

UNAUDITED RESULTS FOR THIRD QUARTER ENDED 30 SEPTEMBER 2013
**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					
	Note	Third Quarter Ended			9 Months Ended		
		30 Sep 13	30 Sep 12	Change	30 Sep 13	30 Sep 12	Change
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue		63,573	70,443	-9.8%	186,019	188,250	-1.2%
Cost of sales		(46,416)	(54,084)	-14.2%	(135,244)	(139,596)	-3.1%
Gross profit		17,157	16,359	4.9%	50,775	48,654	4.4%
Other items of income							
Interest income		102	62	64.5%	278	144	93.1%
Other income	(a)	844	1,017	-17.0%	3,158	2,992	5.5%
Other items of expense							
Depreciation of property, plant and equipment		(434)	(401)	8.2%	(1,244)	(1,199)	3.8%
Staff salaries and related expenses		(10,664)	(9,858)	8.2%	(31,161)	(28,814)	8.1%
Other expenses		(3,362)	(3,133)	7.3%	(9,134)	(9,477)	-3.6%
Interest expense		(57)	(64)	-10.9%	(220)	(180)	22.2%
Share of results of associates		120	415	-71.1%	891	1,032	-13.7%
Profit before tax	(b)	3,706	4,397	-15.7%	13,343	13,152	1.5%
Income tax expense	(c)	(576)	(778)	-26.0%	(2,476)	(2,312)	7.1%
Profit net of tax		3,130	3,619	-13.5%	10,867	10,840	0.2%
Profit attributable to:							
Owners of the Company		3,209	3,495	-8.2%	10,823	10,737	0.8%
Non-controlling interests		(79)	124	n/m	44	103	-57.3%
		3,130	3,619		10,867	10,840	
<u>Consolidated statement of comprehensive income</u>							
Profit net of tax		3,130	3,619	-13.5%	10,867	10,840	0.2%
Other comprehensive income:							
Foreign currency translation		(417)	(694)	-39.9%	336	(1,428)	n/m
Total comprehensive income for the period		2,713	2,925	-7.2%	11,203	9,412	19.0%
Total comprehensive income attributable to:							
Owners of the Company		2,826	2,844	-0.6%	11,139	9,419	18.3%
Non-controlling interests		(113)	81	n/m	64	(7)	n/m
		2,713	2,925		11,203	9,412	

Note

n/m = not meaningful

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

Explanatory notes to income statement

(a) Other income comprises :

	Group			
	Third Quarter Ended		9 Months Ended	
	30 Sep 13	30 Sep 12	30 Sep 13	30 Sep 12
	S\$'000	S\$'000	S\$'000	S\$'000
Corporate fee income	(63)	27	327	351
Dividend income from other investment	-	-	182	-
Other service income	463	474	1,203	1,331
Net gain on disposal of property, plant & equipment	41	-	41	8
Rental income	357	364	1,083	1,031
Miscellaneous income	46	152	322	271
	844	1,017	3,158	2,992

(b) The following items have been included in arriving at profit before tax :-

	Group			
	Third Quarter Ended		9 Months Ended	
	30 Sep 13	30 Sep 12	30 Sep 13	30 Sep 12
	S\$'000	S\$'000	S\$'000	S\$'000
Amortisation of intangible assets	-	50	-	204
Net bad trade debts written off	-	34	23	34
Directors' remuneration (including fees)	1,949	1,772	5,659	5,330
Inventories recognised as an expense in cost of sales	63	48	145	105
Net allowance for doubtful trade debts	11	-	71	16
Net foreign exchange loss	192	262	131	407
Operating lease expenses	862	835	2,767	2,493
Property, plant and equipment written off	1	-	1	7

(c) Included in income tax expense are over-provision of income tax relating to prior years of S\$9,000 for period ended 30 September 2013 (2012: S\$171,000).

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.

