

NOBEL DESIGN HOLDINGS LIMITED
(Company Registration No: 198104591E)

Second Quarter Financial Statement And Dividend Announcement for the Period Ended 30 Jun 2014

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

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

Consolidated income statement for the financial period ended 30 Jun 14

	GROUP				GROUP		
	3 months ended				6 months ended		
	30-Jun-14	30-Jun-13	Variance		30-Jun-14	30-Jun-13	Variance
	S\$'000	S\$'000	%		S\$'000	S\$'000	%
Revenue	45,990	21,255	116%		73,550	42,747	72%
Cost of sales	(31,729)	(13,528)	135%		(49,975)	(27,317)	83%
Gross profit	14,261	7,727			23,575	15,430	
Other income	1,698	1,309	30%		3,250	2,529	29%
Other gains – net	852	5,658			1,685	6,552	
Expenses							
- Distribution and marketing	(2,730)	(3,242)	-16%		(5,636)	(5,915)	-5%
- Administrative	(4,863)	(4,187)	16%		(9,703)	(9,019)	8%
- Finance	(137)	(47)	191%		(261)	(121)	116%
Share of profit/(loss) of associated companies	36	(5)			35	(7)	
Profit before income tax	9,117	7,213			12,945	9,449	
Income tax expense	(1,620)	(305)			(2,077)	(687)	
Net profit	7,497	6,908			10,868	8,762	
Profit attributable to:							
Equity holders of the Company	7,193	6,768			10,313	8,436	
Non-controlling interests	304	140			555	326	
	7,497	6,908			10,868	8,762	

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

Consolidated Statement of Comprehensive income for the financial period ended 30 Jun 14

	GROUP				GROUP		
	3 months ended				6 months ended		
	30-Jun-14	30-Jun-13	Variance		30-Jun-14	30-Jun-13	Variance
	S\$'000	S\$'000	%		S\$'000	S\$'000	%
Net profit	7,497	6,908			10,868	8,762	
Other comprehensive income							
Available-for-sale financial assets – fair value gain	-	-			8	-	
Currency translation differences arising from consolidation	(117)	(45)			(192)	95	
Other comprehensive (loss)/income, net of tax	(117)	(45)			(184)	95	
Total comprehensive income	7,380	6,863			10,684	8,857	
Total comprehensive income attributable to:							
Equity holders of the Company	7,107	6,735			10,181	8,505	
Non-controlling interests	273	128			503	352	
	7,380	6,863			10,684	8,857	

Additional information to the income statement:

	GROUP			GROUP	
	3 months ended			6 months ended	
	30-Jun-14	30-Jun-13		30-Jun-14	30-Jun-13
	S\$'000	S\$'000		S\$'000	S\$'000
1. Other income					
Commission income	2	1		8	9
Fixed deposit interest	138	182		393	337
Interest income from financial assets	506	153		667	249
Parking fee income	25	29		51	58
Management fee	18	-		32	-
Rental income	909	929		1,858	1,799
Miscellaneous income	100	15		241	77
	1,698	1,309		3,250	2,529

Additional information to the income statement (continued):

	GROUP			GROUP	
	3 months ended			6 months ended	
	30-Jun-14	30-Jun-13		30-Jun-14	30-Jun-13
	S\$'000	S\$'000		S\$'000	S\$'000
2. Other gains – net					
Amortisation of deferred income	813	747		1,625	1,629
Bad debts recovered	39	38		60	50
Gain on disposal of property, plant and equipment	-	4,873		-	4,873
	852	5,658		1,685	6,552

3. Distribution Expenses

The decrease in distribution and marketing expenses was mainly due to decrease in staff cost and partially offset by the increase in advertising and marketing cost.

