

## Appendix 4 E

### Preliminary Final Report

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Name of entity : **LionHub Group Limited**  
 ABN : **29 119 999 441**

#### 1. DETAILS OF THE REPORTING PERIOD

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Reporting period ("current period") : 1 January 2014 – 31 December 2014  
 Previous corresponding period : 1 January 2013 – 31 December 2013

#### 2. RESULTS FOR ANNOUNCEMENT TO THE MARKET

	2014	2013	Amount change	Change
	\$'000	\$'000	\$	%
Revenue from ordinary activities	63	-	63	100
Profit/(Loss) from ordinary activities after tax attributable to members	(1,337)	(649)	720	111
Profit/(Loss) for the period attributable to members	(1,337)	(649)	720	111

Dividend	Amount	Franked amount
	per share	per share
	cents	cents
Final	-	-
Interim	-	-

Record date for determining entitlements to dividends: N/A

#### Explanation of revenue

Total Revenue for the year ended 31 December 2014 amounted to approximately \$63k, which comprised of interest income earned on fixed deposits. The Company was re-listed in June 2014 and at the same time, began a new property development project. Much of the initial work involved pre-development planning and therefore, there were no revenues for the current reporting period. In the previous corresponding period, the Company (previously known as Arasor International Limited) had no revenues.

## **2. RESULTS FOR ANNOUNCEMENT TO THE MARKET (Cont)**

### **Explanation of profit/(loss) from ordinary activities after tax attributable to members**

Profit/(Loss) from ordinary activities after tax attributable to members amounted to (\$1,337k) as compared with (\$649k) in the previous corresponding period. As explained above, the Company has, in the latter half of the year, embarked on a new property development project. The loss for the year of (\$1,337k) comprised mainly of expenses relating to the pre-development work on the project and included staff costs, directors' fees, professional fees and other operating expenses. During this pre-development stage, the Company has completed the Design and Master Planning for the project, set up offices in China and Singapore, completed construction of its on-site Sales Gallery, and commenced its marketing for the project. During the previous corresponding period, the loss of (\$649k) comprised mainly of expenses relating to the Company's Recapitalisation Proposal which was approved by shareholders at an Extraordinary General Meeting held on 26th November 2013.

### **Explanation of net profit/(loss)**

Please refer to above.

### **Explanation of dividends**

No dividends have been paid, declared or recommended since the end of the preceding financial year.

### 3. CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Consolidated Group	
		2014	2013
		\$000	\$000
<b>Revenue</b>			
Other income	3a	63	-
<b>Expense</b>			
Employee benefits expense		(583)	(20)
Professional fees		(254)	(415)
Referral fee for sale of shell		-	(46)
Filing fees		(38)	(22)
Payment to creditors trust		-	(110)
Marketing & promotion expenses		(50)	-
Legal fees		(81)	-
Other expenses		(327)	(36)
Exchange gain/(loss)		(71)	-
<b>Profit/(Loss) before income tax</b>	3a	(1,341)	(649)
Income tax expense	3b	4	-
<b>Profit/(Loss) for the year</b>		(1,337)	(649)
<b>Other comprehensive income:</b>			
Exchange differences on translation of financial statements of foreign subsidiaries		62	-
<b>Total comprehensive income for the year</b>		(1,275)	(649)
<b>Loss attributable to:</b>			
- owners of the parent		(1,337)	(649)
<b>Total comprehensive loss attributable to:</b>			
- owners of the parent		(1,337)	(649)
<b>Earnings per share</b>			
<b>From continuing operations:</b>			
Basic earnings/(loss) per share (cents)	3c	(0.21)	(2.37)
Diluted earnings/(loss)per share (cents per share)		(0.21)	(2.37)

### 3a. Revenue and Other Income

	Consolidated Group	
	2014 \$000	2013 \$000
<b>Other Income</b>		
Interest received	63	-
	<u>63</u>	<u>-</u>
<b>Expenses</b>		
Depreciation	8	-
Wages, salary, directors fees and other remuneration expense	583	20
Professional fees	254	415
Interest expense on financial liabilities	2	4
Payment to creditors trust	-	110

