

UNAUDITED SECOND QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016
PART 1 – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a) 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.

	Note	Group					
		Second Quarter Ended			Half Year Ended		
		30 Jun 16 S\$'000	30 Jun 15 S\$'000	Change %	30 Jun 16 S\$'000	30 Jun 15 S\$'000	Change %
Revenue		87,906	82,873	6.1%	149,355	134,769	10.8%
Cost of sales		(67,013)	(62,319)	7.5%	(115,074)	(100,008)	15.1%
Gross profit		20,893	20,554	1.6%	34,281	34,761	-1.4%
Other items of income							
Interest income		88	104	-15.4%	154	193	-20.2%
Other income	(a)	1,217	1,010	20.5%	2,273	2,125	7.0%
Other items of expense							
Depreciation of property, plant and equipment		(604)	(560)	7.9%	(1,195)	(1,118)	6.9%
Employee benefits expense		(14,337)	(13,888)	3.2%	(27,039)	(25,514)	6.0%
Other expenses		(3,498)	(3,634)	-3.7%	(6,289)	(6,220)	1.1%
Interest expense		(173)	(168)	3.0%	(332)	(299)	11.0%
Share of results of associates		293	481	-39.1%	175	752	-76.7%
Profit before tax	(b)	3,879	3,899	-0.5%	2,028	4,680	-56.7%
Income tax expense	(c)	(900)	(790)	13.9%	(1,070)	(1,009)	6.0%
Profit net of tax		2,979	3,109	-4.2%	958	3,671	-73.9%
Other comprehensive (loss)/income:							
Item that may be reclassified subsequently to profit or loss:							
Exchange differences on translating foreign operations, net of tax		(692)	(1,006)	-31.2%	(1,815)	35	n/m
Other comprehensive (loss)/income for the period, net of tax		(692)	(1,006)	-31.2%	(1,815)	35	n/m
Total comprehensive income/(loss)		2,287	2,103	8.7%	(857)	3,706	n/m
Profit/(loss) net of tax attributable to:							
Equity holders of the Company		3,184	3,067	3.8%	2,302	3,854	-40.3%
Non-controlling interests		(205)	42	n/m	(1,344)	(183)	634.4%
Profit net of tax		2,979	3,109	-4.2%	958	3,671	-73.9%
Total comprehensive income/(loss) attributable to:							
Equity holders of the Company		2,507	2,145	16.9%	469	3,913	-88.0%
Non-controlling interests		(220)	(42)	423.8%	(1,326)	(207)	540.6%
Total comprehensive income/(loss)		2,287	2,103	8.7%	(857)	3,706	n/m

Note :

n/m = not meaningful

1(a) 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. (Cont'd)

Explanatory notes to consolidated income statement

(a) Other income comprises :-

	Group			
	Second Quarter Ended		Half Year Ended	
	30 Jun 16	30 Jun 15	30 Jun 16	30 Jun 15
	S\$'000	S\$'000	S\$'000	S\$'000
Corporate fee income	127	80	378	400
Dividend income from available-for-sale financial asset	62	-	62	-
Net gain on disposal of property, plant & equipment	28	19	59	35
Rental income	492	441	899	850
Service income	448	383	710	717
Write-back of impairment loss on doubtful trade receivables	6	-	6	-
Miscellaneous income	54	87	159	123
	1,217	1,010	2,273	2,125

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

	Group			
	Second Quarter Ended		Half Year Ended	
	30 Jun 16	30 Jun 15	30 Jun 16	30 Jun 15
	S\$'000	S\$'000	S\$'000	S\$'000
Amortisation of intangible asset	22	22	45	45
Amortisation of land use right	61	-	122	-
Bad trade debts written off	141	17	165	29
Impairment loss on doubtful trade receivables	5	15	10	89
Net foreign exchange loss	285	368	287	164
Operating lease expenses	960	1,011	1,926	1,926

(c) Included in income tax expense for the second quarter and half year ended 30 June 2016 are under-provision of income tax of S\$43,000 (2Q 2015: S\$Nil) and S\$36,000 (1H 2015: S\$82,000) respectively relating to prior year.

