

**UNAUDITED SECOND QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015**
**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 15	30 Jun 14	Change	30 Jun 15	30 Jun 14	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Revenue</b>	82,873	82,942	-0.1%	134,769	136,921	-1.6%
Cost of sales	(62,319)	(61,542)	1.3%	(100,008)	(100,859)	-0.8%
<b>Gross profit</b>	20,554	21,400	-4.0%	34,761	36,062	-3.6%
<b>Other items of income</b>						
Interest income	104	117	-11.1%	193	163	18.4%
Other income (a)	1,010	1,158	-12.8%	2,125	2,293	-7.3%
<b>Other items of expense</b>						
Depreciation of property, plant and equipment	(560)	(503)	11.3%	(1,118)	(980)	14.1%
Employee benefits expense	(13,888)	(13,401)	3.6%	(25,514)	(23,795)	7.2%
Other expenses	(3,634)	(3,012)	20.7%	(6,220)	(7,388)	-15.8%
Interest expense	(168)	(57)	194.7%	(299)	(108)	176.9%
Share of results of associates	481	756	-36.4%	752	1,270	-40.8%
<b>Profit before tax</b> (b)	3,899	6,458	-39.6%	4,680	7,517	-37.7%
Income tax expense (c)	(790)	(1,222)	-35.4%	(1,009)	(1,336)	-24.5%
<b>Profit net of tax</b>	3,109	5,236	-40.6%	3,671	6,181	-40.6%
<b>Other comprehensive (loss)/income:</b>						
Item that may be reclassified subsequently to profit or loss:						
Exchange differences on translating foreign operations, net of tax	(1,006)	(716)	40.5%	35	(598)	n/m
<b>Other comprehensive (loss)/income for the period, net of tax</b>	(1,006)	(716)	40.5%	35	(598)	n/m
<b>Total comprehensive income</b>	2,103	4,520	-53.5%	3,706	5,583	-33.6%
<b>Profit/(loss) net of tax attributable to:</b>						
Equity holders of the Company	3,067	5,309	-42.2%	3,854	6,229	-38.1%
Non-controlling interests	42	(73)	n/m	(183)	(48)	281.3%
<b>Profit net of tax</b>	3,109	5,236	-40.6%	3,671	6,181	-40.6%
<b>Total comprehensive income/(loss) attributable to:</b>						
Equity holders of the Company	2,145	4,507	-52.4%	3,913	5,562	-29.6%
Non-controlling interests	(42)	13	n/m	(207)	21	n/m
<b>Total comprehensive income</b>	2,103	4,520	-53.5%	3,706	5,583	-33.6%

Note :

n/m = not meaningful

- (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 income statement**

- (a) Other income comprises :-

	<b>Group</b>			
	<b>Second Quarter Ended</b>		<b>Half Year Ended</b>	
	<b>30 Jun 15</b>	<b>30 Jun 14</b>	<b>30 Jun 15</b>	<b>30 Jun 14</b>
	S\$'000	S\$'000	S\$'000	S\$'000
Corporate fee income	80	78	400	347
Net foreign exchange gain	-	36	-	72
Net gain on disposal of property, plant & equipment	19	49	35	89
Other service income	383	538	717	844
Rental income	441	362	850	729
Write-back of impairment loss on doubtful trade receivables	-	-	-	4
Miscellaneous income	87	95	123	208
	<b>1,010</b>	<b>1,158</b>	<b>2,125</b>	<b>2,293</b>

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

	<b>Group</b>			
	<b>Second Quarter Ended</b>		<b>Half Year Ended</b>	
	<b>30 Jun 15</b>	<b>30 Jun 14</b>	<b>30 Jun 15</b>	<b>30 Jun 14</b>
	S\$'000	S\$'000	S\$'000	S\$'000
Amortisation of intangible asset	22	31	45	44
Bad trade debts written off	17	28	29	28
Directors' remuneration	2,037	2,319	3,254	3,687
Impairment loss on doubtful trade receivables	15	-	89	-
Net foreign exchange loss	368	-	164	-
Operating lease expenses	1,011	879	1,926	1,775