Note	Group		Company	
	As at 30 Sep 13 S\$'000	As at 31 Dec 12 S\$'000	As at 30 Sep 13 S\$'000	As at 31 Dec 12 S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	9,980	9,206	233	217
Intangible assets	4,939	4,823	-	-
Investments in subsidiaries	-	-	19,859	20,002
Investments in associates	9,324	8,271	5,364	5,364
Other investments	543	543	543	543
Other receivables	61	68	-	-
Deferred tax assets	497	535	-	-
	25,344	23,446	25,999	26,126
Current assets				
Inventories	507	21	-	-
Gross amount due from customers for contract work-in-progress	(d) 24,599	17,698	-	-
Income tax recoverable	242	223	-	-
Trade and other receivables	(e) 67,193	83,264	3,381	3,065
Prepaid operating expenses	946	991	11	57
Amounts due from subsidiaries	-	-	774	3,029
Amounts due from associates	697	915	466	915
Cash and short-term deposits	(f) 53,610	53,081	3,150	2,403
	147,794	156,193	7,782	9,469
Total assets	173,138	179,639	33,781	35,595
EQUITY AND LIABILITIES				
Current liabilities				
Gross amount due to customers for contract work-in-progress	(g) 10,163	1,180	-	-
Trade and other payables	(h) 67,197	84,026	1,054	1,536
Deferred income	3,371	5,231	-	-
Amounts due to subsidiaries	-	-	131	-
Amounts due to associates	-	11	-	-
Loans and borrowings	2,201	2,761	-	-
Income tax payable	6,428	7,430	428	537
	89,360	100,639	1,613	2,073
NET CURRENT ASSETS	58,434	55,554	6,169	7,396
Non-current liabilities				
Other payables	99	116	-	-
Loans and borrowings	1,780	1,884	-	-
Deferred tax liabilities	77	172	27	27
	1,956	2,172	27	27
Total liabilities	91,316	102,811	1,640	2,100
Net assets	81,822	76,828	32,141	33,495
Equity attributable to owners of the Company				
Share capital	23,266	23,266	23,266	23,266
Treasury shares	(334)	(978)	(334)	(978)
Retained earnings	58,680	55,582	7,855	10,689
Other reserves	(2,984)	(4,022)	1,354	518
	78,628	73,848	32,141	33,495
Non-controlling interests	3,194	2,980	-	-
Total equity	81,822	76,828	32,141	33,495
Total equity and liabilities	173,138	179,639	33,781	35,595

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. (cont'd)

Explanatory notes to balance sheet

(d) Gross amount due from customers for contract work-in-progress

Included in gross amount due from customers for contract work-in-progress mainly related to interior fit-out projects and various thematic works across Asia.

(e) Trade and other receivables

	Group		Company	
	As at 30 Sep 13	As at 31 Dec 12	As at 30 Sep 13	As at 31 Dec 12
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables	60,592	73,593	1,606	1,877
Other receivables	6,601	9,671	1,775	1,188
Total	67,193	83,264	3,381	3,065

Decrease in trade receivables was due to net collections received during the financial period. Billings towards the end of the year is usually higher due to seasonal fluctuation.

(f) Cash and short-term deposits

	Group		Company	
	As at 30 Sep 13	As at 31 Dec 12	As at 30 Sep 13	As at 31 Dec 12
	S\$'000	S\$'000	S\$'000	S\$'000
Cash at banks and in hand	35,741	36,389	1,572	900
Short-term deposits	17,869	16,692	1,578	1,503
Total	53,610	53,081	3,150	2,403

(g) Gross amount due to customers for contract work-in-progress

Gross amount due to customers for contract work-in-progress mainly relates to progress billings for interior fit-out projects and various thematic works across Asia.

(h) Trade and other payables

	Group		Company	
	As at 30 Sep 13	As at 31 Dec 12	As at 30 Sep 13	As at 31 Dec 12
	S\$'000	S\$'000	S\$'000	S\$'000
Trade payables	36,120	44,570	-	-
Accrued project costs	17,728	22,008	-	-
Other payables and accruals	13,349	17,448	1,054	1,536
Total	67,197	84,026	1,054	1,536

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

	Group	
	As at 30 Sep 13 S\$'000	As at 31 Dec 12 S\$'000
<u>Secured</u>		
- repayable within one year	2,201	2,761
- repayable after one year	1,780	1,884
	<hr/>	<hr/>
	3,981	4,645
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<u>Unsecured</u>		
- repayable within one year	-	-
- repayable after one year	-	-
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	-	-
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Details of any collateral

Bank term loans are secured by way of a first legal charge on the Group's two factory units in Selangor, Malaysia, corporate guarantees of the Company and its subsidiaries in Malaysia and personal guarantees given by certain directors of its subsidiaries.