	GROUP			GROUP	
	3 months ended			6 months ended	
	30-Jun-14	30-Jun-13		30-Jun-14	30-Jun-13
	S\$'000	S\$'000		S\$'000	S\$'000
4. Finance Expense					
Bank loan interest	283	388		702	672
Finance lease interest	2	1		4	4
Trust receipts interest	11	19		31	44
	296	408		737	720
Finance expense capitalised in:					
- Development properties	(159)	(361)		(476)	(599)
	137	47		261	121

	GROUP			GROUP	
	3 months ended			6 months ended	
	30-Jun-14	30-Jun-13		30-Jun-14	30-Jun-13
	S\$'000	S\$'000		S\$'000	S\$'000
5. Profit before income tax					
Profit before income tax is determined after charging/(crediting) :-					
Depreciation of property, plant and equipment	137	137		292	239
(Recovered)/Allowance for doubtful debts	(2)	90		(4)	143
Foreign Exchange loss - net	(98)	53		(83)	83

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	
	30-Jun-14	31-Dec-13	30-Jun-14	31-Dec-13
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	101,588	100,662	68,797	69,278
Available-for-sale financial assets	22	521	22	521
Trade and other receivables	46,113	22,515	29,642	19,416
Inventories	16,369	15,551	-	-
Gross amount due from customers for contract work-in-progress	192	460	-	-
Development properties	80,500	88,187	-	-
	244,784	227,896	98,461	89,215
Non-current assets				
Trade and other receivables	179	180	-	-
Investments in associated companies	1,204	1,170	800	800
Investments in joint venture	-	-	1,138	1,138
Investments in subsidiaries	-	-	3,716	3,716
Property, plant and equipment	18,888	18,728	222	273
Intangible assets	161	349	161	349
	20,432	20,427	6,037	6,276
Total assets	265,216	248,323	104,498	95,491
LIABILITIES				
Current liabilities				
Trade and other payables	32,586	31,312	4,956	6,539
Borrowings	23,084	10,774	10,952	-
Obligations under finance leases	70	88	38	38
Gross amount due to customers for contract work-in-progress	4,105	4,011	-	-
Current income tax liabilities	3,447	954	-	-
Deferred income	3,250	3,250	3,250	3,250
	66,542	50,389	19,196	9,827
Non-current liabilities				
Deferred income	9,479	11,104	9,479	11,104
Borrowings	75,832	82,562	-	-
Obligations under finance leases	7	35	-	19
Deferred income tax liabilities	1,561	2,385	69	69
	86,879	96,086	9,548	11,192
Total liabilities	153,421	146,475	28,744	21,019
NET ASSETS	111,795	101,848	75,754	74,472
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	28,235	27,310	28,235	27,310
Other reserves	1,055	1,157	1,876	1,838
Retained earnings	80,038	70,884	45,643	45,324
	109,328	99,351	75,754	74,472
Non-controlling interests	2,467	2,497	-	-
Total equity	111,795	101,848	75,754	74,472

Additional Information to the Statement of financial position:**Current Assets**

- Cash and cash equivalents increased by \$0.93 million as compared to 31 Dec 2013. The increase is mainly due to funds received by joint venture companies.
- Available-for-sale financial assets decreased by \$0.50 million as compared to 31 Dec 2013. The decrease is mainly due to the redemption of bond during the period ended 30 Jun 2014.
- Trade and other receivables increased by \$23.60 million as compared to 31 Dec 2013. The increase is mainly due to the increase in trade and other receivables from joint venture companies.
- Development properties decreased by \$7.69 million as compared to 31 Dec 2013. The decrease is mainly due to recognition of revenue by joint venture companies.

Non-Current Assets

- Property, plant and equipment increased by \$0.16 million as compared to 31 Dec 2013. The increase is mainly due to the purchase of plant and equipment of \$0.46 million and partially offset by depreciation charges for the period up to 30 Jun 2014 of \$0.29 million.
- Intangible Assets decreased by \$0.19 million as compared to 31 Dec 2013. The decrease is mainly due to the disposal of club membership.

