

New Trend Lifestyle Group Plc

("NTLG" or the "Company")

Interim results for the six months ended 30 June 2016

New Trend Lifestyle Group (AIM: NTLG), the Singapore-based Feng Shui products and services group, announces its interim results for the six months ended 30 June 2016.

For further information:-

New Trend Lifestyle Group Plc +44 (0) 7830 182501

Gregory Collier, Non-Executive Chairman

SPARK Advisory Partners Limited +44 (0) 20 3368 3551
(NOMAD)

Mark Brady/Neil Baldwin

SI Capital Ltd (Broker) +44 (0)1483 413500

Nick Emerson, Andy Thacker

Chairman's Statement

Summary

Trading, balance sheet and cash flow

Sales in the period were SGD602k lower than the corresponding period last year, at SGD3,316k (1H-2015: SGD3,918k). This was as a result of the continued tough trading conditions in Singapore. The Company continues to develop sales and marketing strategies to address the decline in retail sales, and this has had some effect in the period under review as corporate sales have shown signs of increase from prior periods. Alongside this, cost control measures are being constantly reviewed by the Board to ensure that these remain as lean as possible.

Gross profit margins remained in line with the prior period, at 71.5% (1H-2015: 71.9%).

The Group made a total comprehensive loss in the period of SGD359k (1H-2015: SGD662k loss), although there was a foreign exchange gain of SGD393k in the current period which would otherwise have shown a worsened position.

Cash on hand reduced from the prior year end, to SGD1,766k. The Company continues to manage its cash within its available resources. After the period end, the Company raised £300,000, which will ensure that it has sufficient cash reserves to help implement its new strategy of identifying new acquisitions, which will require the Company to undertake due diligence and incur travelling and other related costs.

Outlook

The trading conditions in Singapore for our existing business are expected to remain challenging for the remainder of the year, and the Board will continue with the ongoing process of tight cost control, whilst developing new sales and marketing initiatives to bolster sales.

The Board announced an update to its strategy for the Company in June 2016, and following the placing for cash of 25,000,000 new ordinary shares in September 2016, which raised £300,000, the Board is focussed on identifying suitable acquisition opportunities to diversify the Group and grow revenue and profitability. The Board have started the process of sourcing new acquisition opportunities in the Asia region, and will keep shareholders updated on developments, and make announcements, as appropriate.

Gregory Collier
Chairman

New Trend Lifestyle Group Plc

Consolidated Comprehensive Income Statement for the period to 30 June 2016

	Notes	Six months to 30 June 2016 Unaudited SGD'000	Six months to 30 June 2015 Unaudited SGD'000	Year ended 31 December 2015 Audited SGD'000
Revenue		3,316	3,918	7,852
Cost of Sales		(946)	(1,102)	(2,237)
Gross Profit		<u>2,370</u>	<u>2,816</u>	<u>5,615</u>
Administrative expenses		(3,261)	(3,874)	(7,305)
Other income		174	494	728
Operating Loss	4	<u>(717)</u>	<u>(564)</u>	<u>(962)</u>
Finance expense		(35)	(30)	(188)
Loss before tax		<u>(752)</u>	<u>(594)</u>	<u>(1,150)</u>
Income tax		-	-	71
Loss from continuing operations		<u>(752)</u>	<u>(594)</u>	<u>(1,079)</u>
Loss on discontinued operation		-	-	(407)
 Loss for the year		 <u><u>(752)</u></u>	 <u><u>(594)</u></u>	 <u><u>(1,486)</u></u>
 Other comprehensive income/(loss) for the period		 393	 (68)	 (121)
Total comprehensive loss for the Period		 <u><u>(359)</u></u>	 <u><u>(662)</u></u>	 <u><u>(1,607)</u></u>
Attributable to:				
- Owners of the parent		<u><u>(359)</u></u>	<u><u>(662)</u></u>	<u><u>(1,607)</u></u>
Loss per share				
From continuing operations:-				
Basic and diluted loss per share	6	(0.008)	(0.006)	(0.015)

New Trend Lifestyle Group Plc
Consolidated Statement of Financial Position as at 30 June 2016

	Notes	As at 30 June 2016 Unaudited SGD'000	As at 30 June 2015 Unaudited SGD'000	As at 31 December 2015 Audited SGD'000
Assets				
Non-current assets				
Property, plant and equipment		1,449	1,695	1,534
Investment property		2,042	2,097	2,070
		<u>3,491</u>	<u>3,792</u>	<u>3,604</u>
Current assets				
Cash and cash equivalents	8	1,766	2,298	2,854
Financial assets at fair value through profit or loss		-	16	-
Trade and other receivables		1,100	1,432	767
Inventories		775	999	864
		<u>3,641</u>	<u>4,745</u>	<u>4,485</u>
Total assets		<u><u>7,132</u></u>	<u><u>8,537</u></u>	<u><u>8,089</u></u>
Equity and liabilities				
Capital and reserves				
Issued capital	7	199	199	199
Share premium		1,731	1,731	1,731
Other reserves		360	360	360
Group reorganisation reserve		2,845	2,845	2,845
Currency translation reserve		135	(205)	(258)
Accumulated surplus		(3,663)	(2,019)	(2,911)
Total equity		<u>1,607</u>	<u>2,911</u>	<u>1,966</u>
Non-current Liabilities				
Restoration costs		97	153	20
Borrowings		-	-	3,366
Deferred tax liability		-	65	-
		<u>97</u>	<u>218</u>	<u>3,386</u>
Current liabilities				
Trade and other payables		1,045	804	1,282
Short term borrowings		3,501	3,672	398
Convertible loan notes		882	929	912
Restoration costs		-	-	145
Current income tax liabilities		-	3	-
		<u>5,428</u>	<u>5,408</u>	<u>2,737</u>
Total equity and liabilities		<u><u>7,132</u></u>	<u><u>8,537</u></u>	<u><u>8,089</u></u>