Bank overdrafts are secured by fixed deposits pledged to the banks, corporate guarantees of the Company and its subsidiaries in Malaysia and personal guarantees given by certain directors of its subsidiaries.

Finance lease obligations of the Group are secured by the rights to the leased equipment, machinery and motor vehicles.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Note	Group			
	Third Quarter Ended		9 Months Ended	
	30 Sep 13 S\$'000	30 Sep 12 S\$'000	30 Sep 13 S\$'000	30 Sep 12 S\$'000
Cash flows from operating activities				
Profit before tax	3,706	4,397	13,343	13,152
Adjustments for:				
Depreciation of property, plant and equipment	434	401	1,244	1,199
Depreciation of property, plant and equipment charged to cost of sales	57	1,418	57	1,418
Net gain on disposal of property, plant and equipment	(41)	-	(41)	(8)
Property, plant and equipment written off	1	266	1	273
Bad trade debts written off	-	34	23	34
Net allowance for doubtful trade debts	11	-	71	16
Amortisation of intangible assets	-	50	-	204
Interest income	(102)	(62)	(278)	(144)
Interest expense	57	64	220	180
Dividend income from other investment	-	-	(182)	-
Share of results of associates	(120)	(415)	(891)	(1,032)
Currency realignment	126	(37)	(152)	(211)
Total adjustments	423	1,719	72	1,929
Operating cash flows before changes in working capital	4,129	6,116	13,415	15,081
Changes in working capital:				
Decrease/(increase) in trade and other receivables	6,999	(10,896)	16,470	15,467
(Increase)/decrease in inventories	(264)	3	(486)	23
Increase in gross amount due from customers for contract work-in-progress	(977)	(3,512)	(6,901)	(7,774)
Increase in gross amount due to customers for contract work-in-progress	5,116	12,774	8,983	24,519
Decrease in deferred income	(897)	(775)	(1,860)	(957)
Decrease in trade and other payables	(12,883)	(195)	(15,377)	(17,742)
Cash flows from operations	1,223	3,515	14,244	28,617
Interest received	102	62	278	144
Interest paid	(57)	(64)	(220)	(180)
Income tax paid	(1,752)	(1,153)	(3,719)	(3,480)
Net cash flows (used in)/generated from operating activities	(484)	2,360	10,583	25,101
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	61	-	62	45
Purchase of property, plant and equipment	(1,213)	(313)	(2,544)	(1,165)
Capital contribution by non-controlling interests in newly set-up subsidiary	-	-	90	-
Proceeds from sale of partial ownership interest in subsidiary	-	35	-	35
Dividend received from other investment	-	-	182	-
Dividend received from associates	-	42	-	85
Net cash flows used in investing activities	(1,152)	(236)	(2,210)	(1,000)
Cash flows from financial activities				
Increase in amount pledged to banks for banking facilities	(4)	(3)	(54)	(3)
Proceeds from draw down of loans and borrowings	287	803	934	1,683
Dividend paid on ordinary shares	(2,899)	(2,875)	(7,725)	(7,664)
Dividend paid to non-controlling interests	(53)	-	(53)	(79)
Repayment of finance lease obligations	(15)	(31)	(54)	(91)
Repayment of long-term bank borrowings	(177)	(556)	(1,419)	(1,907)
Net cash flows used in financing activities	(2,861)	(2,662)	(8,371)	(8,061)
Net (decrease)/increase in cash and cash equivalents	(4,497)	(538)	2	16,040
Effect of exchange rate changes on cash and cash equivalents	(324)	(437)	473	(823)
Cash and cash equivalents at beginning of period	56,874	47,787	51,578	31,595
Cash and cash equivalents at end of period	52,053	46,812	52,053	46,812

Explanatory notes to cash flow statement

(i) Cash and cash equivalents included in the consolidated cash flow statement comprise the following:-

	Group	
	30 Sep 13 S\$'000	30 Sep 12 S\$'000
Cash and short-term deposits	53,610	48,314
Bank overdrafts	-	-
	53,610	48,314
Amount pledged to banks for banking facilities	(1,557)	(1,502)
Cash and cash equivalents	52,053	46,812

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.