- (c) Included in income tax expense for the second quarter and half year ended 30 June 2015 are under-provision of income tax of S\$Nil (2Q 2014: S\$66,000) and S\$82,000 (1H 2014: S\$66,000) 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.**

	Note	Group		Company	
		As at 30 Jun 15 S\$'000	As at 31 Dec 14 S\$'000	As at 30 Jun 15 S\$'000	As at 31 Dec 14 S\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment		24,158	11,366	224	254
Intangible assets		7,679	7,562	-	-
Investments in subsidiaries		-	-	22,496	22,496
Investments in associates		8,070	8,095	4,012	4,012
Other investments		1,093	1,093	1,093	1,093
Trade and other receivables		635	662	-	-
Deferred tax assets		780	540	173	173
		<u>42,415</u>	<u>29,318</u>	<u>27,998</u>	<u>28,028</u>
<b>Current assets</b>					
Inventories		3,358	2,182	-	-
Gross amount due from customers					
for contract work-in-progress	(d)	26,886	15,684	-	-
Trade and other receivables	(e)	74,293	92,503	6,161	5,150
Other assets		949	1,255	73	45
Cash and cash equivalents	(f)	66,993	82,972	7,633	6,288
		<u>172,479</u>	<u>194,596</u>	<u>13,867</u>	<u>11,483</u>
<b>Total assets</b>		<u>214,894</u>	<u>223,914</u>	<u>41,865</u>	<u>39,511</u>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to equity holders of the Company</b>					
Share capital		25,049	23,614	25,049	23,614
Retained earnings		73,861	74,923	13,829	12,346
Other reserves		(1,712)	(1,790)	1,826	1,826
		<u>97,198</u>	<u>96,747</u>	<u>40,704</u>	<u>37,786</u>
Non-controlling interests		4,111	4,318	-	-
<b>Total equity</b>		<u>101,309</u>	<u>101,065</u>	<u>40,704</u>	<u>37,786</u>
<b>Non-current liabilities</b>					
Trade and other payables		145	154	-	-
Other financial liabilities		6,166	1,671	-	-
Deferred tax liabilities		481	479	-	-
		<u>6,792</u>	<u>2,304</u>	<u>-</u>	<u>-</u>
<b>Current liabilities</b>					
Gross amount due to customers					
for contract work-in-progress	(g)	7,901	7,026	-	-
Trade and other payables	(h)	85,616	99,560	1,161	1,642
Other financial liabilities		5,514	4,843	-	-
Other liabilities		1,713	2,091	-	83
Income tax payable		6,049	7,025	-	-
		<u>106,793</u>	<u>120,545</u>	<u>1,161</u>	<u>1,725</u>
<b>Total liabilities</b>		<u>113,585</u>	<u>122,849</u>	<u>1,161</u>	<u>1,725</u>
<b>Total equity and liabilities</b>		<u>214,894</u>	<u>223,914</u>	<u>41,865</u>	<u>39,511</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 statement 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.

(e) **Trade and other receivables**

	<u>Group</u>		<u>Company</u>	
	<u>As at 30 Jun 15</u> S\$'000	<u>As at 31 Dec 14</u> S\$'000	<u>As at 30 Jun 15</u> S\$'000	<u>As at 31 Dec 14</u> S\$'000
Trade receivables	65,762	79,439	1,352	874
Other receivables	8,531	13,064	4,809	4,276
<b>Total</b>	<b>74,293</b>	<b>92,503</b>	<b>6,161</b>	<b>5,150</b>

(f) **Cash and cash equivalents**

	<u>Group</u>		<u>Company</u>	
	<u>As at 30 Jun 15</u> S\$'000	<u>As at 31 Dec 14</u> S\$'000	<u>As at 30 Jun 15</u> S\$'000	<u>As at 31 Dec 14</u> S\$'000
Cash at banks and in hand	58,785	59,127	6,047	4,702
Short-term deposits	8,208	23,845	1,586	1,586
<b>Total</b>	<b>66,993</b>	<b>82,972</b>	<b>7,633</b>	<b>6,288</b>

(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.

