



KITCHEN CULTURE HOLDINGS LTD.

(Company Registration No: 201107179D)
(the “Company”, and together with its subsidiaries, the “Group”)

**HALF YEAR UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE (“HY”) 2014**

This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor (“Sponsor”), Canaccord Genuity Singapore Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“SGX-ST”). Canaccord Genuity Singapore Pte. Ltd. has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Mr Alex Tan, Chief Executive Officer, Canaccord Genuity Singapore Pte. Ltd., at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854-6160.

- 1(a)(i) 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.

	Group		
	Unaudited HY2014	Unaudited HY2013	% Change Increase/(Decrease)
	\$	\$	
Revenue	13,544,783	13,567,231	(0.2)
Cost of sales	(8,333,002)	(7,379,170)	12.9
Gross profit	5,211,781	6,188,061	(15.8)
Other income	83,772	56,788	47.5
Selling and distribution expenses	(3,921,436)	(3,784,423)	3.6
General and administrative expenses	(1,465,528)	(1,537,492)	(4.7)
Finance costs	(137,145)	(136,669)	0.3
Other expenses	(141,043)	(266,528)	(47.1)
Share of results of joint venture	-	(194,848)	N.M.
(Loss)/profit before tax	(369,599)	324,889	N.M.
Tax expense	(14,174)	(147,307)	(90.4)
Net (loss)/profit for the period	(383,773)	177,582	N.M.
Other comprehensive loss, net of tax			
Currency translation differences, arising from consolidation	(2,028)	(15,470)	(86.9)
Total comprehensive (loss)/income for the period	(385,801)	162,112	N.M.
(Loss)/profit attributable to:			
Equity holders of the Company	(313,414)	177,582	N.M.
Non-controlling interest	(70,359)	-	N.M.
Net (loss)/profit for the period	(383,773)	177,582	N.M.
Total comprehensive (loss)/ income, attributable to:			
Equity holders of the Company	(315,442)	162,112	N.M.
Non-controlling interest	(70,359)	-	N.M.
Total comprehensive (loss)/income for the period	(385,801)	162,112	N.M.

N.M.= Not Meaningful

1a(ii) Notes to the Consolidated Statement of Comprehensive Income

	Group		
	Unaudited HY2014	Unaudited HY2013	% Change Increase/(Decrease)
	\$	\$	
Allowance for doubtful receivables	-	110,274	N.M.
Allowance for doubtful receivables written back	(1,570)	(21,674)	(92.8)
Depreciation of property, plant and equipment	212,309	195,570	8.6
Goodwill arising on consolidation written off	-	6,389	N.M.
Interest expense	137,145	136,669	0.3
Interest income	1,412	718	96.7
Inventories			
- Write-down	-	123,411	N.M.
- Reversal of write-down	(2,855)	(1,933)	47.7
Loss on foreign exchange difference	97,547	805	N.M.
Other income	82,360	56,070	46.9
Property, plant and equipment written off	-	4,737	N.M.
Under provision of tax expense in respect of prior years	14,174	307	N.M.

N.M.= Not Meaningful

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	
	Unaudited 30.6.2014	Audited 31.12.2013	Unaudited 30.6.2014	Audited 31.12.2013
	\$	\$	\$	\$
Non-current assets				
Property, plant and equipment	1,469,350	1,555,967	-	-
Subsidiaries	-	-	1,500,005	1,500,005
Interest in joint venture	-	-	-	-
	<u>1,469,350</u>	<u>1,555,967</u>	<u>1,500,005</u>	<u>1,500,005</u>
Current assets				
Inventories	12,177,079	12,363,924	-	-
Trade and other receivables	13,084,710	13,133,380	5,031,388	5,366,109
Cash and bank balances	2,725,698	3,919,654	28,870	28,154
	<u>27,987,487</u>	<u>29,416,958</u>	<u>5,060,258</u>	<u>5,394,263</u>
Total assets	<u>29,456,837</u>	<u>30,972,925</u>	<u>6,560,263</u>	<u>6,894,268</u>
Non-current liabilities				
Bank borrowings	2,055,556	-	-	-
Finance lease liabilities	94,767	119,874	-	-
Deferred tax liabilities	58,000	58,000	-	-
	<u>2,208,323</u>	<u>177,874</u>	<u>-</u>	<u>-</u>
Current liabilities				
Bank borrowings	3,758,333	3,170,000	-	-
Finance lease liabilities	50,216	50,216	-	-
Trade and other payables	7,447,449	8,209,186	260,500	246,426
Bills payable to banks	2,452,399	4,285,735	-	-
Amounts due to Directors	-	846,820	-	360,860
Tax payable	180,749	487,925	-	-
	<u>13,889,146</u>	<u>17,049,882</u>	<u>260,500</u>	<u>607,286</u>
Total liabilities	<u>16,097,469</u>	<u>17,227,756</u>	<u>260,500</u>	<u>607,286</u>
Net assets	<u>13,359,368</u>	<u>13,745,169</u>	<u>6,299,763</u>	<u>6,286,982</u>
Share capital and reserves				
Share capital	6,231,259	6,231,259	6,231,259	6,231,259
Accumulated profits	7,234,401	7,547,815	68,504	55,723
Currency translation reserve	38,595	40,623	-	-
Equity attributable to owners of the Company	<u>13,504,255</u>	<u>13,819,697</u>	<u>6,299,763</u>	<u>6,286,982</u>
Non-controlling interest	(144,887)	(74,528)	-	-
Total equity	<u>13,359,368</u>	<u>13,745,169</u>	<u>6,299,763</u>	<u>6,286,982</u>

