

UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017
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					
		Third Quarter Ended			Nine Months Ended		
		30 Sep 17 S\$'000	30 Sep 16 S\$'000	Change %	30 Sep 17 S\$'000	30 Sep 16 S\$'000	Change %
Revenue		69,101	76,868	-10.1%	214,070	226,223	-5.4%
Cost of sales		(52,717)	(59,210)	-11.0%	(162,366)	(174,284)	-6.8%
Gross profit		16,384	17,658	-7.2%	51,704	51,939	-0.5%
Other items of income							
Interest income		115	98	17.3%	315	252	25.0%
Other income	(a)	776	916	-15.3%	2,931	3,189	-8.1%
Other items of expense							
Depreciation of property, plant and equipment		(485)	(610)	-20.5%	(1,518)	(1,805)	-15.9%
Employee benefits expense		(12,931)	(13,412)	-3.6%	(38,748)	(40,451)	-4.2%
Other expenses		(3,028)	(2,788)	8.6%	(10,248)	(9,077)	12.9%
Interest expense		(138)	(144)	-4.2%	(407)	(476)	-14.5%
Share of results of associates		68	(850)	n/m	107	(675)	n/m
Profit before tax	(b)	761	868	-12.3%	4,136	2,896	42.8%
Income tax expense	(c)	(408)	(472)	-13.6%	(1,238)	(1,542)	-19.7%
Profit net of tax		353	396	-10.9%	2,898	1,354	114.0%
Other comprehensive (loss)/income:							
Item that may be reclassified subsequently to profit or loss:							
Exchange differences on translating foreign operations, net of tax		(66)	454	n/m	(1,313)	(1,361)	-3.5%
Item that will not be reclassified to profit or loss:							
Defined benefit plan actuarial gain, net of tax		-	20	n/m	-	20	n/m
Other comprehensive (loss)/income for the period, net of tax		(66)	474	n/m	(1,313)	(1,341)	-2.1%
Total comprehensive income		287	870	-67.0%	1,585	13	12092.3%
Profit/(loss) net of tax attributable to:							
Equity holders of the Company		819	614	33.4%	3,567	2,916	22.3%
Non-controlling interests		(466)	(218)	113.8%	(669)	(1,562)	-57.2%
Profit net of tax		353	396	-10.9%	2,898	1,354	114.0%
Total comprehensive income/(loss) attributable to:							
Equity holders of the Company		720	1,098	-34.4%	2,232	1,567	42.4%
Non-controlling interests		(433)	(228)	89.9%	(647)	(1,554)	-58.4%
Total comprehensive income		287	870	-67.0%	1,585	13	12092.3%

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			
	Third Quarter Ended		Nine Months Ended	
	30 Sep 17 S\$'000	30 Sep 16 S\$'000	30 Sep 17 S\$'000	30 Sep 16 S\$'000
Corporate fee income	64	70	482	448
Dividend income from available-for-sale financial asset	-	-	80	62
Gain on deemed disposal of interest in an associate	-	77	-	77
Net gain on disposal of property, plant and equipment	-	11	1	70
Rental income	377	298	1,157	1,197
Service income	164	229	922	939
Write-back of impairment loss on doubtful trade receivables	-	-	-	6
Miscellaneous income	171	231	289	390
	776	916	2,931	3,189

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

	Group			
	Third Quarter Ended		Nine Months Ended	
	30 Sep 17 S\$'000	30 Sep 16 S\$'000	30 Sep 17 S\$'000	30 Sep 16 S\$'000
Amortisation of intangible asset	23	23	68	68
Amortisation of land use right	60	60	182	182
Bad trade debts written off	29	17	165	182
Impairment loss on doubtful trade receivables	-	-	-	10
Net foreign exchange loss	260	89	1,264	376
Operating lease expenses	942	952	2,839	2,878
Property, plant and equipment written off	-	-	1	-