(h) **Trade and other payables**

	<u>Group</u>		<u>Company</u>	
	<u>As at 30 Jun 15</u> S\$'000	<u>As at 31 Dec 14</u> S\$'000	<u>As at 30 Jun 15</u> S\$'000	<u>As at 31 Dec 14</u> S\$'000
Trade payables	69,407	81,674	-	-
Other payables	16,209	17,886	1,161	1,642
<b>Total</b>	<b>85,616</b>	<b>99,560</b>	<b>1,161</b>	<b>1,642</b>

**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.**

	<b>Group</b>	
	<b>As at 30 Jun 15</b>	<b>As at 31 Dec 14</b>
	S\$'000	S\$'000
<b><u>Secured</u></b>		
- repayable within one year	5,514	4,843
- repayable after one year	6,166	1,671
	<hr/>	<hr/>
	11,680	6,514
	<hr/>	<hr/>
<b><u>Unsecured</u></b>		
- repayable within one year	-	-
- repayable after one year	-	-
	<hr/>	<hr/>
	-	-
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### **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 fixed 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			
		Second Quarter Ended		Half Year Ended	
		30 Jun 15	30 Jun 14	30 Jun 15	30 Jun 14
		S\$'000	S\$'000	S\$'000	S\$'000
<b>Cash flows from operating activities</b>					
Profit before tax		3,899	6,458	4,680	7,517
Adjustments for:					
Amortisation of intangible asset		22	31	45	44
Bad trade debts written off		17	28	29	28
Depreciation of property, plant and equipment		1,101	509	1,662	986
Interest expense		168	57	299	108
Interest income		(104)	(117)	(193)	(163)
Net impairment loss/(write-back of impairment loss) on doubtful trade receivables		15	-	89	(4)
Net gain on disposal of property, plant and equipment		(19)	(49)	(35)	(89)
Share of results of associates		(481)	(756)	(752)	(1,270)
Currency realignment		356	(64)	111	(240)
<b>Operating cash flows before changes in working capital</b>		<b>4,974</b>	<b>6,097</b>	<b>5,935</b>	<b>6,917</b>
(Increase)/decrease in:					
Inventories		(1,002)	32	(1,176)	(191)
Gross amount due from customers for contract work-in-progress		(4,038)	(2,668)	(11,202)	(11,645)
Trade and other receivables		(5,446)	(5,269)	18,119	14,489
Other assets		342	855	337	514
Increase/(decrease) in:					
Gross amount due to customers for contract work-in-progress		470	1,674	875	10,125
Trade and other payables		3,175	7,293	(13,953)	(10,441)
Other liabilities		355	(2,079)	1,058	(67)
<b>Net cash flows (used in)/from operations</b>		<b>(1,170)</b>	<b>5,935</b>	<b>(7)</b>	<b>9,701</b>
Interest received		104	117	193	163
Interest paid		(168)	(57)	(299)	(108)
Income tax paid		(1,231)	(1,059)	(2,241)	(2,388)
<b>Net cash flows (used in)/from operating activities</b>		<b>(2,465)</b>	<b>4,936</b>	<b>(2,354)</b>	<b>7,368</b>
<b>Cash flows from investing activities</b>					
Proceeds from disposal of property, plant and equipment		20	52	58	101
Purchase of property, plant and equipment		(206)	(587)	(15,219)	(1,465)
Acquisition of an associate		-	-	-	(40)
Acquisition of additional interest in an associate		(74)	-	(74)	-
Net cash inflow from re-measurement of ownership interest in a subsidiary		-	-	-	1,805
Dividend income from associates		690	110	847	110
<b>Net cash flows from/(used in) investing activities</b>		<b>430</b>	<b>(425)</b>	<b>(14,388)</b>	<b>511</b>
<b>Cash flows from financing activities</b>					
Dividends paid on ordinary shares		(4,897)	(4,863)	(4,897)	(4,863)
Dividends paid to non-controlling interests of a subsidiary		-	(43)	-	(43)
Repayment of finance lease obligations		(6)	(14)	(12)	(29)
Proceeds from draw down of loans and borrowings		860	1,839	9,830	3,420
Repayment of loans and borrowings		(852)	(1,021)	(4,399)	(2,009)
Decrease/(increase) in deposits pledged to banks for banking facilities		10	(637)	(194)	(637)
<b>Net cash flows (used in)/from financing activities</b>		<b>(4,885)</b>	<b>(4,739)</b>	<b>328</b>	<b>(4,161)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(6,920)</b>	<b>(228)</b>	<b>(16,414)</b>	<b>3,718</b>
Effect of exchange rate changes on cash and cash equivalents		(819)	(150)	241	(226)
Cash and cash equivalents at beginning of period		72,926	66,030	81,360	62,160
<b>Cash and cash equivalents at end of period</b>	(i)	<b>65,187</b>	<b>65,652</b>	<b>65,187</b>	<b>65,652</b>