1(b)(ii) In relation to the aggregate amount of the Group's borrowings and debt securities, specify the following at the end of the financial period reported on with comparative figures as at the end of the immediately preceding financial year:

Amount repayable in one year or less, or on demand

Unaudited 30.06.2014		Audited 31.12.2013	
\$	\$	\$	\$
Secured	Unsecured	Secured	Unsecured
6,260,948	-	7,505,951	-

Amount repayable after one year

Unaudited 30.06.2014		Audited 31.12.2013	
\$	\$	\$	\$
Secured	Unsecured	Secured	Unsecured
2,150,323	-	119,874	-

Details of collateral are as follows:

Term loans

The term loans are secured by corporate guarantees from the Company.

Revolving short-term loans

Revolving short-term loans are secured by corporate guarantees from the Company.

Bills payable to banks

The bills payable to banks are secured by corporate guarantees from the Company.

Finance lease liabilities

The finance lease liabilities are secured on the property, plant and equipment purchased under the finance leases. As at 30 June 2014, finance lease liabilities amounting to \$122,018 (31.12.2013: \$139,876) was guaranteed by the Company's Director, namely Lim Wee Li.

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

	Group	
	Unaudited HY2014	Unaudited HY2013
	\$	\$
Cash flows from operating activities		
(Loss)/Profit before tax	(369,599)	324,889
Adjustments for:		
Depreciation of property, plant and equipment	212,309	195,570
Goodwill arising on consolidation written off	-	6,389
Interest income	(1,412)	(718)
Interest expense	137,145	136,669
Property, plant and equipment written off	-	4,737
Share of results of joint venture	-	194,848
Operating (loss)/profit before working capital changes	(21,557)	862,384
Inventories	214,005	(3,437,923)
Receivables	52,012	(3,124,823)
Payables	(2,637,909)	4,491,238
Translation differences	7,489	(17,793)
Cash used in operations	(2,385,960)	(1,226,917)
Interest received	1,412	718
Tax paid	(321,350)	(25,582)
Net cash used in operating activities	(2,705,898)	(1,251,781)
Cash flows from investing activities		
Net cash inflow from acquisition of a subsidiary	-	970
Purchases of property, plant and equipment	(123,769)	(138,867)
Net cash used in investing activities	(123,769)	(137,897)
Cash flows from financing activities		
Advance from a director	-	96,144
Drawdown of bank borrowings	4,055,000	420,000
Interest paid	(137,145)	(136,669)
Proceeds from issuance of new shares by a subsidiary	-	1,980
Repayment of bank borrowings	(1,411,111)	(1,092,782)
Repayment of advances from directors	(846,820)	-
Repayment of finance leases	(25,107)	(28,635)
Net cash generated from/(used in) financing activities	1,634,817	(739,962)

Consolidated Statement of Cash Flows (cont'd)

	Group	
	Unaudited HY2014	Unaudited HY2013
	\$	\$
Net decrease in cash and cash equivalents	(1,194,850)	(2,129,640)
Cash and cash equivalents at the beginning of the financial period	3,919,654	3,522,815
Effect of exchange rate changes on cash and cash equivalents	894	613
Cash and cash equivalents at the end of the financial period	<u>2,725,698</u>	<u>1,393,788</u>

Cash and cash equivalents comprise cash and bank balances on the statement of financial position.