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	
	Note	As at 30 Jun 16 S\$'000	As at 31 Dec 15 S\$'000	As at 30 Jun 16 S\$'000	As at 31 Dec 15 S\$'000
ASSETS					
Non-current assets					
Land use right		7,102	7,224	7,102	7,224
Property, plant and equipment		24,688	23,952	372	213
Intangible assets		7,499	7,783	-	-
Investments in subsidiaries		-	-	25,715	25,715
Investments in associates		6,976	6,722	3,430	3,430
Other investments		6,173	6,173	6,173	6,173
Trade and other receivables		594	635	-	-
Deferred tax assets		774	576	140	124
		<u>53,806</u>	<u>53,065</u>	<u>42,932</u>	<u>42,879</u>
Current assets					
Inventories		2,912	2,736	-	-
Gross amount due from customers					
for contract work-in-progress	(d)	35,418	19,812	-	-
Trade and other receivables	(e)	73,553	103,149	6,048	3,509
Other assets		688	858	8	132
Cash and cash equivalents	(f)	65,998	72,611	10,090	6,007
		<u>178,569</u>	<u>199,166</u>	<u>16,146</u>	<u>9,648</u>
Total assets		<u>232,375</u>	<u>252,231</u>	<u>59,078</u>	<u>52,527</u>
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital		27,130	26,331	27,130	26,331
Retained earnings		85,373	87,030	28,350	21,898
Other reserves		(3,861)	(2,084)	2,436	2,376
		<u>108,642</u>	<u>111,277</u>	<u>57,916</u>	<u>50,605</u>
Non-controlling interests		679	2,094	-	-
Total equity		<u>109,321</u>	<u>113,371</u>	<u>57,916</u>	<u>50,605</u>
Non-current liabilities					
Trade and other payables		978	758	-	-
Other financial liabilities		7,667	8,322	-	-
Deferred tax liabilities		494	513	-	-
		<u>9,139</u>	<u>9,593</u>	<u>-</u>	<u>-</u>
Current liabilities					
Gross amount due to customers					
for contract work-in-progress	(g)	10,141	4,567	-	-
Trade and other payables	(h)	93,948	109,784	1,162	1,841
Other financial liabilities		4,730	5,063	-	-
Other liabilities		1,400	3,732	-	81
Income tax payable		3,696	6,121	-	-
		<u>113,915</u>	<u>129,267</u>	<u>1,162</u>	<u>1,922</u>
Total liabilities		<u>123,054</u>	<u>138,860</u>	<u>1,162</u>	<u>1,922</u>
Total equity and liabilities		<u>232,375</u>	<u>252,231</u>	<u>59,078</u>	<u>52,527</u>

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. (Cont'd)

Explanatory notes to statements of financial position

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

Gross amount due from customers for contract work-in-progress comprises of the contract costs incurred and the profits/losses recognised less the progress billings on our interior fit-out projects and various thematic works across Asia and the Middle East.

(e) Trade and other receivables

	Group		Company	
	As at 30 Jun 16	As at 31 Dec 15	As at 30 Jun 16	As at 31 Dec 15
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables	63,700	94,764	1,527	1,125
Other receivables	9,853	8,385	4,521	2,384
Total	73,553	103,149	6,048	3,509

(f) Cash and cash equivalents

	Group		Company	
	As at 30 Jun 16	As at 31 Dec 15	As at 30 Jun 16	As at 31 Dec 15
	S\$'000	S\$'000	S\$'000	S\$'000
Cash at banks and in hand	46,419	64,649	3,222	3,145
Short-term deposits	19,579	7,962	6,868	2,862
Total	65,998	72,611	10,090	6,007

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

Gross amount due to customers for contract work-in-progress comprises of the progress billings less the contract costs incurred and the profits/losses recognised on our interior fit-out projects and various thematic works across Asia and the Middle East.