### 3b. Income Tax

#### i. The components of tax expense/(benefit) comprise:

Deferred tax	4	-
	<u>4</u>	<u>-</u>

#### ii. The prima facie tax on profit/(loss) from ordinary activities before income tax is reconciled to the income tax as follows:

Prima facie tax (benefit)/expense on (loss)/profit from ordinary activities before income tax at 30% (2013: 30%)	(401)	(195)
	<u>(401)</u>	<u>(195)</u>
Other permanent differences	96	136
Tax losses not recognised	305	59
	<u>-</u>	<u>-</u>

	Opening Balance \$000	Charged to Income \$000	Charged Directly to Equity \$000	Changes in Tax Rate \$000	Exchange Differences \$000	Closing Balance \$000
<b>Deferred tax assets</b>						
Provisions	-	-	-	-	-	-
<b>Balance at 31 December 2013</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Provisions	-	4	-	-	-	4
<b>Balance at 31 December 2014</b>	<u>-</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4</u>

### 3c. Earning Per Share

Basic earnings/(loss) per share amounts are calculated by dividing net profit/(loss) for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit/(loss) attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings/(loss) per share computations:

	<b>Consolidated Group</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$000</b>	<b>\$000</b>
Profit/(Loss) for the year attributable to members	(1,337)	(649)
	No.	No.
Weighted average number of ordinary shares for basic earnings per share	645,885,487	27,394,227
Effect of dilution	-	-
Share options	-	-
Weighted average number of ordinary shares adjusted for the effect of dilution	645,885,487	27,394,227

In accordance with AASB 133 'Earnings per Share', as potential ordinary shares may only result in a situation where their conversion results in an increase in loss per share or decrease in profit per share from continuing operations, no dilutive effect has been taken into account.

#### 4. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Consolidated Group	
		2014	2013
		\$000	\$000
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4a	4,764	1
Trade and other receivables	4b	3	28
Other current assets	4c	10	15
<b>TOTAL CURRENT ASSETS</b>		<b>4,777</b>	<b>44</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4e	564	-
Intangible assets	4f	8,500	-
Deferred tax assets	3b	4	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>9,068</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b>13,845</b>	<b>44</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	4h	77	116
Amounts due to ultimate parent and its subsidiaries	4h	1	196
<b>TOTAL CURRENT LIABILITIES</b>		<b>78</b>	<b>312</b>
<b>TOTAL LIABILITIES</b>		<b>78</b>	<b>312</b>
<b>NET ASSETS</b>		<b>13,767</b>	<b>(268)</b>
<b>EQUITY</b>			
Issued capital	4i	172,757	157,447
Reserves	4j	-	-
Retained earnings	4k	(158,990)	(157,715)
<b>TOTAL EQUITY</b>		<b>13,767</b>	<b>(268)</b>

#### 4a. Cash and Cash Equivalents

	<b>Consolidated Group</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$000</b>	<b>\$000</b>
Cash at bank and on hand	4,764	1
	<u>4,764</u>	<u>1</u>

#### Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash at bank and on hand	<u>4,764</u>	<u>1</u>
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#### 4b. Trade and Other Receivables

##### Current

Trade receivables	-	-
Other receivables	3	28
Total current trade and other receivables	<u>3</u>	<u>28</u>

Trade receivables are non-interest bearing and are generally on 30-90 day terms. An allowance for doubtful debts is made when there is objective evidence that a trade receivable is impaired. No such allowance has been recognised as an expense for the current year.

#### 4c. Other Current Assets

Prepayments	1	15
Deposits paid	8	-
Inventory	1	-
	<u>10</u>	<u>15</u>

#### 4d. Property, Plant And Equipment

##### Land and Buildings

Buildings at cost	481	-
Total land and buildings	<u>481</u>	<u>-</u>

##### Plant and Equipment

Plant and equipment		
At cost	44	-
Accumulated depreciation	(6)	-
	<u>38</u>	<u>-</u>

#### 4e. Property, Plant And Equipment (Cont)

	<b>Consolidated Group</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$000</b>	<b>\$000</b>
Motor vehicles		
At cost	47	-
Accumulated depreciation	(2)	-
	<hr/> 45	<hr/> -
Total plant and equipment	<hr/> 83	<hr/> -
Total property, plant and equipment	<hr/> 564	<hr/> -