(c) Included in income tax expense for the third quarter and nine months ended 30 September 2017 are over-provision of income tax of S\$165,000 (3Q 2016: S\$Nil) and S\$164,000 (9M 2016: under-provision of S\$36,000) 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 Sep 17 S\$'000	As at 31 Dec 16 S\$'000	As at 30 Sep 17 S\$'000	As at 31 Dec 16 S\$'000
ASSETS					
Non-current assets					
Land use right		6,799	6,981	6,799	6,981
Property, plant and equipment		30,265	24,610	9,245	1,404
Intangible assets		7,417	7,794	-	-
Investments in subsidiaries		-	-	27,715	25,715
Investments in associates		6,041	5,954	3,430	3,430
Other investments		4,304	4,304	4,304	4,304
Trade and other receivables		819	759	-	-
Deferred tax assets		543	426	62	47
		<u>56,188</u>	<u>50,828</u>	<u>51,555</u>	<u>41,881</u>
Current assets					
Other investments		1,014	1,014	1,014	1,014
Inventories		1,954	1,607	-	-
Gross amount due from customers					
for contract work-in-progress	(d)	34,869	23,595	-	-
Trade and other receivables	(e)	83,693	104,730	7,188	5,858
Other assets		1,241	1,102	32	174
Cash and cash equivalents	(f)	52,747	76,155	2,944	10,041
		<u>175,518</u>	<u>208,203</u>	<u>11,178</u>	<u>17,087</u>
Total assets		<u>231,706</u>	<u>259,031</u>	<u>62,733</u>	<u>58,968</u>
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital		27,710	27,130	27,710	27,130
Retained earnings		91,485	92,900	31,874	27,812
Other reserves		(4,535)	(3,204)	1,554	1,554
		<u>114,660</u>	<u>116,826</u>	<u>61,138</u>	<u>56,496</u>
Non-controlling interests		1,005	1,844	-	-
Total equity		<u>115,665</u>	<u>118,670</u>	<u>61,138</u>	<u>56,496</u>
Non-current liabilities					
Trade and other payables		1,037	1,245	-	-
Other financial liabilities		5,740	6,807	-	-
Deferred tax liabilities		377	374	-	-
		<u>7,154</u>	<u>8,426</u>	<u>-</u>	<u>-</u>
Current liabilities					
Gross amount due to customers					
for contract work-in-progress	(g)	11,213	10,521	-	-
Trade and other payables	(h)	86,875	110,660	1,595	2,472
Other financial liabilities		5,265	4,249	-	-
Other liabilities		2,587	2,607	-	-
Income tax payable		2,947	3,898	-	-
		<u>108,887</u>	<u>131,935</u>	<u>1,595</u>	<u>2,472</u>
Total liabilities		<u>116,041</u>	<u>140,361</u>	<u>1,595</u>	<u>2,472</u>
Total equity and liabilities		<u>231,706</u>	<u>259,031</u>	<u>62,733</u>	<u>58,968</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 Sep 17	As at 31 Dec 16	As at 30 Sep 17	As at 31 Dec 16
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables	73,639	95,816	1,643	1,309
Other receivables	10,054	8,914	5,545	4,549
Total	83,693	104,730	7,188	5,858

(f) Cash and cash equivalents

	Group		Company	
	As at 30 Sep 17	As at 31 Dec 16	As at 30 Sep 17	As at 31 Dec 16
	S\$'000	S\$'000	S\$'000	S\$'000
Cash at banks and in hand	41,717	60,027	1,790	1,631
Short-term deposits	11,030	16,128	1,154	8,410
Total	52,747	76,155	2,944	10,041

(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 Sep 17	As at 31 Dec 16	As at 30 Sep 17	As at 31 Dec 16
	S\$'000	S\$'000	S\$'000	S\$'000
Trade payables	74,080	89,787	-	-
Other payables	12,795	20,873	1,595	2,472
Total	86,875	110,660	1,595	2,472

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 Sep 17	As at 31 Dec 16
	S\$'000	S\$'000
<u>Secured</u>		
- repayable within one year or on demand	5,265	4,249
- repayable after one year	5,740	6,807
	11,005	11,056
<u>Unsecured</u>		
- repayable within one year or on demand	-	-
- 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.