(h) Trade and other payables

	Group		Company	
	As at 30 Jun 16	As at 31 Dec 15	As at 30 Jun 16	As at 31 Dec 15
	S\$'000	S\$'000	S\$'000	S\$'000
Trade payables	83,593	93,100	-	-
Other payables	10,355	16,684	1,162	1,841
Total	93,948	109,784	1,162	1,841

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.

	Group	
	As at 30 Jun 16	As at 31 Dec 15
	S\$'000	S\$'000
<u>Secured</u>		
- repayable within one year	4,730	5,063
- repayable after one year	7,667	8,322
	12,397	13,385
<u>Unsecured</u>		
- repayable within one year	-	-
- repayable after one year	-	-
	-	-

Details of any collaterals

Bank loans and trust receipts are secured by way of legal charges on the Group's three factory units in Malaysia, corporate guarantees of the Company and a subsidiary in Malaysia, personal guarantees given by certain directors of the subsidiaries in Malaysia and short-term deposits pledged to the banks.

Finance lease obligations are secured by the rights to the motor vehicles.

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

		Group			
		Second Quarter Ended		Half Year Ended	
	Note	30 Jun 16	30 Jun 15	30 Jun 16	30 Jun 15
		S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities					
Profit before tax		3,879	3,899	2,028	4,680
Adjustments for:					
Amortisation of intangible asset		22	22	45	45
Amortisation of land use right		61	-	122	-
Bad trade debts written off		141	17	165	29
Depreciation of property, plant and equipment		1,031	1,101	1,676	1,662
Dividend income from available-for-sale financial asset		(62)	-	(62)	-
Net (write-back of impairment loss)/impairment loss on doubtful trade receivables		(1)	15	4	89
Net gain on disposal of property, plant and equipment		(28)	(19)	(59)	(35)
Interest income		(88)	(104)	(154)	(193)
Interest expense		173	168	332	299
Share of results of associates		(293)	(481)	(175)	(752)
Currency realignment		259	356	614	111
Operating cash flows before changes in working capital		5,094	4,974	4,536	5,935
(Increase)/decrease in:					
Inventories		(43)	(1,002)	(176)	(1,176)
Gross amount due from customers for contract work-in-progress		(6,267)	(4,038)	(15,606)	(11,202)
Trade and other receivables		2,291	(5,446)	29,468	18,119
Other assets		22	342	163	337
Increase/(decrease) in:					
Gross amount due to customers for contract work-in-progress		2,905	470	5,574	875
Trade and other payables		3,809	3,175	(15,616)	(13,953)
Other liabilities		(4,235)	355	(1,393)	1,058
Net cash flows from/(used in) operations		3,576	(1,170)	6,950	(7)
Interest received		88	104	154	193
Interest paid		(173)	(168)	(332)	(299)
Income tax paid		(1,344)	(1,231)	(3,696)	(2,241)
Net cash flows from/(used in) operating activities		2,147	(2,465)	3,076	(2,354)
Cash flows from investing activities					
Purchase of property, plant and equipment		(737)	(206)	(2,079)	(15,219)
Proceeds from disposal of property, plant and equipment		28	20	60	58
Acquisition of additional interest in an associate		-	(74)	-	(74)
Dividend income from available-for-sale financial asset		62	-	62	-
Dividend income from associates		-	690	-	847
Net cash flows (used in)/from investing activities		(647)	430	(1,957)	(14,388)
Cash flows from financing activities					
Dividends paid on ordinary shares		(3,963)	(4,897)	(3,963)	(4,897)
Dividends paid to non-controlling interests of subsidiaries		(89)	-	(89)	-
Purchase of treasury shares		(27)	-	(140)	-
Repayment of finance lease obligations		(3)	(6)	(7)	(12)
Proceeds from draw down of loans and borrowings		722	860	2,135	9,830
Repayment of loans and borrowings		(1,703)	(852)	(3,305)	(4,399)
Decrease/(increase) in deposits pledged to banks for banking facilities		611	10	5	(194)
Net cash flows (used in)/from financing activities		(4,452)	(4,885)	(5,364)	328
Net decrease in cash and cash equivalents					
Effect of exchange rate changes on cash and cash equivalents		(694)	(819)	(2,363)	241
Cash and cash equivalents at beginning of period		67,726	72,926	70,688	81,360
Cash and cash equivalents at end of period	(i)	64,080	65,187	64,080	65,187