Group	Attributable to owners of the Company					
	Share capital S\$'000	Treasury shares S\$'000	Retained earnings S\$'000	Other reserves S\$'000	Equity attributable to owners of the parent, total S\$'000	Non-controlling interests S\$'000
Opening balance at 1 January 2013	23,266	(978)	55,582	(4,022)	73,848	2,980
Profit for the period	-	-	7,614	-	7,614	123
<u>Other comprehensive income</u>						
Foreign currency translation	-	-	-	698	698	54
Other comprehensive income for the period, net of tax	-	-	-	698	698	54
Total comprehensive income for the period	-	-	7,614	698	8,312	177
<u>Contribution by and distributions to owners</u>						
Dividends on ordinary shares	-	-	(4,826)	-	(4,826)	-
Treasury shares reissued pursuant to performance share scheme	-	543	-	704	1,247	-
Total contribution by and distributions to owners	-	543	(4,826)	704	(3,579)	-
<u>Changes in ownership interests in subsidiaries that do not result in a loss of control</u>						
Capital contribution by non-controlling interests in newly set-up subsidiary	-	-	-	-	-	90
Total changes in ownership interests in subsidiaries	-	-	-	-	-	90
Total transactions with owners in their capacity as owners	-	543	(4,826)	704	(3,579)	90
Closing balance at 30 June 2013	23,266	(435)	58,370	(2,620)	78,581	3,247
Profit for the period	-	-	3,209	-	3,209	(79)
<u>Other comprehensive income</u>						
Foreign currency translation	-	-	-	(383)	(383)	(34)
Other comprehensive income for the period, net of tax	-	-	-	(383)	(383)	(34)
<u>Contribution by and distributions to owners</u>						
Dividends on ordinary shares	-	-	(2,899)	-	(2,899)	-
Treasury shares reissued pursuant to performance share scheme	-	101	-	132	233	-
Total contribution by and distributions to owners	-	101	(2,899)	132	(2,666)	-
<u>Changes in ownership interests in subsidiaries that do not result in a loss of control</u>						
Dividends paid to non-controlling interests	-	-	-	-	-	(53)
Dilution of interest in subsidiary	-	-	-	(113)	(113)	113
Total changes in ownership interests in subsidiaries	-	-	-	(113)	(113)	60
Total transactions with owners in their capacity as owners	-	101	(2,899)	19	(2,779)	60
Closing balance at 30 September 2013	23,266	(334)	58,680	(2,984)	78,628	3,194

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. (Cont'd)

Group	Attributable to owners of the Company					
	Share capital S\$'000	Treasury shares S\$'000	Retained earnings S\$'000	Other reserves S\$'000	Equity attributable to owners of the parent, total S\$'000	Non-controlling interests S\$'000
Opening balance at 1 January 2012	23,266	(1,235)	48,300	(3,457)	66,874	2,594
Profit for the period	-	-	7,242	-	7,242	(21)
<u>Other comprehensive income</u>						
Foreign currency translation	-	-	-	(667)	(667)	(67)
Other comprehensive income for the period, net of tax	-	-	-	(667)	(667)	(67)
Total comprehensive income for the period	-	-	7,242	(667)	6,575	(88)
<u>Contribution by and distributions to owners</u>						
Dividends on ordinary shares	-	-	(4,789)	-	(4,789)	-
Treasury shares reissued pursuant to performance share scheme	-	257	-	193	450	-
Total contribution by and distributions to owners	-	257	(4,789)	193	(4,339)	-
<u>Changes in ownership interests in subsidiaries that do not result in a loss of control</u>						
Dividends paid to non-controlling interests	-	-	-	-	-	(79)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	(79)
Total transactions with owners in their capacity as owners	-	257	(4,789)	193	(4,339)	(79)
Closing balance at 30 June 2012	23,266	(978)	50,753	(3,931)	69,110	2,427
Profit for the period	-	-	3,495	-	3,495	124
<u>Other comprehensive income</u>						
Foreign currency translation	-	-	-	(651)	(651)	(43)
Other comprehensive income for the period, net of tax	-	-	-	(651)	(651)	(43)
Total comprehensive income for the period	-	-	3,495	(651)	2,844	81
<u>Contribution by and distributions to owners</u>						
Dividends on ordinary shares	-	-	(2,875)	-	(2,875)	-
Total contribution by and distributions to owners	-	-	(2,875)	-	(2,875)	-
<u>Changes in ownership interests in subsidiaries that do not result in a loss of control</u>						
Change in interest in subsidiary	-	-	-	(30)	(30)	65
Total changes in ownership interests in subsidiaries	-	-	-	(30)	(30)	65
Total transactions with owners in their capacity as owners	-	-	(2,875)	(30)	(2,905)	65
Closing balance at 30 September 2012	23,266	(978)	51,373	(4,612)	69,049	2,573