Current and Non-Current Liabilities

- Total bank borrowings increased by \$5.53 million as compared to 31 Dec 2013. The increase is mainly due to increase in bank loans by joint venture companies and the Company.

1(b)(ii) Aggregate amount of group's borrowings and debt securities.**Amount repayable in one year or less, or on demand**

As at 30-Jun-14		As at 31-Dec-13	
Secured	Unsecured	Secured	Unsecured
S\$22,606,340	S\$547,610	S\$10,522,315	S\$340,311

Amount repayable after one year

As at 30-Jun-14		As at 31-Dec-13	
Secured	Unsecured	Secured	Unsecured
S\$75,838,641	Nil	S\$82,596,754	Nil

Details of any collateral

- A subsidiary's bank trade facilities are secured by its fixed deposit of \$602,031 and proportionate corporate guarantee by the Company.
- The loans are secured by first legal mortgages over the development properties.
- Finance leases of \$76,615 (31 Dec 2013: \$122,926) are secured over some of the Group's motor vehicles.

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

	GROUP		GROUP	
	3 months ended		6 months ended	
	30-Jun-14	30-Jun-13	30-Jun-14	30-Jun-13
	S\$'000	S\$'000	S\$'000	S\$'000
<i>Cash flows from operating activities</i>				
Net profit	7,497	6,908	10,868	8,762
Adjustments for:				
- Income Tax expense	1,620	305	2,077	687
- Employee share option expense	140	207	281	346
- Amortisation of deferred income	(813)	(747)	(1,625)	(1,629)
- Depreciation	137	137	292	239
- Property, plant and equipment written off	-	5	-	5
- Gain on disposal of property, plant and equipment	-	(4,873)	-	(4,873)
- Gain on disposal of Club membership	-	-	(14)	-
- Loss on redemption of financial assets	-	-	9	-
- Reversal of loss on available-for-sale financial assets	(1)	-	-	3
- Interest income	(644)	(335)	(1,060)	(586)
- Finance expenses	137	47	261	121
- Share of (profit)/loss of associated companies	(36)	5	(35)	7
- Unrealised currency translation (gains)/losses	(113)	(52)	(185)	76
	7,924	1,607	10,869	3,158
<i>Change in working capital:</i>				
- Trade and other receivables	(22,750)	(3,080)	(23,597)	(2,345)
- Inventories	(1,263)	(227)	(818)	1,091
- Contract work-in-progress	(894)	1,045	362	913
- Development properties	2,573	(18,594)	8,164	(21,703)
- Trade and other payables	3,932	(5,350)	1,274	(23,059)
Cash used in operations	(10,478)	(24,599)	(3,746)	(41,945)
- Income tax paid	(382)	(525)	(408)	(609)
Net cash used in operating activities	(10,860)	(25,124)	(4,154)	(42,554)
<i>Cash flows from investing activities</i>				
Proceeds from redemption of financial assets	-	-	500	-
Proceeds from disposal of Club membership	-	-	202	-
Disposal of property, plant and equipment	-	13,768	-	13,768
Additions to property, plant and equipment	(343)	(18,895)	(455)	(20,579)
Fixed deposits with maturity of more than three months	8,103	(4,497)	19,923	(15,545)
Interest received	808	381	1,060	477
Net cash provided by/(used in) investing activities	8,568	(9,243)	21,230	(21,879)
<i>Cash flows from financing activities</i>				
(Repayment)/Proceeds from bank borrowings-net	8,032	32,431	5,580	53,594
Net proceeds from issuance of shares	659	2,783	674	2,794
Fixed deposits pledged	(8,805)	8	(13,170)	-
Repayment of finance leases	(23)	(59)	(46)	(93)
Interest paid (including amounts capitalised as development properties)	(296)	(408)	(737)	(720)
Dividends paid to equity holders of the Company	(1,159)	(1,306)	(1,159)	(1,306)
Dividends paid to non-controlling interests	(533)	-	(533)	-
Net cash (used in)/provided by financing activities	(2,125)	33,449	(9,391)	54,269
Net (decrease)/increase in cash and cash equivalents	(4,417)	(918)	7,685	(10,164)
<i>Cash and cash equivalents</i>				
Beginning of financial year	31,126	13,958	19,027	23,194
Effect of currency translation on cash and cash equivalents	(2)	7	(5)	17
End of the financial year	26,707	13,047	26,707	13,047