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	Share capital	Accumulated profits	Currency translation reserve	Total	Non-controlling Interest	Total equity
	\$	\$	\$	\$	\$	\$
As at 1 January 2014	6,231,259	7,547,815	40,623	13,819,697	(74,528)	13,745,169
Loss for the period	-	(313,414)	-	(313,414)	(70,359)	(383,773)
<i>Other comprehensive loss for the period, net of tax</i>						
- Currency translation differences arising from consolidation	-	-	(2,028)	(2,028)	-	(2,028)
Total comprehensive loss for the period	-	(313,414)	(2,028)	(315,442)	(70,359)	(385,801)
As at 30 June 2014	6,231,259	7,234,401	38,595	13,504,255	(144,887)	13,359,368
As at 1 January 2013	6,231,259	6,240,846	26,463	12,498,568	-	12,498,568
Profit for the period	-	177,582	-	177,582	-	177,582
<i>Other comprehensive loss for the period, net of tax</i>						
- Currency translation differences arising from consolidation	-	-	(15,470)	(15,470)	-	(15,470)
Total comprehensive income/(loss) for the period	-	177,582	(15,470)	162,112	-	162,112
Issuance of shares in a subsidiary	-	-	-	-	1,980	1,980
Non-controlling interest arising from acquisition of subsidiary	-	-	-	-	(1,577)	(1,577)
As at 30 June 2013	6,231,259	6,418,428	10,993	12,660,680	403	12,661,083

1(d)(i)

Statements of Changes in Equity

Company	Share capital \$	Accumulated profits/(losses) \$	Total equity \$
As at 1 January 2014	6,231,259	55,723	6,286,982
Net profit and total comprehensive income for the period	-	12,781	12,781
As at 30 June 2014	<u>6,231,259</u>	<u>68,504</u>	<u>6,299,763</u>
As at 1 January 2013	6,231,259	(297,958)	5,933,301
Net loss and total comprehensive loss for the period	-	(158,060)	(158,060)
As at 30 June 2013	<u>6,231,259</u>	<u>(456,018)</u>	<u>5,775,241</u>

- 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.

	As at 30 June 2014		As at 30 June 2013	
	No. of shares	\$	No. of shares	\$
Issued and paid-up shares	100,000,000	6,231,259	100,000,000	6,231,259

There was no change in the Company's share capital during HY2014. There were no outstanding convertibles or treasury shares held by the Company as at 30 June 2014 and 30 June 2013.

- 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.

	As at 30 June 2014	As at 31 December 2013
Total number of shares excluding treasury shares	100,000,000	100,000,000

- 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.

There were no sales, transfers, disposals, cancellation and/or use of treasury shares for HY2014.

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

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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 Note 5 below, there were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period compared to the most recently audited financial statements for the financial year ended 31 December 2013 ("FY2013").

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 new and revised Singapore Financial Reporting Standards ("FRSs") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2014, where applicable. The adoption of these standards from

the effective date did not result in material adjustments to the financial position, results of operations or cash flows of the Group for HY2014.

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	
	HY2014	HY2013
Basic and fully diluted (cents)	(0.3)	0.2

Basic and fully diluted earnings per share are calculated by dividing the Group's (loss)/profit for the year by the aggregate number of ordinary shares of 100,000,000.

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	
	30.6.2014	31.12.2013	30.6.2014	31.12.2013
Net asset value per ordinary share (cents)	13.5	13.8	6.3	6.3

Net asset value per ordinary share is calculated based on the aggregate number of ordinary shares of 100,000,000.

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.

Review of Consolidated Statement of Comprehensive Income

Revenue

For HY2014, the Group registered revenue of \$13.5 million, a decrease of 0.2% or \$0.1 million as compared to \$13.6 million for HY2013. The decrease was mainly attributable to lower revenue contribution from the Residential Projects segment by 11.0% or \$1.2 million, which was partially offset by an increase in revenue contribution from the Distribution and Retail segment by 40.9% or \$1.1 million.