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. (cont'd)

Company	Attributable to owners of the Company				
	Share capital S\$'000	Treasury shares S\$'000	Retained earnings S\$'000	Other reserves S\$'000	Equity, total S\$'000
Opening balance at 1 January 2013	23,266	(978)	10,689	518	33,495
Profit for the period	-	-	5,138	-	5,138
Other comprehensive income for the period, net of tax	-	-	-	-	-
Total comprehensive income for the period	-	-	5,138	-	5,138
<u>Contributions by and distributions of owners</u>					
Treasury shares reissued pursuant to performance share scheme	-	543	-	704	1,247
Dividends on ordinary shares	-	-	(4,826)	-	(4,826)
Total transactions with owners in their capacity as owners	-	543	(4,826)	704	(3,579)
Closing balance at 30 June 2013	23,266	(435)	11,001	1,222	35,054
Loss for the period	-	-	(247)	-	(247)
Other comprehensive income for the period, net of tax	-	-	-	-	-
Total comprehensive income for the period	-	-	(247)	-	(247)
<u>Contributions by and distributions of owners</u>					
Treasury shares reissued pursuant to performance share scheme	-	101	-	132	233
Dividends on ordinary shares	-	-	(2,899)	-	(2,899)
Total transactions with owners in their capacity as owners	-	101	(2,899)	132	(2,666)
Closing balance at 30 September 2013	23,266	(334)	7,855	1,354	32,141
Opening balance at 1 January 2012	23,266	(1,235)	7,701	325	30,057
Profit for the period	-	-	7,134	-	7,134
Other comprehensive income for the period, net of tax	-	-	-	-	-
Total comprehensive income for the period	-	-	7,134	-	7,134
<u>Contributions by and distributions of owners</u>					
Treasury shares reissued pursuant to performance share scheme	-	257	-	193	450
Dividends on ordinary shares	-	-	(4,789)	-	(4,789)
Total transactions with owners in their capacity as owners	-	257	(4,789)	193	(4,339)
Closing balance at 30 June 2012	23,266	(978)	10,046	518	32,852
Profit for the period	-	-	4,897	-	4,897
Other comprehensive income for the period, net of tax	-	-	-	-	-
Total comprehensive income for the period	-	-	4,897	-	4,897
<u>Contributions by and distributions of owners</u>					
Dividends on ordinary shares	-	-	(2,875)	-	(2,875)
Total transactions with owners in their capacity as owners	-	-	(2,875)	-	(2,875)
Closing balance at 30 September 2012	23,266	(978)	12,068	518	34,874

- 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 and treasury shares

	Group and Company	
	30 Sep 13	31 Dec 12
	'000	'000
Issued and fully paid-up share capital:		
As at beginning and end of period / year	194,183	194,183
Treasury shares:		
As at beginning of period / year	(2,537)	(3,204)
Treasury shares reissued pursuant to:		
- performance share scheme	1,671	667
As at end of period / year	(866)	(2,537)

There was no outstanding options or convertibles as at 30 Sep 13 (31 Dec 12: Nil).

- 1(d)(iii) 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.**

	Group and Company	
	30 Sep 13	31 Dec 12
	'000	'000
Total number of issued shares (excluding treasury shares)	193,317	191,646

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

	Group and Company			
	30 Sep 13		31 Dec 12	
	No. of shares		No. of shares	
	'000	S\$'000	'000	S\$'000
As at beginning of period / year	(2,537)	(978)	(3,204)	(1,235)
Treasury shares reissued pursuant to:				
- performance share scheme	1,671	644	667	257
As at end of period / year	(866)	(334)	(2,537)	(978)

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

The figures have neither been audited nor reviewed by the auditors.

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 and the Company have applied the same accounting policies and methods of computation in the current year's financial statements as compared with those used in the audited financial statements for the year ended 31 December 2012.

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.