Explanatory note to consolidated cash flow statement

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

	Group	
	As at 30 Jun 16 S\$'000	As at 30 Jun 15 S\$'000
Cash at banks and in hand	46,419	58,785
Short-term deposits	19,579	8,208
	65,998	66,993
Less: Deposits pledged to banks for banking facilities	(1,918)	(1,806)
Cash and cash equivalents	64,080	65,187

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 equity holders of the Company					Equity, total S\$'000
	Share capital S\$'000	Retained earnings S\$'000	Other reserves S\$'000	Equity attributable to equity holders of the Company, total S\$'000	Non-controlling interests S\$'000	
Opening balance at 1 January 2016	26,331	87,030	(2,084)	111,277	2,094	113,371
Loss for the period	-	(882)	-	(882)	(1,139)	(2,021)
<u>Other comprehensive (loss)/income</u>						
Foreign currency translation	-	-	(1,156)	(1,156)	33	(1,123)
Other comprehensive (loss)/income for the period, net of tax	-	-	(1,156)	(1,156)	33	(1,123)
Total comprehensive loss for the period	-	(882)	(1,156)	(2,038)	(1,106)	(3,144)
<u>Contributions by and distributions to equity holders</u>						
Purchase of treasury shares	(113)	-	-	(113)	-	(113)
Total contributions by and distributions to equity holders	(113)	-	-	(113)	-	(113)
Total transactions with equity holders in their capacity as equity holders	(113)	-	-	(113)	-	(113)
Closing balance at 31 March 2016	26,218	86,148	(3,240)	109,126	988	110,114
Profit/(loss) for the period	-	3,184	-	3,184	(205)	2,979
<u>Other comprehensive loss</u>						
Foreign currency translation	-	-	(677)	(677)	(15)	(692)
Other comprehensive loss for the period, net of tax	-	-	(677)	(677)	(15)	(692)
Total comprehensive income/(loss) for the period	-	3,184	(677)	2,507	(220)	2,287
<u>Contributions by and distributions to equity holders</u>						
Purchase of treasury shares	(27)	-	-	(27)	-	(27)
Ordinary shares issued pursuant to performance share scheme	276	-	-	276	-	276
Treasury shares reissued pursuant to performance share scheme	663	-	60	723	-	723
Dividends paid on ordinary shares	-	(3,963)	-	(3,963)	-	(3,963)
Total contributions by and distributions to equity holders	912	(3,963)	60	(2,991)	-	(2,991)
<u>Changes in ownership interests in subsidiaries</u>						
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	(89)	(89)
Total changes in ownership interests in subsidiaries	-	-	-	-	(89)	(89)
Total transactions with equity holders in their capacity as equity holders	912	(3,963)	60	(2,991)	(89)	(3,080)
<u>Other</u>						
Appropriation from statutory reserve fund	-	4	(4)	-	-	-
Total Other	-	4	(4)	-	-	-
Closing balance at 30 June 2016	27,130	85,373	(3,861)	108,642	679	109,321