Residential Projects

The Residential Projects segment accounted for 70.7% or \$9.6 million of the Group's revenue in HY2014, of which approximately \$4.3 million was attributable to revenue recognised from 10 new projects, while \$5.3 million was derived from 13 ongoing projects from the previous financial years. Comparatively, Residential Projects revenue for HY2013 amounted to \$10.8 million, of which approximately \$1.9 million was attributable to revenue recognised from 7 new projects, while \$8.9 million was derived from 17 ongoing projects from the previous financial years.

Distribution and Retail

The Distribution and Retail segment accounted for 29.3% or \$3.9 million of the Group's revenue in HY2014. The increase in Distribution and Retail revenue by 40.9% or \$1.1 million was due to an improvement by \$0.7 million and \$0.4 million recorded by the Group's operations in Singapore and Malaysia respectively, as a result of mid-year weekend sales.

Gross Profit

Gross profit decreased by 15.8% or \$1.0 million, from \$6.2 million in HY2013 to \$5.2 million in HY2014. Overall gross profit margin declined by 7.1 percentage points from 45.6% in HY2013 to 38.5% in HY2014 due mainly to higher cost of sales incurred for certain residential projects as well as competitive pricing for the retail segment.

Other Income

Other income increased by 47.5% or approximately \$27,000, from approximately \$57,000 in HY2013 to \$84,000 in HY2014. This was due mainly to higher maintenance and license fee income of \$18,000, \$38,000 in wage credit and grant received from government and marketing income of \$3,000 whereas other income in HY2013 relate mainly to a write-back of unclaimed creditors which amounted to an aggregate of approximately \$32,000 in HY2013.

Selling and Distribution Expenses

Selling and distribution expenses increased by 3.6% or \$0.1 million, from \$3.8 million recorded in HY2013 to \$3.9 million in HY2014.

This was mainly attributable to increase in staff related costs for the sales, marketing and operations staff as well as an increase in rental in HY2014 for warehousing space in Singapore of \$0.1 million as compared with HY2013.

General and Administrative Expenses

General and administrative expenses decreased by 4.7% or \$0.1 million, from \$1.5 million in HY2013 to \$1.4 million in HY2014.

This was mainly attributable to:

- a. Decrease in rental and repairs and maintenance expenses by \$0.1 million; and
- b. Decrease in salaries and related costs, insurance and advertisement fee by \$0.1 million.

The above was partially offset by an increase in director's fee, legal and professional fee and travelling and transportation expenses by \$0.1 million.

Other Expenses

Other expenses decreased by 47.1% or \$0.1 million, from \$0.2 million in HY2013 to \$0.1 million in HY2014, mainly due to a decrease in allowance for doubtful receivables and write down of inventory as compared to HY2013 of \$0.2 million. This was partially offset by an increase in exchange loss of \$0.1 million in HY2014.

Share of Results of Joint Venture

The Group's 40% share of losses was restricted up to its investment in its Hong Kong joint venture in FY2013. No share of losses was recorded in HY2014. The Group's share of losses amounted to approximately \$0.2 million in HY2013.

Loss Before Tax

The Group's loss before tax of \$0.4 million in HY2014 due mainly to the decrease in revenue and lower gross profit margin as compared to profit before tax of \$0.3 million in HY2013. Overall on an individual company basis within the Group, loss before tax mainly relates to Kitchen Culture Sdn. Bhd. and Eclat Office Club Pte. Ltd..

Tax Expense

Tax expense decreased by 90.4% or \$133,000, from \$147,000 in HY2013 to \$14,000 in HY2014. This relates to \$14,000 of tax underprovided in prior years.

Review of Statements of Financial Position of the Group

Assets

The Group's total assets decreased by \$1.5 million from \$31.0 million as at 31 December 2013 to \$29.5 million as at 30 June 2014. The decrease in total assets was mainly attributable to:

- a. A decrease in net carrying value of property, plant and equipment by \$0.1 million due mainly to depreciation charge amounting to \$0.2 million and partially offset by additions during HY2014 such as computers, renovations and motor vehicles which amounted to \$0.1 million.
- b. A decrease in inventories by \$0.2 million due mainly to decreased purchases during HY2014 for project inventories; and
- c. A decrease in cash and bank balances of \$1.2 million.

Liabilities

The Group's total liabilities decreased by \$1.1 million from \$17.2 million as at 31 December 2013 to \$16.1 million as at 30 June 2014. The decrease in total liabilities was mainly attributable to:

- a. A decrease in bills payable to banks by \$1.8 million which was in line with the decrease in purchase of inventories;
- b. A decrease in trade and other payables by \$0.8 million;
- c. A decrease in the amounts due to directors by \$0.8 million due to repayment in HY2014;
- d. A decrease in tax payable by \$0.3 million.