Note	Group			
	Third Quarter Ended		Nine Months Ended	
	30 Sep 17 S\$'000	30 Sep 16 S\$'000	30 Sep 17 S\$'000	30 Sep 16 S\$'000
Cash flows from operating activities				
Profit before tax	761	868	4,136	2,896
Adjustments for:				
Amortisation of intangible asset	23	23	68	68
Amortisation of land use right	60	60	182	182
Bad trade debts written off	29	17	165	182
Depreciation of property, plant and equipment	904	928	2,498	2,604
Dividend income from available-for-sale financial asset	-	-	(80)	(62)
Gain on deemed disposal of interest in an associate	-	(77)	-	(77)
Net gain on disposal of property, plant and equipment	-	(11)	(1)	(70)
Net impairment loss on doubtful trade receivables	-	-	-	4
Property, plant and equipment written off	-	-	1	-
Interest income	(115)	(98)	(315)	(252)
Interest expense	138	144	407	476
Share of results of associates	(68)	850	(107)	675
Currency realignment	(71)	41	639	655
Operating cash flows before changes in working capital	1,661	2,745	7,593	7,281
(Increase)/decrease in:				
Inventories	373	986	(347)	810
Gross amount due from customers for contract work-in-progress	(5,570)	(943)	(11,274)	(16,549)
Trade and other receivables	12,127	(832)	20,812	28,636
Other assets	(461)	(266)	(219)	(103)
Increase/(decrease) in:				
Gross amount due to customers for contract work-in-progress	754	2,564	692	8,138
Trade and other payables	(6,352)	(4,854)	(22,962)	(20,470)
Other liabilities	690	1,209	560	(184)
Net cash flows from/(used in) operations	3,222	609	(5,145)	7,559
Interest received	115	98	315	252
Interest paid	(138)	(144)	(407)	(476)
Income tax paid	(620)	(514)	(2,231)	(4,210)
Net cash flows from/(used in) operating activities	2,579	49	(7,468)	3,125
Cash flows from investing activities				
Purchase of property, plant and equipment	(3,281)	(459)	(9,472)	(2,538)
Proceeds from disposal of property, plant and equipment	136	37	137	97
Dividend income from available-for-sale financial asset	-	-	80	62
Dividend income from associates	-	680	-	680
Net cash flows (used in)/from investing activities	(3,145)	258	(9,255)	(1,699)
Cash flows from financing activities				
Dividends paid on ordinary shares	(1,991)	(1,981)	(4,978)	(5,944)
Dividends paid to non-controlling interest of subsidiaries	(180)	(12)	(192)	(101)
Purchase of treasury shares	-	-	-	(140)
Proceeds from draw down of loans and borrowings	1,407	528	4,031	2,663
Repayment of loans and borrowings	(1,967)	(1,035)	(4,089)	(4,340)
Repayment of finance lease obligations	(2)	(26)	(6)	(33)
Decrease/(increase) in deposits pledged to banks for banking facilities	132	(35)	(476)	(30)
Net cash flows used in financing activities	(2,601)	(2,561)	(5,710)	(7,925)
Net decrease in cash and cash equivalents	(3,167)	(2,254)	(22,433)	(6,499)
Effect of exchange rate changes on cash and cash equivalents	16	473	(1,451)	(1,890)
Cash and cash equivalents at beginning of period	53,818	64,080	74,551	70,688
Cash and cash equivalents at end of period	50,667	62,299	50,667	62,299

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 Sep 17 S\$'000	As at 30 Sep 16 S\$'000
Cash at banks and in hand	41,717	49,147
Short-term deposits	11,030	15,105
	52,747	64,252
Less: Deposits pledged to banks for banking facilities	(2,080)	(1,953)
Cash and cash equivalents	50,667	62,299