	Group			
	Third Quarter Ended 30 Sep 13	30 Sep 12	9 Months Ended 30 Sep 13	30 Sep 12
Net profit for the period attributable to ordinary shareholders for basic and diluted earnings per share (S\$'000)	3,209	3,495	10,823	10,737
Weighted average number of ordinary shares in issue ('000)	193,207	191,646	192,423	191,363
Adjusted weighted average number of ordinary shares applicable to diluted earnings per shares ('000)	193,207	191,646	192,423	191,363
Earnings per share based on weighted average number of ordinary shares in issue (cents)	1.66	1.82	5.62	5.61
Earnings per share on fully diluted basis (cents)	1.66	1.82	5.62	5.61

Basic earnings per share is calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares, excluding treasury shares, during the period.

Diluted earnings per share is calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares, excluding treasury shares, after adjusting for the effects of potential dilutive ordinary shares, during the 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	
	As at 30 Sep 13	As at 31 Dec 12	As at 30 Sep 13	As at 31 Dec 12
Net asset value, net of non-controlling interests (S\$'000)	78,628	73,848	32,141	33,495
Number of ordinary shares, excluding treasury shares ('000)	193,317	191,646	193,317	191,646
Net asset value per share (cents)	40.67	38.53	16.63	17.48

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**

Revenue

	Group					
	Third Quarter Ended			9 Months Ended		
	30 Sep 13	30 Sep 12	+/-	30 Sep 13	30 Sep 12	+/-
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Exhibitions & Museums	25,128	32,739	-23.2%	68,417	85,199	-19.7%
Retail & Corporate Interiors	33,509	31,921	5.0%	98,835	87,324	13.2%
Research & Design	2,392	3,166	-24.4%	7,553	7,518	0.5%
Alternative Marketing	2,544	2,617	-2.8%	11,214	8,209	36.6%
	63,573	70,443		186,019	188,250	

For the nine months ended 30 September 2013 ("year-to-date" or "YTD"), the Group recorded revenue of S\$186.0 million, a slight decline of 1.2% compared to S\$188.3 million for the same period last year. For the current quarter 3Q 2013, the Group's revenue decreased by 9.8% from S\$70.4 million in 3Q 2012 to S\$63.6 million. The Exhibitions & Museums division and Retail & Corporate Interiors division continued to be the core business segments for the Group.

The **Exhibitions & Museums division's** YTD revenue was S\$68.4 million, 19.7% lower than S\$85.2 million for the same period last year. For 3Q 2013, the division's revenue was S\$25.1 million which was approximately S\$7.6 million or 23.2% lower as compared to its corresponding period in 2012.

The dip in the revenue was mainly due to a few sizable thematic projects that the division is currently working on which are still incomplete as at the end of 3Q 2013. Projects completed YTD include Art Stage 2013, Fern Garden revamp @ Changi Airport Terminal 2, Tax Free Asia Pacific, Gillman Barracks, F1 Singapore Grand Prix and Hong Kong Disney Mystic Point.

The **Retail & Corporate Interiors division** recorded YTD revenue of S\$98.8 million, a considerable increase of S\$11.5 million or 13.2% as compared to S\$87.3 million in the same period last year. The 3Q 2013's revenue was S\$33.5 million as compared to S\$31.9 million in 3Q 2012.

Key contributors to the division's revenue included customers and brand names such as Robinsons, Dickson Group, FJ Benjamin, Uniqlo, Ralph Lauren, Dior, Victoria's Secrets, Fendi and Aldo.

- (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 (cont'd)

YTD revenue from the **Research & Design division** increased by 0.5% to S\$ 7.6 million as compared to the same period last year. The revenue recorded in 3Q 2013 was S\$2.4 million, 24.4% lower than 3Q 2012.

Key accounts which contributed to the revenue include customers and brand name such as Abercrombie & Fitch, Burberry, Gucci, Lotte Group, Robinsons and SKII.

The **Alternative Marketing division** posted significantly higher revenue of S\$11.2 million for YTD as compared to S\$8.2 million in the same period last year. 3Q 2013 revenue was S\$2.5 million, a slight reduction from S\$2.6 million recorded in 3Q 2012. Chanel Event at Loewen Cluster completed in first half of 2013 contributed to the division's revenue.