#### Movements in Carrying Amounts

	<b>Land and Buildings \$000</b>	<b>Plant and Equipment \$000</b>	<b>Motor Vehicles \$000</b>
Balance at 1 January 2013	-	-	-
Additions	-	-	-
Depreciation expense	-	-	-
Balance at 31 December 2013	<hr/> -	<hr/> -	<hr/> -
Additions	481	46	47
Disposals	-	(2)	-
Depreciation expense	-	(6)	(2)
Balance at 31 December 2014	<hr/> 481	<hr/> 38	<hr/> 45

#### 4f. Intangible Assets

	<b>Rights to land \$000</b>	<b>Total \$000</b>
<b>At 1 January 2013</b>		
Cost	-	-
Accumulated amortisation and impairment	-	-
Net book amount	<hr/> -	<hr/> -
<b>Year ended 31 December 2013</b>		
Opening net book amount	-	-
Additions – acquisition	-	-
Amortisation charge	-	-
Closing net book amount	<hr/> -	<hr/> -
<b>At 31 December 2013</b>		
Cost	-	-
Accumulated amortisation and impairment	-	-
Net book amount	<hr/> -	<hr/> -



#### 4f. Intangible Assets (Cont)

	<b>Rights to land \$000</b>	<b>Total \$000</b>
<b>Year ended 31 December 2014</b>		
Opening net book amount	-	-
Additions – acquisition	8,500	8,500
Amortisation charge	-	-
Closing net book amount	8,500	8,500
<b>At 31 December 2014</b>		
Cost	8,500	8,500
Accumulated amortisation and impairment	-	-
Net book amount	8,500	8,500

#### Rights to land

The rights to land were acquired as part of an asset acquisition (see Note 10 for details). They are recognised at their fair value at the date of acquisition.

#### 4g. Trade And Other Payables

	<b>Consolidated Group</b>	
	<b>2014 \$000</b>	<b>2013 \$000</b>
Trade payables	-	1
Other payables	19	-
Accrued expenses	58	115
	77	116

#### 4h. Amounts due to ultimate parent and its subsidiaries

Balance at beginning of year	196	-
Loan – Accord Pacific Holdings Pty Ltd	(196)	196
Loan – Lian Huat Management Services Pte Ltd	1	-
Balance at end of financial year	1	196

The borrowings from Accord Pacific Holdings Pty Ltd are unsecured, have no fixed terms of repayment and bear interest at 4.105% per annum.

#### 4i. Issued Capital

	2014 No.	2013 No.
Balance at beginning of year	257,562,294	128,559,267
1:10 share consolidation	-	(115,703,340)
Shares issued during the year:		
9 December 2013	-	237,000,312
18 December 2013	-	7,706,055
4 February 2014	154,000,000	-
27 March 2014	267,379,679	-
5 June 2014	77,865,000	-
3 July 2014	250,000	-
Balance at end of financial year	<u>757,056,973</u>	<u>257,562,294</u>

On 26 November, in an Extraordinary General Meeting of shareholders, the company passed a motion to consolidate the existing company shares on a one for ten basis.

On 9 December 2013, 237,000,000 ordinary shares were issued to overseas and sophisticated, professional and other exempt investors under Section 708 of Corporations Act 2001 at \$0.00187324894 each to raise \$443,960.

On 9 December 2013, 312 shares were issued at nil consideration as an administrative adjustment for the consolidation rounding.

On 18 December 2013, 7,706,055 ordinary shares were issued at nil consideration as part of the consideration to be given to the Creditors Trust which was established under the terms and conditions of the executed Deed of Company Arrangement.

On 4 February 2014, 154 million shares were issued as a result of the exercise of the 154,000,000 performance based options issued on 24 January 2014.

On 27 March 2014, 267,379,679 shares were issued to Lian Keng Enterprises Pte Ltd, as a result of the conversion of the Convertible Note. This increased Lian Keng Enterprises Pte Ltd's total number of shares to 421,379,679, giving it a voting power of 62.06%.