**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 15	As at 30 Jun 14
	S\$'000	S\$'000
Cash at banks and in hand	58,785	47,603
Short-term deposits	8,208	20,246
	<b>66,993</b>	<b>67,849</b>
Less: Deposits pledged for bank facilities	(1,806)	(2,197)
Cash and cash equivalents	<b>65,187</b>	<b>65,652</b>

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						
	Share capital S\$'000	Treasury shares 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	Equity, total S\$'000
<b>Opening balance at 1 January 2015</b>	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
<b>Total comprehensive income/(loss) for the period</b>	-	-	787	981	1,768	(165)	1,603
<b>Total transactions with equity holders in their capacity as equity holders</b>	-	-	-	-	-	-	-
<b>Closing balance at 31 March 2015</b>	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)
Appropriation to reserve	-	-	(19)	19	-	-	-
Other comprehensive loss for the period, net of tax	-	-	(19)	(903)	(922)	(84)	(1,006)
<b>Total comprehensive income/(loss) for the period</b>	-	-	3,048	(903)	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)
<b>Total transactions with equity holders in their capacity as equity holders</b>	1,435	-	(4,897)	-	(3,462)	-	(3,462)
<b>Closing balance at 30 June 2015</b>	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)

Group	Attributable to equity holders of the Company						
	Share capital S\$'000	Treasury shares 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	Equity, total S\$'000
<b>Opening balance at 1 January 2014</b>	23,266	(334)	65,601	(3,008)	85,525	3,747	89,272
Profit for the period	-	-	920	-	920	25	945
<u>Other comprehensive income/(loss)</u>							
Foreign currency translation	-	-	-	135	135	(17)	118
Other comprehensive income/(loss) for the period, net of tax	-	-	-	135	135	(17)	118
<b>Total comprehensive income for the period</b>	-	-	920	135	1,055	8	1,063
<u>Contributions by and distributions to equity holders</u>							
Treasury shares reissued pursuant to performance share scheme	-	177	-	245	422	-	422
Total contributions by and distributions to equity holders	-	177	-	245	422	-	422
<u>Changes in ownership interests in subsidiaries</u>							
Capital contribution by non-controlling interest of a subsidiary	-	-	-	-	-	6	6
Total changes in ownership interests in subsidiaries	-	-	-	-	-	6	6
<b>Total transactions with equity holders in their capacity as equity holders</b>	-	177	-	245	422	6	428
<b>Closing balance at 31 March 2014</b>	23,266	(157)	66,521	(2,628)	87,002	3,761	90,763
Profit/(loss) for the period	-	-	5,309	-	5,309	(73)	5,236
<u>Other comprehensive (loss)/income</u>							
Foreign currency translation	-	-	-	(802)	(802)	86	(716)
Other comprehensive (loss)/income for the period, net of tax	-	-	-	(802)	(802)	86	(716)
<b>Total comprehensive income/(loss) for the period</b>	-	-	5,309	(802)	4,507	13	4,520
<u>Contributions by and distributions to equity holders</u>							
Dividends paid on ordinary shares	-	-	(4,863)	-	(4,863)	-	(4,863)
Ordinary shares issued pursuant to performance share scheme	333	-	-	-	333	-	333
Treasury shares reissued pursuant to performance share scheme	-	157	-	227	384	-	384
Total contributions by and distributions to equity holders	333	157	(4,863)	227	(4,146)	-	(4,146)
<u>Changes in ownership interests in subsidiaries</u>							
Dividends paid to non-controlling interests of a subsidiary	-	-	-	-	-	(43)	(43)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	(43)	(43)
<b>Total transactions with equity holders in their capacity as equity holders</b>	333	157	(4,863)	227	(4,146)	(43)	(4,189)
<b>Closing balance at 30 June 2014</b>	23,599	-	66,967	(3,203)	87,363	3,731	91,094