Notes to Cash Flow Statement

For the purpose of presenting in the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	GROUP			GROUP	
	3 months ended			6 months ended	
	30-Jun-14	30-Jun-13		30-Jun-14	30-Jun-13
	S\$'000	S\$'000		S\$'000	S\$'000
Cash and cash equivalents	101,588	92,161		101,588	92,161
Less: Bank deposits pledged	(14,487)	(1,301)		(14,487)	(1,301)
Less: Bank deposits with maturity more than three months	(60,394)	(77,813)		(60,394)	(77,813)
Cash and cash equivalents per consolidated statement of cash flows	26,707	13,047		26,707	13,047

For the 6 months ended 30 Jun 2014, the Group generated an operating cash flow before working capital changes of \$10.87 million as compared to cash generated from operations of \$3.16 million in the 6 month ended 30 Jun 2013. Taking into account changes in working capital and income tax paid, the Group used \$4.15 million for its operating activities as compared to \$42.55 million used in the 6 months ended 30 Jun 2013.

The Group recorded a net cash inflow of \$7.69 million in the 6 months ended 30 Jun 2014 compared to a net cash outflow of \$10.16 million in the 6 months ended 30 Jun 2013. The net increase in cash and cash equivalents was due to net cash generated from investing activities of \$21.23 million which was partially offset by net cash used in operating activities and financing activities of \$4.15 million and \$9.39 million respectively.

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.

Consolidated statement of changes in equity for the period ended 30 Jun 2014

	Attributable to equity holders of the Company								
GROUP	Share capital	Currency translation reserve	Warrant reserve	Fair value reserve	Employee share option reserve	Retained earnings	Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1-Jan-14	27,310	(681)	255	(8)	1,591	70,884	99,351	2,497	101,848
Issue of new shares	16	-	(1)	-	-	-	15	-	15
Employee share option scheme	-	-	-	-	141	-	141	-	141
Total comprehensive Income/(loss) for the period	-	(54)	-	8	-	3,120	3,074	230	3,304
Balance as at 31-Mar-14	27,326	(735)	254	-	1,732	74,004	102,581	2,727	105,308
Balance as at 1-Apr-14	27,326	(735)	254	-	1,732	74,004	102,581	2,727	105,308
Issue of new shares	909	-	(14)	-	(236)	-	659	-	659
Employee share option scheme	-	-	-	-	140	-	140	-	140
Dividend paid	-	-	-	-	-	(1,159)	(1,159)	(533)	(1,692)
Total comprehensive Income/(loss) for the period	-	(86)	-	-	-	7,193	7,107	273	7,380
Balance as at 30-Jun-14	28,235	(821)	240	-	1,636	80,038	109,328	2,467	111,795

Consolidated statement of changes in equity for the period ended 30 Jun 2013

	Attributable to equity holders of the Company								
GROUP	Share capital	Currency translation reserve	Warrant reserve	Fair value reserve	Employee share option reserve	Retained earnings	Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1-Jan-13	23,273	(968)	490	(7)	968	53,190	76,946	1,965	78,911
Issue of new shares	11	-	-	-	-	-	11	-	11
Employee share option scheme	-	-	-	-	139	-	139	-	139
Total comprehensive Income/(loss) for the period	-	102	-	-	-	1,668	1,770	224	1,994
Balance as at 31-Mar-13	23,284	(866)	490	(7)	1,107	54,858	78,866	2,189	81,055
Balance as at 1-Apr-13	23,284	(866)	490	(7)	1,107	54,858	78,866	2,189	81,055
Issue of new shares	3,132	-	(179)	-	(170)	-	2,783	-	2,783
Employee share option scheme	-	-	-	-	207	-	207	-	207
Dividend paid	-	-	-	-	-	(1,306)	(1,306)	-	(1,306)
Total comprehensive Income/(loss) for the period	-	(33)	-	-	-	6,768	6,735	128	6,863
Balance as at 30-Jun-13	26,416	(899)	311	(7)	1,144	60,320	87,285	2,317	89,602

