finance lease liabilities, current portion	14	28	14	28
Loan from directors	-	600	-	600
Current income tax liabilities	-	61	-	-
	4,610	6,787	6,117	6,743
Liabilities directly associated with discontinued operations	405	409	-	-
	5,015	7,196	6,117	6,743
Non-current liabilities				
Borrowings, non-current portion	147	866	-	-
Deferred income tax liabilities	38	35	-	-
	5,200	8,097	6,117	6,743
TOTAL LIABILITIES	5,200	8,097	6,117	6,743
NET ASSETS	7,530	7,456	3,401	4,022
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	129,341	135,949	129,341	135,949
Accumulated losses	(125,352)	(131,823)	(125,940)	(131,927)
Currency translation reserve	2,668	2,582	-	-
	6,657	6,708	3,401	4,022
Non-controlling interests	873	748	-	-
TOTAL EQUITY	7,530	7,456	3,401	4,022

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

Amount repayable in one year or less, or on demand

As at 30/09/2013		As at 31/03/2013	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
130	782	182	1,414

Amount repayable after one year

As at 30/09/2013		As at 31/03/2013	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	147	710	155

Details of any collateral

Trade receivables of EUK amounting to about \$0.13 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	
	30/09/2013	30/09/2012
	S\$'000	S\$'000
Cash flows from operating activities		
Total loss	(1,412)	(2,051)
Adjustments for:		
Income tax expense	24	49
Share of losses of associate	43	-
Amortization and depreciation	180	89
Gain on disposal of property, plant and equipment	(322)	-
Interest expense	33	33
	(1,454)	(1,880)
Changes in working capital, net of effects from disposal of subsidiaries		
Trade and other receivables	1,954	178
Inventories	525	(357)
Trade and other payables	(1,437)	(633)
Cash used in operations	(412)	(2,692)
Interest paid	(33)	(33)
Income taxes (paid)/ recovered	(24)	(35)
Net cash used in operating activities	(469)	(2,760)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(32)	(224)
Purchase of intangible assets	(370)	(167)
Proceeds from sale of property, plant and equipment	1,550	-
Investment in associate	(84)	-
Net cash generated from/ (used in) investing activities	1,064	(391)
Cash flows from financing activities		
Proceeds from issue of warrants	-	1
Proceeds from issue of shares	1,400	5,081
Repayment of lease obligations	(14)	(14)
Repayment of term loans	(788)	(84)
Withdrawal from short-term bank deposits pledged to banks	-	176
Repayment of loan from directors	(600)	-
Net cash (used in)/ generated from financing activities	(2)	5,160
Net increase in cash and cash equivalents	593	2,009
Cash and cash equivalents at beginning of the financial period	506	877
Effects of currency translation on cash and cash equivalents	83	41
Cash and cash equivalents at end of the financial period	1,182	2,927

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					
	Share Capital S\$'000	Currency translation reserve S\$'000	Accumulated losses S\$'000	Total S\$'000	Non-Controlling Interests S\$'000	Total S\$'000
The Group						
<u>For the 6 months period ended 30/09/2013</u>						
Balance at 01/04/2013	135,949	2,582	(131,823)	6,708	748	7,456
Issuance of shares	1,400	-	-	1,400	-	1,400
Capital reduction	(8,008)	-	8,008	-	-	-
Total comprehensive (loss)/ income for the period	-	86	(1,537)	(1,451)	125	(1,326)
Balance at 30/9/2013	129,341	2,668	(125,352)	6,657	873	7,530
<u>For the 6 months period ended 30/09/2012</u>						
Balance at 01/04/2012	130,867	2,668	(128,401)	5,134	977	6,111
Issuance of shares	5,082	-	-	5,082	-	5,082
Total comprehensive loss for the period	-	39	(1,992)	(1,953)	(59)	(2,012)
Balance at 30/9/2012	135,949	2,707	(130,393)	8,263	918	9,181
The Company						
<u>For the 6 months period ended 30/09/2013</u>						
Balance at 01/04/2013	135,949	-	(131,927)	4,022	-	4,022
Issue of shares	1,400	-	-	1,400	-	1,400
Capital reduction	(8,008)	-	8,008	-	-	-
Total comprehensive loss for the period	-	-	(2,021)	(2,021)	-	(2,021)
Balance at 30/09/2013	129,341	-	(125,940)	3,401	-	3,401
<u>For the 6 months period ended 30/09/2012</u>						
Balance at 01/04/2012	130,867	-	(127,582)	3,285	-	3,285
Issue of shares	5,082	-	-	5,082	-	5,082
Total comprehensive loss for the period	-	-	(2,176)	(2,176)	-	(2,176)
Balance at 30/09/2012	135,949	-	(129,758)	6,191	-	6,191

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.