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	Treasury shares S\$'000	Retained earnings S\$'000	Other reserves S\$'000	Equity, total S\$'000
<b>Opening balance at 1 January 2015</b>	23,614	-	12,346	1,826	37,786
Profit for the period	-	-	372	-	372
Other comprehensive income for the period, net of tax	-	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	372	-	372
<b>Total transactions with equity holders in their capacity as equity holders</b>	-	-	-	-	-
<b>Closing balance at 31 March 2015</b>	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	-	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	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)
<b>Total transactions with equity holders in their capacity as equity holders</b>	1,435	-	(4,897)	-	(3,462)
<b>Closing balance at 30 June 2015</b>	25,049	-	13,829	1,826	40,704
<b>Opening balance at 1 January 2014</b>	23,266	(334)	11,808	1,354	36,094
Loss for the period	-	-	(25)	-	(25)
Other comprehensive income for the period, net of tax	-	-	-	-	-
<b>Total comprehensive loss for the period</b>	-	-	(25)	-	(25)
<u>Contributions by and distributions to equity holders</u>					
Treasury shares reissued pursuant to performance share scheme	-	177	-	245	422
Total contributions by and distributions to equity holders	-	177	-	245	422
<b>Total transactions with equity holders in their capacity as equity holders</b>	-	177	-	245	422
<b>Closing balance at 31 March 2014</b>	23,266	(157)	11,783	1,599	36,491
Profit for the period	-	-	4,650	-	4,650
Other comprehensive income for the period, net of tax	-	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	4,650	-	4,650
<u>Contributions by and distributions to equity holders</u>					
Ordinary shares issued pursuant to performance share scheme	333	-	-	-	333
Treasury shares reissued pursuant to performance share scheme	-	157	-	227	384
Dividends paid on ordinary shares	-	-	(4,863)	-	(4,863)
<b>Total transactions with equity holders in their capacity as equity holders</b>	333	157	(4,863)	227	(4,146)
<b>Closing balance at 30 June 2014</b>	23,599	-	11,570	1,826	36,995

- 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.**

<b>Ordinary shares issued and fully paid-up</b>	<b>Number of shares</b>	<b>Issued and paid-up share capital S\$'000</b>
Balance as at 31 March 2015	194,553,261	23,614
Issuance of shares pursuant to performance share scheme	<u>1,360,920</u>	<u>1,435</u>
Balance as at 30 June 2015	<u>195,914,181</u>	<u>25,049</u>

There were no outstanding convertibles issued by the Company as at 30 June 2015 and 30 June 2014.

There were no treasury shares held by the Company against the total number of issued shares excluding treasury shares of 195,914,181 and 194,536,961 as at 30 June 2015 and 30 June 2014 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.**

	<u>Company</u>	
	<u>As at 30 Jun 15</u>	<u>As at 31 Dec 14</u>
Total number of issued shares excluding treasury shares	<u>195,914,181</u>	<u>194,553,261</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.**

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period ended 30 June 2015.

- 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 2014.

**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 2015. 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.**

	<b>Group</b>			
	<b>Second Quarter Ended</b>		<b>Half Year Ended</b>	
	<b>30 Jun 15</b>	<b>30 Jun 14</b>	<b>30 Jun 15</b>	<b>30 Jun 14</b>
Net profit attributable to shareholders (S\$'000)	3,067	5,309	3,854	6,229
Weighted average number of ordinary shares in issue	195,360,840	194,110,517	194,959,281	193,766,655
Basic and diluted earnings per share (S\$ cents)	1.57	2.74	1.98	3.21

The basic and diluted earnings per share are the same as there were no potentially dilutive ordinary shares in issue as at 30 June 2015 and 30 June 2014.