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 2017	27,130	92,900	(3,204)	116,826	1,844	118,670
Profit/(loss) for the period	-	2,748	-	2,748	(203)	2,545
<u>Other comprehensive loss</u>						
Foreign currency translation	-	-	(1,236)	(1,236)	(11)	(1,247)
Other comprehensive loss for the period, net of tax	-	-	(1,236)	(1,236)	(11)	(1,247)
Total comprehensive income/(loss) for the period	-	2,748	(1,236)	1,512	(214)	1,298
<u>Contributions by and distributions to equity holders</u>						
Ordinary shares issued pursuant to performance share scheme	580	-	-	580	-	580
Dividends paid on ordinary shares	-	(2,987)	-	(2,987)	-	(2,987)
Total contributions by and distributions to equity holders	580	(2,987)	-	(2,407)	-	(2,407)
<u>Changes in ownership interests in subsidiaries</u>						
Dividends paid to non-controlling interest of a subsidiary	-	-	-	-	(12)	(12)
Total changes in ownership interests in subsidiaries	-	-	-	-	(12)	(12)
Total transactions with equity holders in their capacity as equity holders	580	(2,987)	-	(2,407)	(12)	(2,419)
<u>Other</u>						
Appropriation to statutory reserve fund	-	(4)	4	-	-	-
Total Other	-	(4)	4	-	-	-
Closing balance at 30 June 2017	27,710	92,657	(4,436)	115,931	1,618	117,549
Profit/(loss) for the period	-	819	-	819	(466)	353
<u>Other comprehensive (loss)/income</u>						
Foreign currency translation	-	-	(99)	(99)	33	(66)
Other comprehensive (loss)/income for the period, net of tax	-	-	(99)	(99)	33	(66)
Total comprehensive income/(loss) for the period	-	819	(99)	720	(433)	287
<u>Contributions by and distributions to equity holders</u>						
Dividends paid on ordinary shares	-	(1,991)	-	(1,991)	-	(1,991)
Total contributions by and distributions to equity holders	-	(1,991)	-	(1,991)	-	(1,991)
<u>Changes in ownership interests in subsidiaries</u>						
Dividends paid to non-controlling interest of a subsidiary	-	-	-	-	(180)	(180)
Total changes in ownership interests in subsidiaries	-	-	-	-	(180)	(180)
Total transactions with equity holders in their capacity as equity holders	-	(1,991)	-	(1,991)	(180)	(2,171)
Closing balance at 30 September 2017	27,710	91,485	(4,535)	114,660	1,005	115,665

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 2016	26,331	87,030	(2,084)	111,277	2,094	113,371
Profit/(loss) for the period	-	2,302	-	2,302	(1,344)	958
<u>Other comprehensive (loss)/income</u>						
Foreign currency translation	-	-	(1,833)	(1,833)	18	(1,815)
Other comprehensive (loss)/income for the period, net of tax	-	-	(1,833)	(1,833)	18	(1,815)
Total comprehensive income/(loss) for the period	-	2,302	(1,833)	469	(1,326)	(857)
<u>Contributions by and distributions to equity holders</u>						
Purchase of treasury shares	(140)	-	-	(140)	-	(140)
Treasury shares reissued pursuant to performance share scheme	663	-	60	723	-	723
Ordinary shares issued pursuant to performance share scheme	276	-	-	276	-	276
Dividends paid on ordinary shares	-	(3,963)	-	(3,963)	-	(3,963)
Total contributions by and distributions to equity holders	799	(3,963)	60	(3,104)	-	(3,104)
<u>Changes in ownership interests in subsidiaries</u>						
Dividends paid to non-controlling interest of subsidiaries	-	-	-	-	(89)	(89)
Total changes in ownership interests in subsidiaries	-	-	-	-	(89)	(89)
Total transactions with equity holders in their capacity as equity holders	799	(3,963)	60	(3,104)	(89)	(3,193)
<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
Profit/(loss) for the period	-	614	-	614	(218)	396
<u>Other comprehensive income/(loss)</u>						
Foreign currency translation	-	-	465	465	(11)	454
Defined benefit plan actuarial gain	-	19	-	19	1	20
Other comprehensive income/(loss) for the period, net of tax	-	19	465	484	(10)	474
Total comprehensive income/(loss) for the period	-	633	465	1,098	(228)	870
<u>Contributions by and distributions to equity holders</u>						
Dividends paid on ordinary shares	-	(1,981)	-	(1,981)	-	(1,981)
Total contributions by and distributions to equity holders	-	(1,981)	-	(1,981)	-	(1,981)
<u>Changes in ownership interests in subsidiaries</u>						
Dividends paid to non-controlling interest of a subsidiary	-	-	-	-	(12)	(12)
Total changes in ownership interests in subsidiaries	-	-	-	-	(12)	(12)
Total transactions with equity holders in their capacity as equity holders	-	(1,981)	-	(1,981)	(12)	(1,993)
Closing balance at 30 September 2016	27,130	84,025	(3,396)	107,759	439	108,198