New Trend Lifestyle Group Plc
Consolidated Statement of Cash Flows

for the six months to 30 June 2016

	Notes	Six months to 30 June 2016 Unaudited SGD'000	Six months to 30 June 2015 Unaudited SGD'000	Year to 31 Dec 2015 Audited SGD'000
Cash flows from operating activities				
Loss before income tax		(752)	(594)	(1,557)
Adjustments for:				
Depreciation and amortisation expense		249	345	662
Loss on disposal of fixed assets		-	-	22
Interest expense		41	27	199
Interest income		-	-	(11)
Impairment loss on trading securities		-	-	15
Gain on disposal of plant and equipment		-	13	-
Reversal of provision for restoration costs		(68)	(36)	(22)
Foreign exchange differences		-	-	(121)
Movement in reserves		(114)	(68)	-
Loss of written off property, plant and equipment		51	37	-
Deferred revenue		0	14	-
		(365)	(262)	(813)
Changes in working capital:-				
Inventories		89	156	291
Trade and other receivables		(53)	120	782
Trade and other payables		(329)	(519)	(152)
Provision for restoration costs		-	-	39
Cash consumed in operations		(659)	(505)	147
Interest received		-	-	11
Income tax paid		-	-	-
Net cash consumed in operating activities		(659)	(505)	158
Cash flows from investing activities				
Purchase of plant and equipment		(188)	(146)	(227)
Proceeds from disposal of plant and equipment		-	20	106
Acquisition of intangible assets		-	-	(75)

Net cash consumed in investing activities	(188)	(126)	(196)
Cash flows from financing activities			
Proceeds from bank borrowings (net)	34	-	200
Repayment of bank loans	(204)	(112)	(350)
Proceeds/(repayment) of convertible loan	(30)	(192)	(210)
Interest paid	(41)	(27)	(57)
Proceeds from obligations under finance leases	-	-	70
Repayments of obligations under finance leases	-	-	(21)
Net cash from/(consumed in) financing activities	(241)	(331)	(368)
Net change in cash and cash equivalents	(1,088)	(962)	(406)
Cash and cash equivalents at beginning of year	2,854	3,260	3,260
Cash and cash equivalents at end of year	1,766	2,298	2,854

New Trend Lifestyle Group Plc

Consolidated statement of changes in equity

for six months to 30 June 2016

	Share capital	Share premium	Retained profits	Other reserves	Group reorgani- sation reserve	Currency translation reserve	Total
	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000
Balance at 1 January 2015	199	1,731	(1,425)	360	2,845	(137)	3,573
Loss for the period	-	-	(594)	-	-	-	(594)
Currency translation	-	-	-	-	-	(68)	(68)
Convertible loan notes	-	-	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 30 June 2015	199	1,731	(2,019)	360	2,845	(205)	2,911
Loss for the period	-	-	(892)	-	-	-	(892)
Currency translation	-	-	-	-	-	(53)	(53)
Convertible loan notes	-	-	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2015	199	1,731	(2,911)	360	2,845	(258)	1,966
Loss for the period	-	-	(752)	-	-	-	(752)
Currency translation	-	-	-	-	-	393	393
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 30 June 2016	199	1,731	(3,663)	360	2,845	135	1,607
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

New Trend Lifestyle Group Plc

Notes to the Interim Financial Information

1. General Information

New Trend Lifestyle Group Plc (“NTLG” or “Group”) is a public limited company incorporated in England and Wales with company number 8000104 and is quoted on the AIM Market of the London Stock Exchange Plc.

2. Basis of Preparation

This interim report, which incorporates the financial information of the Company, has been prepared using the historical cost convention, on a going concern basis and in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union, using accounting policies which are consistent with those set out in the financial statements for the year ended 31 December 2015.

Taxes

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

Standards and Interpretations adopted with no material effect on financial statements

There are no IFRS or IFRIC interpretations that are effective for the first time in this financial period that would be expected to have a material impact on the Group.

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have material impact on the Group.

New Trend Lifestyle Group Plc

Notes to the Interim Financial Information

3. Segmental Analysis

Segmental reporting

In the opinion of the Directors the Group has one class of business, being the provider of Feng Shui products and services in Singapore. The operations in mainland China and Hong Kong have been discontinued.