**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.**

	<b>Group</b>		<b>Company</b>	
	<b>As at 30 Jun 15</b>	<b>As at 31 Dec 14</b>	<b>As at 30 Jun 15</b>	<b>As at 31 Dec 14</b>
Net asset value, net of non-controlling interests (S\$'000)	97,198	96,747	40,704	37,786
Number of ordinary shares in issue, excluding treasury shares	195,914,181	194,553,261	195,914,181	194,553,261
Net asset value per ordinary share (S\$ cents)	49.61	49.73	20.78	19.42

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**

	<b>Group</b>					
	<b>Second Quarter Ended</b>			<b>Half Year Ended</b>		
	<b>30 Jun 15</b>	<b>30 Jun 14</b>	<b>+/-</b>	<b>30 Jun 15</b>	<b>30 Jun 14</b>	<b>+/-</b>
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Exhibitions & Museums	42,365	28,344	49.5%	68,484	49,549	38.2%
Retail & Corporate Interiors	35,123	49,384	-28.9%	56,618	77,039	-26.5%
Research & Design	3,432	3,556	-3.5%	6,517	5,634	15.7%
Alternative Marketing	1,953	1,658	17.8%	3,150	4,699	-33.0%
	<u>82,873</u>	<u>82,942</u>	-0.1%	<u>134,769</u>	<u>136,921</u>	-1.6%

For the second quarter ended 30 June 2015 ("2Q 2015"), the Group recorded a revenue of S\$82.9 million as compared to S\$83.0 million for the previous corresponding quarter ended 30 June 2014 ("2Q 2014"). This brought revenue for the half year ended 30 June 2015 ("1H 2015") to S\$134.8 million, a decrease of 1.6% as compared to S\$136.9 million for the previous corresponding half year ended 30 June 2014 ("1H 2014").

The **Exhibitions & Museums division** performed well in 1H 2015 with a revenue of S\$68.5 million as compared to S\$49.5 million in 1H 2014. In 2Q 2015, the division's revenue was S\$42.4 million, an increase of 49.5% from S\$28.3 million recorded in 2Q 2014. The key contributors to the division's revenue were from major projects such as 28<sup>th</sup> SEA Games in Singapore, TFWA Asia Pacific Exhibition & Conference 2015, King Abdulaziz Center for World Culture, KidZania Singapore, Lee Kong Chian Natural History Museum, National Museum of Singapore, Art Stage Singapore 2015, Qatar Motor show 2015 and thematic projects in China.

The **Retail & Corporate Interiors division** recorded a revenue of S\$56.6 million in 1H 2015, a decrease of 26.5% from S\$77.0 million in 1H 2014. In 2Q 2015, the division's revenue was S\$35.1 million as compared to S\$49.4 million in 2Q 2014. The decrease in revenue was due to a softening of demand for interior design and fit-out services from the high end luxury retail segment. The division however continues to see demand for interior design and fit-out services from the affordable luxury and travel retail segments. Key accounts for this division include Aldo, Michael Kors, Shilla Travel Retail and Tiffany & Co.

The **Research & Design division** achieved a revenue of S\$6.5 million in 1H 2015, an increase of 15.7% as compared to S\$5.6 million in 1H 2014. Revenue was lower at S\$3.4 million in 2Q 2015 as compared to S\$3.6 million in 2Q 2014. The key accounts which contributed to the division's revenue included customers and brand names such as BMW, Burberry, Changi Airport Group, Michael Kors, Procter & Gamble Co. and Valentino and thematic attractions in the region.

The **Alternative Marketing division** registered a lower revenue of S\$3.2 million in 1H 2015 as compared to S\$4.7 million in 1H 2014. In 2Q 2015, the division registered a higher revenue of S\$2.0 million as compared to S\$1.7 million in 2Q 2014. The key contributors to the division's revenue were from projects and events for clients such as BMW, Jurong Health 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 15	30 Jun 14	+/-	30 Jun 15	30 Jun 14	+/-
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	82,873	82,942	-0.1%	134,769	136,921	-1.6%
Gross profit	20,554	21,400	-4.0%	34,761	36,062	-3.6%
<b>GP margin</b>	<b>24.8%</b>	<b>25.8%</b>		<b>25.8%</b>	<b>26.3%</b>	

Gross profit for 1H 2015 and 2Q 2015 decreased by 3.6% and 4.0% to S\$34.8 million and S\$20.6 million respectively. The decrease was a result of the lower revenue registered and lower gross profit margin achieved.