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 equity holders of the Company					Equity, total S\$'000
	Share capital S\$'000	Retained earnings S\$'000	Other reserves S\$'000	Equity attributable to equity holders of the Company, total S\$'000	Non-controlling interests S\$'000	
Opening balance at 1 January 2015	23,614	74,923	(1,790)	96,747	4,318	101,065
Profit/(loss) for the period	-	787	-	787	(225)	562
<u>Other comprehensive income</u>						
Foreign currency translation	-	-	981	981	60	1,041
Other comprehensive income for the period, net of tax	-	-	981	981	60	1,041
Total comprehensive income/(loss) for the period	-	787	981	1,768	(165)	1,603
Total transactions with equity holders in their capacity as equity holders	-	-	-	-	-	-
Closing balance at 31 March 2015	23,614	75,710	(809)	98,515	4,153	102,668
Profit for the period	-	3,067	-	3,067	42	3,109
<u>Other comprehensive (loss)/income</u>						
Foreign currency translation	-	-	(922)	(922)	(84)	(1,006)
Other comprehensive loss for the period, net of tax	-	-	(922)	(922)	(84)	(1,006)
Total comprehensive income/(loss) for the period	-	3,067	(922)	2,145	(42)	2,103
<u>Contributions by and distributions to equity holders</u>						
Ordinary shares issued pursuant to performance share scheme	1,435	-	-	1,435	-	1,435
Dividends paid on ordinary shares	-	(4,897)	-	(4,897)	-	(4,897)
Total contributions by and distributions to equity holders	1,435	(4,897)	-	(3,462)	-	(3,462)
Total transactions with equity holders in their capacity as equity holders	1,435	(4,897)	-	(3,462)	-	(3,462)
<u>Other</u>						
Appropriation to statutory reserve fund	-	(19)	19	-	-	-
Total Other	-	(19)	19	-	-	-
Closing balance at 30 June 2015	25,049	73,861	(1,712)	97,198	4,111	101,309

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 equity holders of the Company			
	Share capital S\$'000	Retained earnings S\$'000	Other reserves S\$'000	Equity, total S\$'000
Opening balance at 1 January 2016	26,331	21,898	2,376	50,605
Profit for the period	-	3,226	-	3,226
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	-	3,226	-	3,226
<u>Contributions by and distributions to equity holders</u>				
Purchase of treasury shares	(113)	-	-	(113)
Total contributions by and distributions to equity holders	(113)	-	-	(113)
Total transactions with equity holders in their capacity as equity holders	(113)	-	-	(113)
Closing balance at 31 March 2016	26,218	25,124	2,376	53,718
Profit for the period	-	7,189	-	7,189
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	-	7,189	-	7,189
<u>Contributions by and distributions to equity holders</u>				
Purchase of treasury shares	(27)	-	-	(27)
Ordinary shares issued pursuant to performance share scheme	276	-	-	276
Treasury shares reissued pursuant to performance share scheme	663	-	60	723
Dividends paid on ordinary shares	-	(3,963)	-	(3,963)
Total contributions by and distributions to equity holders	912	(3,963)	60	(2,991)
Total transactions with equity holders in their capacity as equity holders	912	(3,963)	60	(2,991)
Closing balance at 30 June 2016	27,130	28,350	2,436	57,916
Opening balance at 1 January 2015	23,614	12,346	1,826	37,786
Profit for the period	-	372	-	372
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	-	372	-	372
Total transactions with equity holders in their capacity as equity holders	-	-	-	-
Closing balance at 31 March 2015	23,614	12,718	1,826	38,158
Profit for the period	-	6,008	-	6,008
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	-	6,008	-	6,008
<u>Contributions by and distributions to equity holders</u>				
Ordinary shares issued pursuant to performance share scheme	1,435	-	-	1,435
Dividends paid on ordinary shares	-	(4,897)	-	(4,897)
Total contributions by and distributions to equity holders	1,435	(4,897)	-	(3,462)
Total transactions with equity holders in their capacity as equity holders	1,435	(4,897)	-	(3,462)
Closing balance at 30 June 2015	25,049	13,829	1,826	40,704

- 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.**

Ordinary shares issued and fully paid-up	Number of shares	Issued and paid-up share capital S\$'000
Balance as at 31 March 2016	196,744,181	26,218
Purchase of treasury shares	(41,300)	(27)
Treasury shares reissued pursuant to performance share scheme	1,041,300	663
Ordinary shares issued pursuant to performance share scheme	<u>396,600</u>	<u>276</u>
Balance as at 30 June 2016	<u>198,140,781</u>	<u>27,130</u>

There were no outstanding convertibles issued by the Company as at 30 June 2016 and 30 June 2015.

There were no treasury shares held by the Company against the total number of issued shares excluding treasury shares of 198,140,781 and 195,914,181 as at 30 June 2016 and 30 June 2015 respectively.