Statement of changes in equity for the financial period ended 30 Jun 2014

COMPANY	Share capital	Fair value reserve	Warrants reserve	Employee share option reserve	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1-Jan-14	27,310	(8)	255	1,591	45,324	74,472
Issue of new shares	16	-	(1)	-	-	15
Employee share option scheme	-	-	-	141	-	141
Total comprehensive Income/(loss) for the period	-	8	-	-	(508)	(500)
Balance as at 31-Mar-14	27,326	-	254	1,732	44,816	74,128
Balance as at 1-Apr-14	27,326	-	254	1,732	44,816	74,128
Issue of new shares	909	-	(14)	(236)	-	659
Dividend paid	-	-	-	-	(1,159)	(1,159)
Employee share option scheme	-	-	-	140	-	140
Total comprehensive Income/(loss) for the period	-	-	-	-	1,986	1,986
Balance as at 30-Jun-14	28,235	-	240	1,636	45,643	75,754

Statement of changes in equity for the financial period ended 30 Jun 2013

COMPANY	Share capital	Fair value reserve	Warrants reserve	Employee share option reserve	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1-Jan-13	23,273	(7)	490	968	38,605	63,329
Issue of new shares	11	-	-	-	-	11
Employee share option scheme	-	-	-	139	-	139
Total comprehensive Income/(loss) for the period	-	-	-	-	(793)	(793)
Balance as at 31-Mar-13	23,284	(7)	490	1,107	37,812	62,686
Balance as at 1-Apr-13	23,284	(7)	490	1,107	37,812	62,686
Issue of new shares	3,132	-	(179)	(170)	-	2,783
Dividend paid	-	-	-	-	(1,306)	(1,306)
Employee share option scheme	-	-	-	207	-	207
Total comprehensive Income/(loss) for the period	-	-	-	-	4,688	4,688
Balance as at 30-Jun-13	26,416	(7)	311	1,144	41,194	69,058

- 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.**

	GROUP AND COMPANY	
	30-Jun-14	31-Dec-13
	S\$'000	S\$'000
Issued and paid up capital		
At the end of the financial period/year	28,235	27,310

Note: During the financial period;

- (i) 730,000 and 932,000 share options were exercised and issued at \$0.2061 and \$0.3120 each respectively.
- (ii) 1,011,000 warrants were exercised and issued at \$0.2300 each.

- 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 preceding year.**

	GROUP AND COMPANY	
	30-Jun-14	31-Dec-13
No of issued shares at the beginning of the period/year	190,481,700	174,455,000
Issue of new shares:		
- exercised of share option by employees and directors	1,662,000	1,219,000
- exercised of Warrant by warrant-holders	1,011,000	14,807,700
No of issued shares at the end of the period/year	193,154,700	190,481,700

- 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.

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

The financial statements 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.

The Group has adopted the same accounting policies and methods of computation in the financial statements for current reporting period compared with the audited financial statements for the year ended 31 Dec 2013.

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 the new and revised Singapore Financial Reporting Standards ("FRSs") that are mandatory for financial years beginning on and after 1 Jan 2014, where applicable. The adoption of these standards did not result in substantial changes to the Group's accounting policies, and there is no material impact on the retained earnings of the Group as at 1 Jan 2014.

