

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

Third Quarter Financial Statement And Dividend Announcement for the Period Ended 30 September 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 Sep 14

	GROUP				GROUP		
	3 months ended				9 months ended		
	30-Sep-14	30-Sep-13	Variance		30-Sep-14	30-Sep-13	Variance
	S\$'000	S\$'000	%		S\$'000	S\$'000	%
Revenue	28,822	29,084	-1%		102,372	71,831	43%
Cost of sales	(19,384)	(19,141)	1%		(69,359)	(46,458)	49%
Gross profit	9,438	9,943			33,013	25,373	
Other income	1,509	1,443	5%		4,759	3,972	20%
Other gains – net	828	858			2,513	7,410	
Expenses							
- Distribution and marketing	(3,116)	(3,075)	1%		(8,752)	(8,990)	-3%
- Administrative	(5,418)	(4,076)	33%		(15,121)	(13,095)	15%
- Finance	(214)	(109)	96%		(475)	(230)	107%
Share of profit/(loss) of associated companies	3	3			38	(4)	
Profit before income tax	3,030	4,987			15,975	14,436	
Income tax expense	(503)	(673)			(2,580)	(1,360)	
Net profit	2,527	4,314			13,395	13,076	
Profit attributable to:							
Equity holders of the Company	2,338	4,134			12,651	12,570	
Non-controlling interests	189	180			744	506	
	2,527	4,314			13,395	13,076	

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 Sep 14

	GROUP				GROUP		
	3 months ended				9 months ended		
	30-Sep-14	30-Sep-13	Variance		30-Sep-14	30-Sep-13	Variance
	S\$'000	S\$'000	%		S\$'000	S\$'000	%
Net profit	2,527	4,314			13,395	13,076	
Other comprehensive income							
Available-for-sale financial assets – fair value gain	-	(1)			8	(1)	
Currency translation differences arising from consolidation	263	185			71	280	
Other comprehensive income, net of tax	263	184			79	279	
Total comprehensive income	2,790	4,498			13,474	13,355	
Total comprehensive income attributable to:							
Equity holders of the Company	2,531	4,271			12,712	12,776	
Non-controlling interests	259	227			762	579	
	2,790	4,498			13,474	13,355	

Additional information to the income statement:

	GROUP			GROUP	
	3 months ended			9 months ended	
	30-Sep-14	30-Sep-13		30-Sep-14	30-Sep-13
	S\$'000	S\$'000		S\$'000	S\$'000
1. Other income					
Commission income	4	11		12	20
Fixed deposit interest	284	218		677	555
Interest income from financial assets	68	159		735	408
Parking fee income	25	29		76	87
Management fee	9	-		41	-
Rental income	1,024	1,008		2,882	2,807
Miscellaneous income	95	18		336	95
	1,509	1,443		4,759	3,972

Additional information to the income statement (continued):

	GROUP			GROUP	
	3 months ended			9 months ended	
	30-Sep-14	30-Sep-13		30-Sep-14	30-Sep-13
	S\$'000	S\$'000		S\$'000	S\$'000
2. Other gains – net					
Amortisation of deferred income	812	813		2,437	2,442
Bad debts recovered	16	45		76	95
Gain on disposal of property, plant and equipment	-	-		-	4,873
	828	858		2,513	7,410

3. Administrative Expenses

The increase in administrative expenses was mainly due to increase in staff cost, repair and maintenance of warehouse.

	GROUP			GROUP	
	3 months ended			9 months ended	
	30-Sep-14	30-Sep-13		30-Sep-14	30-Sep-13
	S\$'000	S\$'000		S\$'000	S\$'000
4. Finance Expenses					
Bank loan interest	351	407		1,053	1,079
Finance lease interest	2	5		6	9
Trust receipts interest	24	11		55	55
	377	423		1,114	1,143
Finance expense capitalised in:					
- Development properties	(163)	(314)		(639)	(913)
	214	109		475	230

	GROUP			GROUP	
	3 months ended			9 months ended	
	30-Sep-14	30-Sep-13		30-Sep-14	30-Sep-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	170	133		462	372
(Recovered)/Allowance for doubtful debts	78	36		74	179
Foreign Exchange loss - net	138	86		55	169