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 2017	27,130	27,812	1,554	56,496
Profit for the period	-	5,258	-	5,258
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	-	5,258	-	5,258
<u>Contributions by and distributions to equity holders</u>				
Ordinary shares issued pursuant to performance share scheme	580	-	-	580
Dividends paid on ordinary shares	-	(2,987)	-	(2,987)
Total contributions by and distributions to equity holders	580	(2,987)	-	(2,407)
Total transactions with equity holders in their capacity as equity holders	580	(2,987)	-	(2,407)
Closing balance at 30 June 2017	27,710	30,083	1,554	59,347
Profit for the period	-	3,782	-	3,782
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	-	3,782	-	3,782
<u>Contributions by and distributions to equity holders</u>				
Dividends paid on ordinary shares	-	(1,991)	-	(1,991)
Total contributions by and distributions to equity holders	-	(1,991)	-	(1,991)
Total transactions with equity holders in their capacity as equity holders	-	(1,991)	-	(1,991)
Closing balance at 30 September 2017	27,710	31,874	1,554	61,138
Opening balance at 1 January 2016	26,331	21,898	2,376	50,605
Profit for the period	-	10,415	-	10,415
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	-	10,415	-	10,415
<u>Contributions by and distributions to equity holders</u>				
Purchase of treasury shares	(140)	-	-	(140)
Treasury shares reissued pursuant to performance share scheme	663	-	60	723
Ordinary shares issued pursuant to performance share scheme	276	-	-	276
Dividends paid on ordinary shares	-	(3,963)	-	(3,963)
Total contributions by and distributions to equity holders	799	(3,963)	60	(3,104)
Total transactions with equity holders in their capacity as equity holders	799	(3,963)	60	(3,104)
Closing balance at 30 June 2016	27,130	28,350	2,436	57,916
Profit for the period	-	1,873	-	1,873
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	-	1,873	-	1,873
<u>Contributions by and distributions to equity holders</u>				
Dividends paid on ordinary shares	-	(1,981)	-	(1,981)
Total contributions by and distributions to equity holders	-	(1,981)	-	(1,981)
Total transactions with equity holders in their capacity as equity holders	-	(1,981)	-	(1,981)
Closing balance at 30 September 2016	27,130	28,242	2,436	57,808

- 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares, excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.**

There were no changes in the Company's share capital for the current financial period ended 30 September 2017.

There were no outstanding convertibles issued by the Company as at 30 September 2017 and 30 September 2016.

There were no treasury shares held by the Company as at 30 September 2017 and 30 September 2016. There were no subsidiary holdings as at 30 September 2017 and 30 September 2016. The percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of issued shares excluding treasury shares and subsidiary holdings of 199,107,061 and 198,140,781 as at 30 September 2017 and 30 September 2016 were Nil% and Nil% 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 Sep 17	As at 31 Dec 16
Total number of issued shares excluding treasury shares	199,107,061	198,140,781

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

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period ended 30 September 2017.

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

Not applicable. There were no subsidiary holdings during and as at the end of the current financial period ended 30 September 2017.

- 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 2016.

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 2017. 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			
	Third Quarter Ended 30 Sep 17	Third Quarter Ended 30 Sep 16	Nine Months Ended 30 Sep 17	Nine Months Ended 30 Sep 16
Net profit attributable to shareholders (S\$'000)	819	614	3,567	2,916
Weighted average number of ordinary shares in issue	199,107,061	198,140,781	198,668,165	197,503,224
Basic and diluted earnings per share (S\$ cents)	0.41	0.31	1.80	1.48

The basic and diluted earnings per share are the same as there were no potentially dilutive ordinary shares in issue as at 30 September 2017 and 30 September 2016.

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 17	As at 31 Dec 16	As at 30 Sep 17	As at 31 Dec 16
Net asset value, net of non-controlling interests (S\$'000)	114,660	116,826	61,138	56,496
Number of ordinary shares in issue, excluding treasury shares	199,107,061	198,140,781	199,107,061	198,140,781
Net asset value per ordinary share (S\$ cents)	57.59	58.96	30.71	28.51

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			Nine Months Ended		
	30 Sep 17	30 Sep 16	+/-	30 Sep 17	30 Sep 16	+/-
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Exhibitions & Thematic	32,318	31,458	2.7%	91,746	105,237	-12.8%
Retail & Corporate Interiors	30,550	38,580	-20.8%	104,577	104,237	0.3%
Research & Design	3,174	3,405	-6.8%	9,819	9,386	4.6%
Alternative Marketing	3,059	3,425	-10.7%	7,928	7,363	7.7%
	69,101	76,868	-10.1%	214,070	226,223	-5.4%

For the third quarter ended 30 September 2017 ("3Q 2017"), the Group recorded a revenue of S\$69.1 million, a decrease of S\$7.8 million or 10.1% compared to S\$76.9 million for the previous corresponding quarter ended 30 September 2016 ("3Q 2016"). This brought revenue for the nine months ended 30 September 2017 ("9M 2017") to S\$214.0 million, a decrease of S\$12.2 million or 5.4% compared to S\$226.2 million for the previous corresponding nine months ended 30 September 2016 ("9M 2016").