- 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.**

	Company	
	As at 30 Jun 16	As at 31 Dec 15
Total number of issued shares excluding treasury shares	<u>198,140,781</u>	<u>196,919,181</u>

- 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.**

	Number of treasury shares held	Treasury shares S\$'000
Balance as at 31 March 2016	1,000,000	636
Purchase of treasury shares	41,300	27
Treasury shares reissued pursuant to performance share scheme	<u>(1,041,300)</u>	<u>(663)</u>
Balance as at 30 June 2016	<u>-</u>	<u>-</u>

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

The figures have not been audited nor reviewed by the Company's 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.

Except as disclosed in paragraph 5 below, the accounting policies and methods of computation adopted in the financial statements for the current reporting period are consistent with those disclosed in the audited financial statements for the financial year ended 31 December 2015.

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.

The Group has adopted all the applicable new and revised Financial Reporting Standards ("FRS") and Interpretations of Financial Reporting Standards ("INT FRS") that are mandatory for the accounting periods beginning on or after 1 January 2016. The adoption of these new and revised FRS and INT FRS did not result in any substantial change to the Group's and the Company's accounting policies and has no significant impact on the financial statements for the current reporting period.

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			
	Second Quarter Ended		Half Year Ended	
	30 Jun 16	30 Jun 15	30 Jun 16	30 Jun 15
Net profit attributable to shareholders (S\$'000)	3,184	3,067	2,302	3,854
Weighted average number of ordinary shares in issue	197,590,012	195,360,840	197,180,943	194,959,281
Basic and diluted earnings per share (S\$ cents)	1.61	1.57	1.17	1.98

The basic and diluted earnings per share are the same as there were no potentially dilutive ordinary shares in issue as at 30 June 2016 and 30 June 2015.

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 Jun 16	As at 31 Dec 15	As at 30 Jun 16	As at 31 Dec 15
Net asset value, net of non-controlling interests (S\$'000)	108,642	111,277	57,916	50,605
Number of ordinary shares in issue, excluding treasury shares	198,140,781	196,919,181	198,140,781	196,919,181
Net asset value per ordinary share (S\$ cents)	54.83	56.51	29.23	25.70

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					
	Second Quarter Ended			Half Year Ended		
	30 Jun 16	30 Jun 15	+/-	30 Jun 16	30 Jun 15	+/-
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Exhibitions & Thematic	45,361	42,365	7.1%	73,779	68,484	7.7%
Retail & Corporate Interiors	36,567	35,123	4.1%	65,657	56,618	16.0%
Research & Design	3,433	3,432	0.0%	5,981	6,517	-8.2%
Alternative Marketing	2,545	1,953	30.3%	3,938	3,150	25.0%
	<u>87,906</u>	<u>82,873</u>	6.1%	<u>149,355</u>	<u>134,769</u>	10.8%

For the second quarter ended 30 June 2016 ("2Q 2016"), the Group recorded a revenue of S\$87.9 million compared to S\$82.9 million for the previous corresponding quarter ended 30 June 2015 ("2Q 2015"). This brought revenue for the half year ended 30 June 2016 ("1H 2016") to S\$149.4 million, an increase of S\$14.6 million or 10.8% compared to S\$134.8 million for the previous corresponding half year ended 30 June 2015 ("1H 2015").

The **Exhibitions & Thematic division** performed well in 1H 2016 with a revenue of S\$73.8 million, an increase of S\$5.3 million or 7.7% compared to S\$68.5 million in 1H 2015. In 2Q 2016, the division's revenue was S\$45.4 million, an increase of S\$3.0 million or 7.1% from S\$42.4 million recorded in 2Q 2015. The key contributors to the division's revenue included major events and projects such as Art Stage Singapore 2016, Singapore Airshow 2016, TFWA Asia Pacific Exhibition & Conference 2016, KidZania Singapore, Hailan Group Horse Cultural Experience Pavilion, Jakarta Aquarium, King Abdulaziz Center for World Culture and thematic projects in the region.