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-Sep-14	31-Dec-13	30-Sep-14	31-Dec-13
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	108,327	100,662	73,102	69,278
Available-for-sale financial assets	22	521	22	521
Trade and other receivables	31,282	22,515	24,275	19,416
Inventories	17,800	15,551	-	-
Gross amount due from customers for contract work-in-progress	99	460	-	-
Development properties	79,488	88,187	-	-
	237,018	227,896	97,399	89,215
Non-current assets				
Trade and other receivables	419	180	-	-
Investments in associated companies	812	1,170	800	800
Investments in joint venture	-	-	1,138	1,138
Investments in subsidiaries	-	-	3,716	3,716
Property, plant and equipment	18,996	18,728	199	273
Intangible assets	161	349	161	349
	20,388	20,427	6,014	6,276
Total assets	257,406	248,323	103,413	95,491
LIABILITIES				
Current liabilities				
Trade and other payables	34,461	31,312	5,473	6,539
Borrowings	12,084	10,774	8,739	-
Obligations under finance leases	51	88	29	38
Gross amount due to customers for contract work-in-progress	4,893	4,011	-	-
Current income tax liabilities	3,164	954	-	-
Deferred income	3,250	3,250	3,250	3,250
	57,903	50,389	17,491	9,827
Non-current liabilities				
Deferred income	8,666	11,104	8,666	11,104
Borrowings	72,959	82,562	-	-
Obligations under finance leases	3	35	-	19
Deferred income tax liabilities	1,977	2,385	69	69
	83,605	96,086	8,735	11,192
Total liabilities	141,508	146,475	26,226	21,019
NET ASSETS	115,898	101,848	77,187	74,472
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	29,738	27,310	29,738	27,310
Other reserves	1,073	1,157	1,701	1,838
Retained earnings	82,376	70,884	45,748	45,324
	113,187	99,351	77,187	74,472
Non-controlling interests	2,711	2,497	-	-
Total equity	115,898	101,848	77,187	74,472

Additional Information to the Statement of financial position:

Current Assets

- Cash and cash equivalents increased by \$7.66 million as compared to 31 Dec 2013. The increase is mainly due to funds received by joint venture property 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 bonds during the period ended 30 Sep 2014.
- Trade and other receivables increased by \$8.77 million as compared to 31 Dec 2013. The increase is mainly due to the increase in trade and other receivables from joint venture property companies.
- Development properties decreased by \$8.70 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 \$0.27 million as compared to 31 Dec 2013. The increase is mainly due to the purchase of plant and equipment of \$0.82 million and partially offset by depreciation charges for the period up to 30 Sep 2014 of \$0.46 million and written off of \$0.09 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 decreased by \$8.36 million as compared to 31 Dec 2013. The decrease is mainly due to repayment of bank loans by joint venture companies.

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-Sep-14		As at 31-Dec-13	
Secured	Unsecured	Secured	Unsecured
S\$11,803,602	S\$330,814	S\$10,522,315	S\$340,311

Amount repayable after one year

As at 30-Sep-14		As at 31-Dec-13	
Secured	Unsecured	Secured	Unsecured
S\$72,961,755	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 \$53,459 (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		9 months ended	
	30-Sep-14	30-Sep-13	30-Sep-14	30-Sep-13
	S\$'000	S\$'000	S\$'000	S\$'000
<i>Cash flows from operating activities</i>				
Net profit	2,527	4,314	13,395	13,076
Adjustments for:				
- Income tax expense	503	673	2,580	1,360
- Employee share option expense	141	173	422	519
- Amortisation of deferred income	(812)	(813)	(2,437)	(2,442)
- Depreciation	170	133	462	372
- Property, plant and equipment written off	89	-	89	5
- Gain on disposal of property, plant and equipment	-	-	-	(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	-	(4)	-	(1)
- Interest income	(352)	(377)	(1,412)	(963)
- Finance expenses	214	109	475	230
- Share of (profit)/loss of associated companies	(3)	(3)	(38)	4
- Unrealised currency translation losses	263	211	78	287
	2,740	4,416	13,609	7,574
<i>Change in working capital:</i>				
- Trade and other receivables	14,865	3,773	(8,732)	1,428
- Inventories	(1,431)	(2,392)	(2,249)	(1,301)
- Contract work-in-progress	880	1,154	1,242	2,067
- Development properties	1,174	4,298	9,338	(17,405)
- Trade and other payables	1,874	(4,135)	3,148	(27,194)
Cash generated/(used) in operations	20,102	7,114	16,356	(34,831)
- Income tax paid	(370)	(553)	(778)	(1,162)
Net cash generated/(used) in operating activities	19,732	6,561	15,578	(35,993)
<i>Cash flows from investing activities</i>				
Dividend income received from associated companies	396	-	396	-
Proceeds from redemption of financial assets	-	-	500	-
Proceeds from disposal of Club membership	-	-	202	-
Disposal of property, plant and equipment	-	-	-	13,768
Additions to property, plant and equipment	(365)	(236)	(820)	(20,815)
Fixed deposits with maturity of more than three months	(11,303)	1,964	8,620	(13,581)
Interest received	78	287	1,138	764
Net cash (used in)/provided by investing activities	(11,194)	2,015	10,036	(19,864)
<i>Cash flows from financing activities</i>				
(Repayment)/proceeds from bank borrowings	(13,874)	(1,784)	(8,294)	51,810
Net proceeds from issuance of shares	1,187	1	1,861	2,795
Fixed deposits pledged	2,403	(15)	(10,767)	(15)
Repayment of finance leases	(23)	(26)	(69)	(119)
Interest paid (including amounts capitalised as development properties)	(377)	(423)	(1,114)	(1,143)
Dividends paid to equity holders of the Company	-	-	(1,159)	(1,306)
Dividends paid to non-controlling interests	(15)	(742)	(548)	(742)
Net cash (used in)/provided by financing activities	(10,699)	(2,989)	(20,090)	51,280
Net (decrease)/increase in cash and cash equivalents	(2,161)	5,587	5,524	(4,577)
Cash and cash equivalents				
Beginning of financial year	26,707	13,047	19,027	23,194
Effect of currency translation on cash and cash equivalents	-	(26)	(5)	(9)
End of the financial year	24,546	18,608	24,546	18,608