The Group's primary reporting format is determined by the geographical segment according to the location of its establishments. There are currently two geographic reporting segments: Singapore and China and Hong Kong.

	Six months to 30 June 2016			
	Singapore	China and HK	UK	Total
	Unaudited SGD'000	Unaudited SGD'000	Unaudited SGD'000	Unaudited SGD'000
Income Statement				
Revenue	3,315	-	-	3,315
Other income	165	(16)	26	174
Direct and operating costs	(4,001)	(8)	(233)	(4,242)
Group loss before tax	(521)	(24)	(207)	(752)
Assets and Liabilities				
Segment Assets	6,791	310	31	7,132
Segment Liabilities	(4,396)	(14)	(1,115)	(5,525)
	2,395	296	(1,084)	1,607

	Six months to 30 June 2015			
	Singapore	China and HK	UK	Total
	Unaudited SGD'000	Unaudited SGD'000	Unaudited SGD'000	Unaudited SGD'000
Income Statement				
Revenue	3,738	180	-	3,918
Other income	447	57	(10)	494
Direct and operating costs	(4,508)	(271)	(227)	(5,006)
Group profit/(loss) before tax	(323)	(34)	(237)	(594)
Assets and Liabilities				
Segment Assets	8,047	439	51	8,537
Segment Liabilities	(4,460)	(57)	(1,109)	(5,626)
	3,587	382	(1,058)	2,911

	Year to 31 December 2015			
	Singapore	China and HK	UK	Total
	Audited SGD'000	Audited SGD'000	Audited SGD'000	Audited SGD'000
Income Statement				
Revenue	7,852	253	-	8,105
Other income	728	72	-	800
Direct and operating costs	(9,215)	(732)	(515)	(10,462)
Group profit/(loss) before tax	(635)	(407)	(515)	(1,557)
Assets and Liabilities				
Segment Assets	7,989	77	23	8,089
Segment Liabilities	(4,895)	(29)	(1,199)	(6,123)

New Trend Lifestyle Group Plc

Notes to the Interim Financial Information

4. Operating loss for the period is stated after charging

	Six months to 30 June 2016 Unaudited SGD'000	Six months to 30 June 2015 Unaudited SGD'000	Year to 31 December 2015 Audited SGD'000
Depreciation	249	345	651

5. Directors' emoluments

	Six months to 30 June 2016 Unaudited NTLG SGD'000	Six months to 30 June 2015 Unaudited Total SGD'000	Year to 31 December 2015 Audited NTL SGD'000
Robert Goddard	36	37	76
Hillary Phang Song Hua	336	332	593
Lawrence Chung	-	31	-
Ajay Kumar Rajpal	64	75	144
Matthew Pau	-	9	9

6. Loss per share

	Six months to 30 June 2016 Unaudited	Six months to 30 June 2015 Unaudited	Year to 31 December 2015 Audited
Loss per ordinary share – SGD			
Basic	(0.008)	(0.006)	(0.015)
Diluted	(0.008)	(0.006)	(0.015)

Earnings per share has been calculated on the net basis on the loss after tax of SGD752,000 (31 December 2015 – loss SGD1,079,000; 30 June 2015 - loss SGD594,000) using the weighted average number of ordinary shares in issue of 100,000,000 (fully diluted – 103,600,000) (31 December 2015 – 103,600,000; 30 June 2015 – 103,600,000).

New Trend Lifestyle Group Plc

Notes to the Interim Financial Information

7. Called up Share Capital

The issued share capital as at 30 June 2016 was 100,000,000 Ordinary Shares of 0.1p each.

8. Cash and cash equivalents

	As at 30 June 2016 Unaudited	As at 30 June 2015 Unaudited	As at 31 December 2015 Audited
	SGD'000	SGD'000	SGD'000
Cash and bank balance	1,766	1,197	2,354
Fixed deposits	-	1,101	500
	<hr/>	<hr/>	<hr/>
Cash and bank balances as presented in the statement of financial position	1,766	3,361	2,854
Less: Pledge fixed deposits	-	(1,101)	(500)
	<hr/>	<hr/>	<hr/>
Cash and cash equivalents as presented in the statement of cash flow	<u>1,766</u>	<u>2,298</u>	<u>2,354</u>

9. Events subsequent to 30 June 2016

On 7 September 2016 the Company issued and allotted 25,000,000 ordinary shares of 0.1 pence each at a price of 1.2 pence per share in the capital of the Company in a share placing to new and existing shareholders.

10. The unaudited results for six months ended 30 June 2016 do not constitute statutory accounts within the meaning of Section 435 of the Companies Act 2006. The comparative figures for the year ended 31 December 2015 for NTLG are extracted from the audited financial statements which contained an unqualified audit report and did not contain statements under Sections 498 to 502 of the Companies Act 2006.

11. This interim financial statement will be, in accordance with Rule 26 of the AIM Rules for Companies, available shortly on the Company's website at www.newtrendlifestylegroup.com.