The **Retail & Corporate Interiors division** achieved a revenue of S\$65.6 million in 1H 2016, an increase of S\$9.0 million or 16.0% from S\$56.6 million in 1H 2015. Revenue was higher at S\$36.5 million in 2Q 2016, an increase of S\$1.4 million or 4.1% from S\$35.1 million in 2Q 2015. Demand for interior design and fit-out services from the high-end luxury retail segment remained soft. However, the division continued to see demand for interior design and fit-out services from the affordable luxury retail, fast fashion retail, travel retail, corporate interiors and food & beverage segments. Key accounts for the division included Tiffany & Co., Christian Dior, Fendi, Aldo, Uniqlo, DFS Venture, LS Travel Retail and Shilla Travel Retail.

The **Research & Design division** registered a revenue of S\$6.0 million in 1H 2016, a decrease of S\$0.5 million or 8.2% compared to S\$6.5 million in 1H 2015. Revenue was relatively unchanged at S\$3.4 million in 2Q 2016 compared to 2Q 2015. The key accounts which contributed to the division's revenue included clients and brand names such as TAG Heuer, Procter & Gamble Co., Kate Spade and Michael Kors, and thematic projects in the region.

The **Alternative Marketing division** recorded a revenue of S\$3.9 million in 1H 2016, an increase of S\$0.8 million or 25.0% compared to S\$3.1 million in 1H 2015. In 2Q 2016, the division's revenue was S\$2.5 million, an increase of S\$0.6 million or 30.3% from S\$1.9 million recorded in 2Q 2015. The key contributors to the division's revenue included events and projects from clients such as BMW, Health Promotion Board, OCBC and StarHub.

(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)

Gross Profit

	Group					
	Second Quarter Ended			Half Year Ended		
	30 Jun 16	30 Jun 15	+/-	30 Jun 16	30 Jun 15	+/-
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	87,906	82,873	6.1%	149,355	134,769	10.8%
Gross profit	20,893	20,554	1.6%	34,281	34,761	-1.4%
Gross profit margin	23.8%	24.8%		23.0%	25.8%	

Gross profit in 1H 2016 decreased by S\$0.5 million or 1.4% to S\$34.3 million compared to S\$34.8 million in 1H 2015. Gross profit was higher at S\$20.9 million in 2Q 2016, an increase of S\$0.3 million or 1.6% from S\$20.6 million in 2Q 2015. The gross profit recorded was due to higher revenue registered but at a lower gross profit margin, affected mainly by lower selling prices in the Retail & Corporate Interiors division.

Other Items of Income

Interest income relates mainly to interest income earned from short-term deposits and bank balances placed with banks.

Other income comprises items as set out in Note 1(a)(a).

Other Items of Expense

	Group					
	Second Quarter Ended			Half Year Ended		
	30 Jun 16	30 Jun 15	+/-	30 Jun 16	30 Jun 15	+/-
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Depreciation of property, plant and equipment	604	560	7.9%	1,195	1,118	6.9%
Employee benefits expense	14,337	13,888	3.2%	27,039	25,514	6.0%
Other expenses	3,498	3,634	-3.7%	6,289	6,220	1.1%
Interest expense	173	168	3.0%	332	299	11.0%
	18,612	18,250	2.0%	34,855	33,151	5.1%

Higher operating expenses were incurred in 1H 2016 and 2Q 2016 compared to 1H 2015 and 2Q 2015 respectively. The higher depreciation charge on property, plant and equipment and interest expense were incurred mainly as a result of the new factory unit in Malaysia acquired in late January 2015 and the corresponding bank loans taken out to finance the acquisition. A full half year depreciation charge and interest expense was incurred in 1H 2016 whereas the same was incurred from late January 2015 in 1H 2015. The increase in employee benefits expense was mainly due to higher cost resulting from increased headcount and average wage. Other expenses were relatively unchanged in 1H 2016 and 2Q 2016 compared to 1H 2015 and 2Q 2015 respectively.