On 5 June 2014, the Company issued 77,865,000 shares as follows:

- 35,365,000 shares under the Replacement Prospectus dated 1 May 2014 for the purpose of satisfying the ASX requirements of Chapters 1 and 2 for re-listing following a change to the nature of the Company's activities as approved by Shareholders at the 15 May 2014 General Meeting. The shares had an issue price of \$0.20 each and raised \$7,073,000
- 42,500,000 shares under the Share Sale Agreement between the Company and Lian Keng Enterprises Pte Ltd (Lian Keng). Lian Keng agreed to sell and the Company agreed to purchase Lian Keng's one sole share in Lian Huat (Xuancheng) Pte Ltd, which holds the right to develop the proposed Xuancheng Singapore Technology Park in Anhui Province, China for a consideration of \$8,500,000 satisfied by the issue of these 42,500,000 fully paid Ordinary Shares.

On 3 July 2014, the Company issued 250,000 shares under the agreement whereby D2MX Pty Ltd would act as Lead Broker to the Offer under the Prospectus and assist in the raising of capital for the Company. Under the D2MX Mandate, D2MX were to be paid a success fee of \$50,000 worth of shares, based upon a successful listing on the ASX. The issue price of each share was \$0.20.

#### 4i. Issued Capital (Cont)

	Consolidated Group	
	2014 \$000	2013 \$000
Fully paid ordinary shares at the beginning of the year	157,447	157,066
Shares issued during the year	16,189	444
Capital raising costs	(879)	(63)
Fully paid ordinary shares at end of the year	<u>172,757</u>	<u>157,447</u>

Fully paid ordinary shares carry one vote per share and carry the right to dividends. Fully paid ordinary shares participate in the winding up of the parent entity in proportion to the number of securities held.

#### Capital Management

Management controls the capital of the Group in order to maintain a sustainable debt to equity ratio, generate long-term shareholder value and ensure that the Company can fund its operations and continue as a going concern. The Company's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

The Company is not subject to any externally imposed capital requirements.

#### 4j. Reserves

Share Option reserve (a)	-	-
Foreign currency translation reserve (b)	-	-
	<u>-</u>	<u>-</u>

##### (a) Share Option reserve

Balance at beginning of year	-	6,657
Write back Share Option reserve to Retained Earnings	-	(6,657)
Balance at end of financial year	<u>-</u>	<u>-</u>

##### (b) Foreign currency translation reserve

Balance at beginning of year	-	(1,497)
Exchange differences on translation of foreign operations	-	-
Write back Foreign currency translation reserve to Retained Earnings	-	1,497
Balance at end of financial year	<u>-</u>	<u>-</u>

#### Nature and purpose of reserves

##### Share-option reserve

This reserve was used to record the value of equity benefits provided to employees and directors as part of their remuneration. It was written back to retained earnings at 31 December 2013.

#### 4i. Issued Capital (Cont)

##### Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It was written back to retained earnings at 31 December 2013.

#### 4k. Retained Earnings

	Consolidated Group	
	2014	2013
	\$000	\$000
Balance at beginning of year	(157,715)	(162,226)
Comprehensive income	(1,275)	(649)
Write back Share Option reserve	-	6,657
Write back Foreign currency reserve	-	(1,497)
Balance at end of financial year	<u>(158,990)</u>	<u>(157,715)</u>

## 5. CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Consolidated Group	
		2014 \$000	2013 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payments to suppliers and employees		(1,600)	(380)
Interest received		63	-
Other		14	-
<b>Net cash provided by (used in) operating activities</b>	4a	(1,523)	(380)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares		7,577	444
Capital raising costs		(879)	(63)
Proceeds from borrowings		153	-
Repayment of borrowings		(546)	-
<b>Net cash provided by (used in) financing activities</b>		6,305	381
Net increase in cash held		4,782	1
Cash and cash equivalents at beginning of financial year	4a	1	-
Effect of exchange rates on cash holdings in foreign currencies		(19)	-
<b>Cash and cash equivalents at end of financial year</b>	4a	4,764	1