Notes to Cash Flow Statement

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

	<u>GROUP</u>			<u>GROUP</u>	
	3 months ended			9 months ended	
	30-Sep-14	30-Sep-13		30-Sep-14	30-Sep-13
	S\$'000	S\$'000		S\$'000	S\$'000
Cash and cash equivalents	108,327	95,774		108,327	95,774
Less: Bank deposits pledged	(12,084)	(1,316)		(12,084)	(1,316)
Less: Bank deposits with maturity more than three months	(71,697)	(75,850)		(71,697)	(75,850)
Cash and cash equivalents per consolidated statement of cash flows	24,546	18,608		24,546	18,608

For the 9 months ended 30 Sep 2014, the Group generated an operating cash flow before working capital changes of \$13.61 million as compared to cash generated from operations of \$7.57 million in the 9 months ended 30 Sep 2013. Taking into account changes in working capital and income tax paid, the Group generated \$15.58 million for its operating activities as compared to \$35.99 million used in the 9 months ended 30 Sep 2013.

The Group recorded a net cash inflow of \$5.52 million in the 9 months ended 30 Sep 2014 compared to a net cash outflow of \$4.58 million in the 9 months ended 30 Sep 2013. The net increase in cash and cash equivalents was due to net cash generated from operating activities and investing activities of \$15.58 million and \$10.04 million respectively which was partially offset by net cash used in financing activities of \$20.09 million.

- 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 Sep 14

	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 (loss)/income 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 (loss)/income 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
Balance as at 1-Jul-14	28,235	(821)	240	-	1,636	80,038	109,328	2,467	111,795
Issue of new shares	1,503	-	(60)	-	(256)	-	1,187	-	1,187
Employee share option scheme	-	-	-	-	141	-	141	-	141
Dividend paid	-	-	-	-	-	-	-	(15)	(15)
Total comprehensive income for the period	-	193	-	-	-	2,338	2,531	259	2,790
Balance as at 30-Sep-14	29,738	(628)	180	-	1,521	82,376	113,187	2,711	115,898

Consolidated statement of changes in equity for the period ended 30 Sep 13

	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 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 (loss)/income 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
Balance as at 1-Jul-13	26,416	(899)	311	(7)	1,144	60,320	87,285	2,317	89,602
Issue of new shares	1	-	-	-	-	-	1	-	1
Employee share option scheme	-	-	-	-	173	-	173	-	173
Dividend paid	-	-	-	-	-	-	-	(742)	(742)
Total comprehensive income /(loss) for the period	-	138	-	(1)	-	4,134	4,271	227	4,498
Balance as at 30-Sep-13	26,417	(761)	311	(8)	1,317	64,454	91,730	1,802	93,532