	30/09/2013	30/09/2012
Number of shares		
At beginning of the period	4,113,506,632	2,419,533,313
Issue of shares arising from conversion of warrants	-	300,000
Shares cancellation ⁽¹⁾	(533,857,370)	-
Shares consolidation ⁽²⁾	(3,221,684,352)	-
Issue of shares pursuant to rights issue	-	1,693,673,319
Issue of shares pursuant to equity linked notes	71,268,976	-
At end of the period	<u>429,233,886</u>	<u>4,113,506,632</u>
Treasury shares		
At the beginning and end of the period	<u>-</u>	<u>-</u>

Notes:

(1) On 7 May 2013, the Company completed the cancellation of 533,857,370 shares arising from settlement agreements entered with various EUK vendors.

(2) On 13 June 2013, the Company completed a shares consolidation exercise whereby every ten shares in the Company were consolidated into one share.

	30/09/2013	30/09/2012
Outstanding convertibles		
Outstanding warrants convertible into ordinary shares	<u>508,071,989</u>	<u>5,215,719,957</u>

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.

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 are no treasury shares outstanding as at 30/09/2013 and 30/09/2012.

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

The figures are unaudited and are not 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 2013.

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

In 1H2014, the Group adopted the new/revised Financial Reporting Standards ("FRS") that are effective for annual periods beginning on or after 1 April 2013:

- Amendments to FRS 1 – Presentation of Items of Other Comprehensive Income
- FRS 19 (Revised) – Employee Benefits
- FRS 113 (New) – Fair value Measurements
- Amendments to FRS 107 Disclosures – Offsetting Financial Assets and Financial Liabilities

The adoption of the above FRS did not result in any substantial change to the Group's accounting policies or have any material impact on the financial statements of the Group.

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.

	30/09/2013	30/09/2012
Loss per share based on Group's loss after taxation		
- on weighted average number of shares	(0.01) cent	(0.06) cent
- on a fully diluted basis	(0.01) cent	(0.06) cent

The weighted average number of ordinary shares outstanding is 1,542,581,522 and 3,266,419,973 for HY 2014 and HY 2013 respectively.

**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	
	30/09/2013	31/03/2013	30/09/2013	31/03/2013
Net asset value based on existing issued share capital as at the respective period	1.55 cent	0.16 cent	0.79 cent	0.10 cent

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 2013 remained unchanged as compared to the prior corresponding period. The increase in revenue from our electric vehicles charging business in Europe compensated for the decline in revenue from our publishing activities and exhibition and events.

Loss attributable to shareholders

Loss attributable to shareholders for the period under review was S\$1.54 million as compared to S\$1.99 million for the prior year period ended 30 September 2012.

The lower loss was due mainly to the following factors:

- Increase in profit contribution from our subsidiary in UK from a loss of S\$31,000 in the prior corresponding period to a profit of S\$0.23 million in current HY (before minority interests); and
- Gain from the disposal of property amounting to S\$0.32 million.

Also, included in the loss were expenses relating to the development of our EV business in Asia amounting to S\$0.21 million for the period.

Balance sheet

The decrease in trade and other receivables is mainly due to faster collection from trade receivables and also an amount of S\$1.04 million received from one of EUK vendors in HY 2014.

The decrease in inventories is mainly due to increased sales of electric vehicles charging equipment by EUK.

The decrease in trade and other payables is mainly due to payment to creditors.

The loans from directors of S\$0.6 million were repaid during HY 2014.

The decrease in borrowings is mainly due to the repayment of the bank loan relating to a property which was disposed during HY 2014.

Cash-flow

Cash and cash equivalents as at end of period was S\$1.2 million as compared to S\$0.5 million at the beginning of the period.

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

N/A.

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.

With the involvement of virtually all the major car manufacturers in the world having launched or launching new EVs in the coming years and the increasing funding support by governments across the globe in building EV charging infrastructure, the future prospects of the industry look increasingly promising.

Overall, we expect our business performance of our subsidiary in UK to be better in the second half than the first half for financial year ("FY") ending 31 March 2014. Sales in Europe of our EV charging solutions is expected to continue to show improvement in the second half and beyond. In Asia, development of our EV businesses is progressing. However, this is not expected to contribute positively in the current financial year.

We expect our publishing activities to perform better in the second half with the launch of our digital media platform in the second half of current FY.

On 11 November 2013, the Company announced that it had entered into a sale and purchase agreement to acquire a 51% stake in Asia Galvanizing Pte Ltd and the proposed acquisition which is subject to shareholders' approval is expected to be completed by end of this current FY.

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 2013.

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.

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Tan Choon Wee	S\$1.4 million convertible notes issued to Advance Opportunity Fund S\$14,000 arranger fees paid to Advance Capital Partners Limited	Not applicable

14. Use of Net Proceeds

The following relates to the net proceeds of S\$1.39 million convertible notes issued during the financial period:

Purpose	Percentage Allocation (%)	Net proceeds utilised as at the date of announcement (\$'000)
Capital expenditure, working capital and operational requirements of EV business in Asia (excluding Japan) and Australasia	50%	563
Publishing business	25%	282
Working capital	25%	281
Total	100%	1,126

15. Negative assurance

We, Ricky Ang Gee Hing and Tan Choon Wee, 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 2013 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 Choon Wee
Executive Director

BY ORDER OF THE BOARD

Ricky Ang Gee Hing
Executive Vice-Chairman and MD
13 November 2013

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.