The **Exhibitions & Thematic division** registered a revenue of S\$91.7 million in 9M 2017, a decrease of S\$13.5 million or 12.8% from S\$105.2 million in 9M 2016. In 3Q 2017, the division's revenue was S\$32.3 million, an increase of S\$0.9 million or 2.7% from S\$31.4 million recorded in 3Q 2016. The decrease in revenue in 9M 2017 compared to 9M 2016 was due to the completion of several key projects in 2016. The key contributors to the division's revenue included major events and projects such as Desaru Adventure Waterpark, Downton Abbey Touring Exhibition, Dubai Frame, Formula 1 Singapore Grand Prix, Heilan Horse Cultural Experience Pavilion, King Abdulaziz Center for World Culture, Madame Tussauds, National Day Parade 2017, TFWA Asia Pacific Exhibition & Conference 2017 and thematic projects in the region.

The **Retail & Corporate Interiors division** recorded a revenue of S\$104.5 million in 9M 2017, an increase of S\$0.3 million or 0.3% compared to S\$104.2 million in 9M 2016. In 3Q 2017, the division's revenue was S\$30.6 million, a decrease of S\$8.0 million or 20.8% compared to S\$38.6 million in 3Q 2016. The decrease in revenue in 3Q 2017 compared to 3Q 2016 was due to the completion of several key projects in 2016. The key accounts which contributed to the division's revenue included clients and brand names such as Aldo, Coach, DBS Bank, DFS Venture, Dior, Fendi, La Perla, Robinsons, Skechers, Tiffany & Co. and YATA.

The **Research & Design division** registered a revenue of S\$9.8 million in 9M 2017, an increase of S\$0.4 million or 4.6% compared to S\$9.4 million in 9M 2016. In 3Q 2017, the division's revenue was S\$3.2 million, a decrease of S\$0.2 million or 6.8% from S\$3.4 million recorded in 3Q 2016. The key accounts which contributed to the division's revenue included clients and brand names such as Burberry, Madame Tussauds, Procter & Gamble Co., Robinsons and Tencent, and thematic projects in the region.

The **Alternative Marketing division** achieved a revenue of S\$7.9 million in 9M 2017, an increase of S\$0.6 million or 7.7% from S\$7.3 million in 9M 2016. Revenue was lower at S\$3.0 million in 3Q 2017, a decrease of S\$0.4 million or 10.7% from S\$3.4 million in 3Q 2016. The key contributors to the division's revenue included events and projects from clients such as DFASS, Global Young Scientists Summit, International Public Policy Association, Shinnyo-en Singapore, StarHub and Techinnovation 2017.

(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					
	Third Quarter Ended			Nine Months Ended		
	30 Sep 17	30 Sep 16	+/-	30 Sep 17	30 Sep 16	+/-
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	69,101	76,868	-10.1%	214,070	226,223	-5.4%
Gross profit	16,384	17,658	-7.2%	51,704	51,939	-0.5%
Gross profit margin	23.7%	23.0%		24.2%	23.0%	

Gross profit in 9M 2017 decreased by S\$0.2 million or 0.5% to S\$51.7 million compared to S\$51.9 million in 9M 2016. Gross profit was lower at S\$16.4 million in 3Q 2017, a decrease of S\$1.3 million or 7.2% from S\$17.7 million in 3Q 2016. The gross profit recorded was due to lower revenue registered but at a higher gross profit margin of 24.2% in 9M 2017 compared to 23.0% in 9M 2016 and 23.7% in 3Q 2017 compared to 23.0% in 3Q 2016.