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		GROUP	
	3 months ended		6 months ended	
	30-Jun-14	30-Jun-13	30-Jun-14	30-Jun-13
Earnings per share based on consolidated profit after taxation and Non-controlling interests				
Based on existing issued share capital (cents)	3.761	3.781	5.393	4.714
On a fully diluted basis (cents)	3.411	3.262	4.892	4.066

Note:

- a) The Earnings per share is calculated based on the weighted average number of shares in issue during the period amounting to 191,254,667 and 178,957,334 shares as at 30 Jun 2014 and 30 Jun 2013 respectively.
- b) In calculating Earnings per share on a fully diluted basis, the weighted average number of shares in issue during the period is adjusted to take into account the employee share options and warrants issued on a deemed exercised basis, being 210,846,200 and 207,498,119 shares as at 30 Jun 2014 and 30 Jun 2013 respectively.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-

- (a) current financial period reported on; and**
(b) immediately preceding financial year.

	GROUP		COMPANY	
	30-Jun-14	31-Dec-13	30-Jun-14	31-Dec-13
Net asset value per share based on the existing issued share capital as at the respective period	56.60 cents	52.16 cents	39.22 cents	39.10 cents

Note:

The net assets value per ordinary shares are calculated based on the issued share capital of the Company of 193,154,700 and 190,481,700 shares as at 30 Jun 2014 and 31 Dec 2013 respectively.

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

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

Group revenue for the 6 months ended 30 Jun 2014 increased by 72% to \$73.55 million as compared to \$42.75 million for the 6 months ended 30 Jun 2013. All divisions contributed to the increase in revenue.

The Group's supply chain division under Buylateral Group which sells mainly to the USA market, achieved a sales increase of 19% from \$14.16 million for the 6 months ended 30 Jun 2013 to \$16.82 million for the 6 months ended 30 Jun 2014.

In the 6 months ended 30 Jun 2014, the Group's property companies have contributed significantly to the Group's revenue and net profit, with the Group's net profit increasing to \$10.87 million as compared to a net profit of \$8.76 million for the 6 months ended 30 Jun 2013.

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

Not applicable.

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.

Whilst we anticipate that the supply of properties coming on-stream this year and in the next few years will be positive for the furniture business, intense competition amongst furniture companies, increase in operating overheads including rental and manpower cost will have an impact on profitability. Tighter loan measures on household capital expenditure in cars and property will also affect customer affordability in the furniture market.

The Group's property division will continue to seek and explore opportunities in property development in the UK. We are now also embarking on a search for suitable opportunities in Japan. In Feb 2014, our joint venture company, Covent Garden Development Pte Ltd, entered into a joint venture with English Rose Estates Limited to develop a prime parcel of land at Covent Garden, Central London. In May 2014, our joint venture company, Cove City Ltd has acquired 163 flats located at Marine Wharf East, Surrey Quay. We will be launching these units for sale at end Aug 2014. We are currently negotiating further acquisitions and will announce them in due course.

The Group is faced with a subdued Singapore property market and has embarked on putting in place longer term growth strategies, especially in its overseas expansion. These longer term strategies will take time to nurture and develop.

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/recommendeded for the current financial period ended 30 Jun 2014.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Not applicable.

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Not applicable.

15. A breakdown of sales.

Not applicable.

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Total Annual Dividend (*Refer to Para 16 of Appendix 7.2 for the required details*)

	Latest Full Year (S\$)	Previous Full Year (S\$)
Ordinary	0	0
Preference	0	0
Total:	0	0

17. Interest Person Transaction

Name of Interested Person	Aggregate value of all Interested Persons Transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' Mandate pursuant to Rule 920)	Aggregate value of all Interested Persons Transactions conducted during the financial year under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	Nil	Nil

CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

The Board of Directors has confirmed that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial statements for the financial period ended 30 Jun 2014 to be false or misleading in any material aspect.

On behalf of the Board of Directors,

Goon Eu Jin Terence
Director

Wee Ai Quey
Director

BY ORDER OF THE BOARD

Goon Eu Jin Terence
Group Chief Executive Officer and Managing Director

12 Aug 2014