Statement of changes in equity for the financial period ended 30 Sep 14

COMPANY	Share capital	Fair value reserve	Warrant 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 for the period	-	-	-	-	1,986	1,986
Balance as at 30-Jun-14	28,235	-	240	1,636	45,643	75,754
Balance as at 1-Jul-14	28,235	-	240	1,636	45,643	75,754
Issue of new shares	1,503	-	(60)	(256)	-	1,187
Dividend paid	-	-	-	-	-	-
Employee share option scheme	-	-	-	141	-	141
Total comprehensive income for the period	-	-	-	-	105	105
Balance as at 30-Sep-14	29,738	-	180	1,521	45,748	77,187

Statement of changes in equity for the financial period ended 30 Sep 13

<u>COMPANY</u>	Share capital	Fair value	Warrant reserve	Employee share	Retained earnings	Total equity
	S\$'000	reserve	S\$'000	option reserve	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 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 for the period	-	-	-	-	4,688	4,688
Balance as at 30-Jun-13	26,416	(7)	311	1,144	41,194	69,058
Balance as at 1-Jul-13	26,416	(7)	311	1,144	41,194	69,058
Issue of new shares	1	-	-	-	-	1
Dividend paid	-	-	-	-	-	-
Employee share option scheme	-	-	-	173	-	173
Total comprehensive (loss)/ income for the period	-	(1)	-	-	3,164	3,163
Balance as at 30-Sep-13	26,417	(8)	311	1,317	44,358	72,395

- 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-Sep-14	31-Dec-13
	S\$'000	S\$'000
<u>Issued and paid up capital</u>		
At the end of the financial period/year	29,738	27,310

Note: During the financial period;

- (i) 2,310,000 and 932,000 share options were exercised and issued at \$0.2061 and \$0.3120 each respectively.
- (ii) 4,757,600 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-Sep-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	3,242,000	1,219,000
- exercised of Warrant by warrant-holders	4,757,600	14,807,700
No of issued shares at the end of the period/year	198,481,300	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.

	<u>GROUP</u>			<u>GROUP</u>	
	3 months ended			9 months ended	
	30-Sep-14	30-Sep-13		30-Sep-14	30-Sep-13
Earnings per share based on consolidated profit after taxation and Non-controlling interests					
Based on existing issued share capital (cents)	1.211	2.277		6.554	6.923
On a fully diluted basis (cents)	1.105	1.967		5.981	5.980

Note:

- a) The Earnings per share is calculated based on the weighted average number of shares in issue during the period amounting to 193,020,635 and 181,575,217 shares as at 30 Sep 2014 and 30 Sep 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 211,526,734 and 210,189,257 shares as at 30 Sep 2014 and 30 Sep 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.

	<u>GROUP</u>		<u>COMPANY</u>	
	30-Sep-14	31-Dec-13	30-Sep-14	31-Dec-13
Net asset value per share based on the existing issued share capital as at the respective period	57.03 cents	52.16 cents	38.89 cents	39.10 cents

Note:

The net assets value per ordinary shares are calculated based on the issued share capital of the Company of 198,481,300 and 190,481,700 shares as at 30 Sep 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 9 months ended 30 Sep 2014 increased by 43% to \$102.37 million as compared to \$71.83 million for the 9 months ended 30 Sep 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 22% from \$21.41 million for the 9 months ended 30 Sep 2013 to \$26.18 million for the 9 months ended 30 Sep 2014.

In the 9 months ended 30 Sep 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 \$13.40 million as compared to a net profit of \$13.08 million for the 9 months ended 30 Sep 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 in Singapore 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 will continue to expand its branded furniture offering with the acquisition of new brands and increase its marketing efforts in the South East Asian markets. For its house furniture brands, the Group will focus on innovative products at affordable price points to cater to the mass-market.

The Group has expanded its distribution capacity in the USA to cope with increased business and acquisition of new customers. The Group is positive about the growth in the USA market and expects Buylateral Group Pte Ltd to continue to expand its revenue and customer base in the USA market.

In terms of our UK properties, Cove City Ltd has launched its 1st phase of Marine Wharf East, consisting of 80 apartment units located at Surrey Quay in mid Sep 2014. It has to date sold 29 units. The Group owns 25% of Cove City Ltd. We are currently negotiating further acquisitions in the overseas market and will announce them in due course.

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 Sep 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)
Wong Soon Chiu	S\$133,580	Nil

Note:

Renovation contract work signed between Numero Uno Creative Group Pte Ltd, a subsidiary of the Company and Mr Wong Soon Chiu, an independent director of the Company.

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 Sep 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

7 November 2014