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					
	Third Quarter Ended			Nine Months Ended		
	30 Sep 17	30 Sep 16	+/-	30 Sep 17	30 Sep 16	+/-
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Depreciation of property, plant and equipment	485	610	-20.5%	1,518	1,805	-15.9%
Employee benefits expense	12,931	13,412	-3.6%	38,748	40,451	-4.2%
Other expenses	3,028	2,788	8.6%	10,248	9,077	12.9%
Interest expense	138	144	-4.2%	407	476	-14.5%
	16,582	16,954	-2.2%	50,921	51,809	-1.7%

Lower operating expenses were incurred in 9M 2017 and 3Q 2017 compared to 9M 2016 and 3Q 2016 respectively. The lower depreciation charge on property, plant and equipment was mainly due to fully depreciated assets, of which no further depreciation charge was recorded in 9M 2017. The decrease in employee benefits expense was mainly due to lower costs resulting from reduced headcount and lower performance linked incentives recorded. Other expenses rose mainly due to a higher net foreign exchange loss of S\$1.3 million and S\$0.3 million recorded in 9M 2017 and 3Q 2017 compared to 9M 2016 and 3Q 2016 respectively. This arose mainly from the appreciation of Singapore Dollar against bank deposits held in United States Dollar. The fall in interest expense was mainly due to a lower amount of loans and borrowings outstanding in 9M 2017 compared to 9M 2016.

Share of Results of Associates

Share of results of associates increased by S\$0.8 million from a loss of S\$0.7 million in 9M 2016 to a profit of S\$0.1 million in 9M 2017 and by S\$0.9 million from a loss of S\$0.8 million in 3Q 2016 to a profit of S\$0.1 million in 3Q 2017. The increase was mainly due to profit contribution from certain associates partially offset by loss contribution from an associate acquired in 2016.

- (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 increased by S\$0.7 million from S\$2.9 million in 9M 2016 to S\$3.6 million in 9M 2017. Profit net of tax attributable to equity holders of the Company increased by S\$0.2 million from S\$0.6 million in 3Q 2016 to S\$0.8 million in 3Q 2017.

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

Cash Flow

Net cash used in operating activities of S\$7.5 million in 9M 2017 mainly arose from cash outflow from a net increase in working capital requirements of S\$12.7 million (largely from a decrease in trade and other payables). In 3Q 2017, net cash from operating activities of S\$2.6 million mainly arose from cash inflow from a net decrease in working capital requirements of S\$1.6 million (largely from a decrease in trade and other receivables). Net cash used in investing activities of S\$9.2 million and S\$3.2 million in 9M 2017 and 3Q 2017 respectively comprised mainly of purchase of property, plant and equipment. Net cash used in financing activities of S\$5.7 million and S\$2.6 million in 9M 2017 and 3Q 2017 respectively mainly arose from dividends paid on ordinary shares of S\$5.0 million in 9M 2017 and S\$2.0 million in 3Q 2017. Based on the above, the Group had a net decrease in cash and cash equivalents of S\$22.4 million and S\$3.2 million in 9M 2017 and 3Q 2017 respectively. The Group's cash and cash equivalents stood at S\$50.7 million as at 30 September 2017.

- 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 10 August 2017, we stated that, barring unforeseen circumstances, we expect FY2017 to be a profitable year. Our 3Q 2017 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.**

We continue to see good opportunities for us to grow and expand our reach into new markets and services, underpinned by the growing demand for unique, engaging, diverse and original experiences.

The Exhibitions & Thematic division continues to see healthy demand for its broad range of service offerings and expertise, and is well positioned to capitalise on these opportunities. The line-up of projects and attractions already secured, and are currently being pursued, provide the foundation upon which the division will continue to build on its portfolio and grow.

The Retail and Corporate Interiors division will continue to enhance its capabilities and core offerings, pursuing opportunities with existing and new clients in the high-end luxury retail, affordable luxury retail, fast fashion retail, travel retail, corporate interior and food & beverage market segments.

We will continue to better integrate our service offerings, concurrently pursuing new and synergistic businesses, such as the development, ownership and marketing of intellectual property based on experiential attractions as new and potential earning streams for the Group. As at 31 October 2017, we have secured contracts of S\$315 million, of which S\$295 million is expected to be recognised in FY2017. Barring unforeseen circumstances, we expect FY2017 to be a profitable year.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(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 dividend has been declared or recommended for the current financial period ended 30 September 2017.

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 September 2017.

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 September 2017 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
Deputy Executive Chairman

6 November 2017

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

6 November 2017