Share of Results of Associates

Share of results of associates decreased by S\$0.6 million from S\$0.8 million in 1H 2015 to S\$0.2 million in 1H 2016 and by S\$0.2 million from S\$0.5 million in 2Q 2015 to S\$0.3 million in 2Q 2016. The decrease was mainly due to loss contribution from certain associates and absence of profit contribution from Kingsmen C.M.T.I. Public Company Limited which ceased to be an associate since December 2015.

- (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)

Profit Net of Tax Attributable to Equity Holders of the Company

Based on the above, profit net of tax attributable to equity holders of the Company decreased by S\$1.6 million from S\$3.9 million in 1H 2015 to S\$2.3 million in 1H 2016. Profit net of tax attributable to equity holders of the Company increased by S\$0.1 million from S\$3.1 million in 2Q 2015 to S\$3.2 million in 2Q 2016.

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

Equity Attributable to Equity Holders of the Company

Equity attributable to equity holders of the Company decreased by S\$2.6 million from S\$111.3 million as at 31 December 2015 to S\$108.7 million as at 30 June 2016. This was mainly due to movements in share capital of S\$0.8 million and profit net of tax attributable to equity holders of the Company of S\$2.3 million offset by dividend distribution of S\$3.9 million to shareholders of the Company and movements in other reserves of S\$1.8 million.

- 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 12 May 2016, we stated that, barring unforeseen circumstances, we are cautiously optimistic about the outlook for our various business segments, despite the challenges posed by global economic uncertainty. Our 2Q 2016 results are in line with the Group's overall expectation for the year.

- 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 Exhibitions & Thematic division enjoys good prospect in the exhibitions, events, museums and thematic industries around Asia and the Middle East and given the line-up of projects and attractions already secured, we expect the division to continue its momentum.

Despite the tougher operating environment of the Retail and Corporate Interiors division, there are still opportunities that lie within the industry. We will continue to serve our clients in the high-end luxury retail segment, increase our marketing efforts and pursue more projects in the affordable luxury retail, fast fashion retail, travel retail, corporate interiors and food & beverage segments.

We are mindful of the global economic environment and will monitor the market situation closely. Our business fundamentals are strong and we will continue to invest for the future. They will provide us the foundation to pursue our long term business objectives. As at 31 July 2016, we have secured contracts of S\$276 million, of which S\$245 million is expected to be recognised in FY2016.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in SGD Cents)	1.00
Tax Rate	Tax exempt (one tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in SGD Cents)	1.00
Tax Rate	Tax exempt (one tier)

(c) Date payable

The above interim dividends (the "Dividends") will be paid on 19 September 2016.

(d) Books closure date

NOTICE IS HEREBY GIVEN THAT the Share Transfer Books and Register of Members of the Company will be closed on 8 September 2016 to determine shareholders' entitlements to the Dividends and for the preparation of dividend warrants.

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd. at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623 up to 5.00 p.m. on 7 September 2016 will be registered to determine shareholders' entitlements to the Dividends. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 7 September 2016 will be entitled to the Dividends.

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

No applicable.

- 13 If the group has obtained a general mandate from shareholders for interested person transactions, the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Listing Manual of the Singapore Exchange Securities Trading Limited. If no interested person transactions mandate has been obtained, a statement to that effect.**

No interested person transaction mandate has been obtained from the shareholders of the Company. There were no interested person transactions of S\$100,000 and above entered into by the Group during the current financial period ended 30 June 2016.

- 14 Confirmation of negative assurance by the Board of Directors pursuant to Rule 705(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited.**

We, Soh Siak Poh Benedict and Simon Ong Chin Sim, being two of the Directors of Kingsmen Creatives Ltd. (the "Company"), do hereby confirm 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 of Directors which may render the unaudited financial results for the current financial period ended 30 June 2016 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Soh Siak Poh Benedict
Executive Chairman

Simon Ong Chin Sim
Executive Deputy Chairman

11 August 2016

- 15 Confirmation that the issuer has procured undertakings from its directors and executive officers under Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited.**

The Company confirms that it has procured undertakings from its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

BY ORDER OF THE BOARD OF DIRECTORS

Soh Siak Poh Benedict
Executive Chairman

11 August 2016