## 6. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital Ordinary	Accumulated losses	Foreign currency translation reserve	Total
	\$000	\$000	\$000	\$000
<b>Balance at 1 January 2013</b>	157,066	(162,227)	(1,497)	-
Shares issued during the year	444	-	-	444
Total Comprehensive Income	-	(649)	-	(649)
Write-back of reserves	-	5,161	1,497	-
Capital raising costs	(63)	-	-	(63)
<b>Balance at 31 December 2013</b>	157,447	(157,715)	-	(268)
<b>Balance at 1 January 2014</b>	157,447	(157,715)	-	(268)
Shares issued during the year	16,189	-	-	16,189
Total Comprehensive Income	-	(1,337)	62	(1,275)
Capital raising costs	(879)	-	-	(879)
<b>Balance at 31 December 2014</b>	172,757	(159,052)	62	13,767

## 7. DIVIDENDS

### Amount per security

		Amount per security	Frank amount per security at 30% tax	Amount per dividend of foreign source divided
		cents	cents	cents
Final Dividend	Current year	-	-	-
	Previous year	-	-	-
Interim Dividend	Current year	-	-	-
	Previous year	-	-	-
Total Dividend on all securities for the year		-	-	-

	Current period	Previous corresponding period
	\$	\$
Ordinary securities	-	-
Preference securities	-	-
Other equity instruments	-	-
Total	-	-

## 8. DIVIDEND REINVESTMENT PLANS

The dividend reinvestment plans shown below are in operation: None

Last date for receipt of election notices  
for the dividend reinvestment plan: N/A

## 9. NET TANGIBLE ASSETS PER SECURITY

	2014	2013
Net tangible assets per share (cents)	0.7	0.1

# **10. DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST DURING THE PERIOD**

	Date of incorporation	Country of incorporation	Percentage Owned*	
			2014 %	2013 %
<b>Subsidiaries</b>				
Lionhub (Xuancheng) Pte Ltd (Formerly known Lian Huat (Xuancheng) Pte Ltd	10 December 2013	Singapore	100	-
<b>Subsidiaries of Lionhub (Xuancheng) Pte Ltd (Formerly known Lian Huat (Xuancheng) Pte Ltd</b>				
Lionhub (XC) Pte Ltd (Formerly known Lian Huat (XC) Pte Ltd	12 November 2013	Singapore	100	-
Jade Rabbit (Xuancheng) Management Services Pte Ltd	10 December 2013	Singapore	100	-
Xuancheng LionHub TechnoPark Ltd	31 July 2014	China	100	-

\* Percentage of voting power is in proportion to ownership.

Shares in Lian Huat (Xuancheng) Pte Ltd were acquired on 5 June 2014 for \$8,500,000. Consideration was given by way of issuing 42,500,000 valued at \$0.20 each to Lian Keng Enterprises Pte Ltd.

## **11. DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES**

N/A

## **12. ANY OTHER SIGNIFICANT INFORMATION**

Nil

## **13. RESULTS FOR THE PERIOD**

### **13.1. The Earnings per security and the nature of any dilutions aspects**

Refer to Note 3c in page 5.

### **13.2. Returns to Shareholders including distributions and buy backs**

The company had no on-market buy back in operation during the reporting period and the previous corresponding period.

### **13.3. Significant features of operating performance**

Refer to Note 2 in page 1.



### **13. RESULTS FOR THE PERIOD (Cont)**

#### **13.4. Segment information**

N/A

#### **13.5 Trends in performance**

Refer to Note 2 in page 1.

#### **13.6 Any other factors which have affected the results in the period or which are likely to affect results in the future, including those where the effect could not be quantified.**

N/A

#### **13.7 Events Subsequent to Reporting Date**

There have not been any other matters or circumstances that have arisen since the end of the reporting year that have significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

### **14. DESCRIPTION OF ANY LIKELY AUDIT DISPUTE OR QUALIFICATION**

N/A

### **15. COMPLIANCE STATEMENT**

This report is based on accounts that are in the process of audit. The audit report will be available with the Company's annual report in March 2015.

**On behalf of the Board of Directors**



**Charles Lim**  
**Chief Executive Officer**

**27 February 2015**