### 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 15	30 Jun 14	+/-	30 Jun 15	30 Jun 14	+/-
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Depreciation of property, plant and equipment	560	503	11.3%	1,118	980	14.1%
Employee benefits expense	13,888	13,401	3.6%	25,514	23,795	7.2%
Other expenses	3,634	3,012	20.7%	6,220	7,388	-15.8%
Interest expense	168	57	194.7%	299	108	176.9%
	<b>18,250</b>	<b>16,973</b>	<b>7.5%</b>	<b>33,151</b>	<b>32,271</b>	<b>2.7%</b>

Higher operating expenses were incurred in 1H 2015 and 2Q 2015 as compared to 1H 2014 and 2Q 2014 respectively. The higher depreciation charge on property, plant and equipment and interest expense were incurred mainly as a result of the acquisition of a new factory unit in Malaysia in January 2015 and the corresponding bank loans taken out to finance the acquisition. The increase in employee benefits expense was mainly due to higher headcount and increased average wage. The higher other expenses recorded in 1H 2014 as compared to 1H 2015 was mainly due to the recognition of one-off costs in relation to the settlement of a legal case in China in 1Q 2014. Other expenses were higher in 2Q 2015 as compared to 2Q 2014 mainly due to net foreign exchange loss of S\$0.4 million.

### Share of Results of Associates

Share of results of associates decreased by S\$0.5 million from S\$1.3 million in 1H 2014 to S\$0.8 million in 1H 2015 and by S\$0.3 million from S\$0.8 million in 2Q 2014 to S\$0.5 million in 2Q 2015. The decrease was mainly due to lower profit contribution from associates and a negative goodwill of S\$0.2 million recognised in 1Q 2014 which resulted from the inclusion of Kingsmen C.M.T.I. Co., Limited as a new associate in January 2014.

- (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\$2.3 million from S\$6.2 million in 1H 2014 to S\$3.9 million in 1H 2015. Profit net of tax attributable to equity holders of the Company was lower at S\$3.1 million in 2Q 2015 as compared to S\$5.3 million in 2Q 2014.

- (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 increased by S\$0.5 million from S\$96.7 million as at 31 December 2014 to S\$97.2 million as at 30 June 2015. This was mainly due to new shares issued pursuant to the performance share scheme of S\$1.4 million and net profit of S\$3.9 million in 1H 2015 offset by dividend distribution of S\$4.9 million to shareholders of the Company.

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

Our 2Q 2015 results, despite being lower than that of 2Q 2014, 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 Group is seeing a softening of the global economy, led by a slowdown of the Chinese economy amidst the uncertainties prevailing in the European and American markets. To stay ahead of the curve, the Group will continue to strengthen its capabilities, enlarge its pool of key accounts and explore new and synergistic businesses to enhance the Group's service offerings to the market.

The Exhibitions & Museums division continues to see good growth in the exhibition and thematic segments and, coupled with the line-up of contracts already secured, expects to record a good performance for FY2015.

To address the current softening of demand for interior design and fit-out services from the high end luxury retail segment, the Retail & Corporate Interiors division is expanding its presence in the affordable luxury and fast fashion brands segment, while continuing its efforts to secure new international brands entering into Asia. These, together with the rise of travel retail, will continue to provide business opportunities and new market segments for the division.

As at 31 July 2015, we have secured contracts of approximately S\$262 million, of which approximately S\$240 million is expected to be recognised in FY2015. Barring unforeseen circumstances, we expect FY2015 to be a reasonably good year.

## 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)	1.50
Tax Rate	Tax exempt (one tier)

### (c) Date payable

The above interim dividends (the "Dividends") will be paid on 18 September 2015.

### (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 2015 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 2015 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 2015 will be entitled to the Dividends.

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

Not 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). 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 2015.

**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 2015 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  
Group Managing Director

13 August 2015

**BY ORDER OF THE BOARD OF DIRECTORS**

Soh Siak Poh Benedict  
Executive Chairman

13 August 2015