Gross Profit

	Group					
	Third Quarter Ended			9 Months Ended		
	30 Sep 13	30 Sep 12	+/-	30 Sep 13	30 Sep 12	+/-
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	63,573	70,443	-9.8%	186,019	188,250	-1.2%
Gross profit	17,157	16,359	4.9%	50,775	48,654	4.4%
GP margin	27.0%	23.2%		27.3%	25.8%	

Despite the lower revenue recorded in both YTD and 3Q 2013 as compared to its corresponding period in 2012, gross profit for YTD and 3Q 2013 increased by 4.4% and 4.9% to S\$50.8 million and S\$17.2 million respectively.

Interest Income

Interest income relates mainly to interest income derived from fixed deposits and current account balances.

Other Items of Expenses

	Group					
	Third Quarter Ended			9 Months Ended		
	30 Sep 13	30 Sep 12	+/-	30 Sep 13	30 Sep 12	+/-
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Depreciation of property, plant and equipment	434	401	8.2%	1,244	1,199	3.8%
Staff salaries and related expenses	10,664	9,858	8.2%	31,161	28,814	8.1%
Other expenses	3,362	3,133	7.3%	9,134	9,477	-3.6%
Interest expense	57	64	-10.9%	220	180	22.2%
	<u>14,517</u>	<u>13,456</u>		<u>41,759</u>	<u>39,670</u>	

YTD operating expenses increased from S\$39.7 million in 2012 to S\$41.8 million in 2013. For 3Q 2013, operating expenses increased from S\$13.5 million to S\$14.5 million.

The increase was mainly due to higher depreciation expenses of property, plant and equipment and higher staff salaries and additional headcount.

- (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 (cont'd)**

Share of Results of Associates

YTD share of results of associates was S\$891,000, a decrease of 13.7% as compared to S\$1.0 million recorded in 2012. Share of results of associates declined from S\$415,000 for 3Q 2012 to S\$120,000 for 3Q 2013. The lower share of profits of associates is mainly due to loss suffered by Ascend Com Pte. Ltd. And Kingsmen Nikko Limited.

Profit attributable to Owners of the Company

For the YTD, profit attributable to owners of the Company was S\$10.8 million as compared to S\$10.7 million in 2012. Profit attributable to owners of the Company for 3Q 2013 was slightly lower at S\$3.2 million as compared to S\$3.5 million for 3Q 2012.

- (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Net Assets (Net of Non-controlling Interests)

Net assets of the Group increased by S\$5.0 million from S\$76.8 million to S\$81.8 million and was mainly contributed by the profits retained in the Group after dividend distribution of S\$7.7 million to shareholders.

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

In our announcement on 14 August 2013, we stated that we expect the Group would continue to do well in FY2013. Our third quarter results are in line with this statement.

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 last quarter of 2013 will see the usual fast pace of activities for our Interiors division before the festive season. Besides working on several thematic projects, we will also be engaged with various exhibitions, events and numerous museum and visitor centre projects, which will carry through to next year.

As at 13 November 2013, we have been awarded contracts of approximately S\$351 million, of which S\$293 million is expected to be recognised in FY2013. We expect 4Q 2013 to be a stronger quarter and FY2013 to be another rewarding year, barring unforeseen circumstances.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?
No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?
No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommendeded, a statement to that effect.

No interim dividend has been declared or recommended in the current reporting period.

13. Pursuant to Rule 1207(17), please provide the information required by Rule 907 in respect of any interested person transactions entered into during the financial period.

No interested person transaction mandate has been obtained from the shareholders of the Company. There was no interested person transaction, as defined in Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited, entered into by the Group or by the Company during the financial period ended 30 September 2013.

14. Confirmation by the Board pursuant to Rule 705(5) of the listing manual.

We, Soh Siak Poh Benedict and Simon Ong Chin Sim, being Directors of Kingsmen Creatives Ltd. (the "Company"), do hereby confirm, for and on behalf of the Board of Directors of the Company, that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited interim financial results for the third quarter ended 30 September 2013 to be false or misleading in any material aspect.

For and on behalf of the Board of Directors

Soh Siak Poh Benedict
Executive Chairman

Simon Ong Chin Sim
Group Managing Director

14 November 2013

BY ORDER OF THE BOARD

Soh Siak Poh Benedict
Executive Chairman
14 November 2013