The above is partially offset by an increase in bank borrowings by \$2.6 million due mainly to drawdown of bank loans.

Total Equity

Total equity decreased by \$0.3 million from \$13.7 million as at 31 December 2013 to \$13.4 million as at 30 June 2014. The Group's net asset value per share stood at 13.5 cents as at 30 June 2014 as compared to 13.8 cents as at 31 December 2013.

Review of Consolidated Statement of Cash Flows

The net cash used in working capital amounting to \$2.4 million was due mainly to a decrease in payables of \$2.6 million and partially offset by a decrease in inventories by \$0.2 million. During HY2014, the Group paid income tax of approximately \$0.3 million. The net cash used in operating activities amounted to \$2.7 million.

In HY2014, net cash used in investing activities of \$0.1 million was due to purchase of property, plant and equipment.

Net cash generated from financing activities of \$1.6 million in HY2014 was due mainly to drawdown of bank borrowings of \$4.0 million, partially offset by interest paid of \$0.1 million as well as repayment of bank borrowings and to director of \$1.4 million and \$0.8 million respectively.

As a result of the above, cash and cash equivalents decreased by \$1.2 million, from \$3.9 million as at 1 January 2014 to \$2.7 million as at 30 June 2014.

Subsequent Event

As announced on 18 July 2014, the Group's wholly-owned subsidiary, KHL Marketing Asia-Pacific Pte Ltd, terminated the joint venture agreement and acquired the remaining 20% of the capital of its subsidiary, Eclat Office Club Pte. Ltd. ("Eclat") on 18 July 2014 at a consideration of \$2,000. With this acquisition, Eclat is now wholly-owned by KHL Marketing Asia-Pacific Pte Ltd.

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

No forecast or prospect statement has been previously disclosed to shareholders.

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 will continue to capitalise on its core competencies and to focus on the sale of imported kitchen systems, kitchen appliances, wardrobe systems, household furniture and accessories for residential projects and for distribution and retail. The Group will also continue to explore business opportunities, including expanding its geographical coverage.

As announced on 31 March 2014, the Group, through its wholly-owned subsidiary, KHL Marketing Asia-Pacific Pte Ltd, has incorporated a wholly-owned subsidiary, Kitchen Culture (Sichuan) Co. Ltd in the People's Republic of China. Renovation works of the showroom only commenced in August 2014 as the landlord of the showroom had only delivered vacant possession in July 2014 and the company is expected to commence business by the first half of 2015. Its principal activities include sale and distribution of kitchen systems, kitchen appliances, wardrobe systems, household furniture and appliances.

In addition, as announced on 29 May 2014, the Group, through its wholly-owned subsidiary, KHL Marketing Asia-Pacific Pte Ltd, has incorporated a wholly-owned subsidiary, KCROOM Pte. Ltd.. This subsidiary will be involved in the distribution and retail of kitchen appliances and is only expected to commence operations in 2015. The Group has also announced on 3 June 2014, that it has, through its wholly-owned subsidiary, KHL (Hong Kong) Limited, incorporated a 70% owned-subsiary, Kitchen Culture (Macau) Limited in Macau. Kitchen Culture (Macau) Limited will be exploring opportunities for tenders in residential projects in Macau.

Given the present economic outlook and uncertainty in the global economy, the business conditions in Singapore, Malaysia, Hong Kong and China are expected to remain challenging and competitive for the next 12 months.

11. If a decision regarding dividend has been made:
(a) Whether an interim (final) ordinary dividend has been declared (recommended);

No.

- (b)(i) Amount per share/rate %

Name of Dividend	
Dividend type	Not applicable
Dividend amount per ordinary share (cents)	Not applicable

(b)(ii) Previous corresponding period/rate %

Name of Dividend	
Dividend type	Not applicable
Dividend amount per ordinary share (cents)	Not applicable

- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

- (d) The date the dividend is payable

Not applicable.

- (e) The date on which Registrable Transfers received by the company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

No dividend has been declared or recommended for the half year financial period ended 30 June 2014.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a)(ii).

14. Negative confirmation pursuant to Rule 705(5)

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial results for the half year financial period ended 30 June 2014 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Lim Wee Li
Executive Chairman and CEO

Date: 8 August 2014