

NOBEL DESIGN HOLDINGS LTD

Full Year Financial Statement And Dividend Announcement for the Year Ended 31 December 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 31 Dec 14

	<u>GROUP</u>				<u>GROUP</u>		
	3 months ended				12 months ended		
	31-Dec-14	31-Dec-13	Variance		31-Dec-14	31-Dec-13	Variance
	S\$'000	S\$'000	%		S\$'000	S\$'000	%
Revenue	44,834	37,487	20%		147,206	109,318	35%
Cost of sales	(26,770)	(23,371)	15%		(96,129)	(69,829)	38%
Gross profit	18,064	14,116			51,077	39,489	
Other income	1,263	1,567	-19%		6,022	5,539	9%
Other gains – net	821	822			3,334	8,232	
Expenses							
- Distribution and marketing	(3,674)	(2,728)	35%		(12,426)	(11,718)	6%
- Administrative	(5,363)	(5,387)	-1%		(20,484)	(18,482)	11%
- Finance	(98)	(110)	-11%		(573)	(340)	69%
Share of profit/(loss) of associated companies	-	101			38	97	
Profit before income tax	11,013	8,381			26,988	22,817	
Income tax expense	(1,304)	(1,325)			(3,884)	(2,685)	
Net profit	9,709	7,056			23,104	20,132	
Profit attributable to:							
Equity holders of the Company	9,415	6,430			22,066	19,000	
Non-controlling interests	294	626			1,038	1,132	
	9,709	7,056			23,104	20,132	

(a)(i) A statement of comprehensive income for the Group together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Comprehensive income for the financial period ended 31 Dec 14

	GROUP				GROUP		
	3 months ended				12 months ended		
	31-Dec-14	31-Dec-13	Variance		31-Dec-14	31-Dec-13	Variance
	S\$'000	S\$'000	%		S\$'000	S\$'000	%
Net profit	9,709	7,056			23,104	20,132	
Other comprehensive income							
Available-for-sale financial assets – fair value gain	-	-			8	(1)	
Currency translation differences arising from consolidation	556	108			627	388	
Other comprehensive (loss)/income, net of tax	556	108			635	387	
Total comprehensive income	10,265	7,164			23,739	20,519	
Total comprehensive income attributable to:							
Equity holders of the Company	9,823	6,509			22,535	19,285	
Non-controlling interests	442	655			1,204	1,234	
	10,265	7,164			23,739	20,519	

Additional information to the income statement:

	<u>GROUP</u>		<u>GROUP</u>	
	3 months ended		12 months ended	
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
	S\$'000	S\$'000	S\$'000	S\$'000
1. Other income				
Commission income	5	2	17	22
Fixed deposit interest	263	216	940	771
Interest income from financial assets	(89)	(52)	646	356
Parking fee income	22	25	98	112
Management fee	13	54	54	54
Rental income	841	1,200	3,723	4,007
Miscellaneous income	208	122	544	217
	1,263	1,567	6,022	5,539

	<u>GROUP</u>		<u>GROUP</u>	
	3 months ended		12 months ended	
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
	S\$'000	S\$'000	S\$'000	S\$'000
2. Other gains – net				
Amortisation of deferred income	813	812	3,250	3,254
Bad debts recovered	8	10	84	105
Gain on disposal of property, plant and equipment	-	-	-	4,873
	821	822	3,334	8,232

3. Distribution Expenses and Administrative Expenses

The increase in distribution and marketing expenses was mainly due to increase in rental and marketing cost, while the increase in administration expense was due to increase in staff costs, provision for slow moving stock and provision for performance bonus for directors.

	<u>GROUP</u>		<u>GROUP</u>	
	3 months ended		12 months ended	
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
	S\$'000	S\$'000	S\$'000	S\$'000
4. Profit before income tax				
Profit before income tax is determined after charging/(crediting)				
Depreciation of property, plant and equipment	166	187	628	559
Allowance for impairment of trade and other receivables	138	74	212	253
Foreign Exchange loss - net	109	25	164	194

(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	
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	110,680	100,662	76,790	69,278
Available-for-sale financial assets	24	521	24	521
Trade and other receivables	40,543	22,515	24,642	19,416
Inventories	18,457	15,551	-	-
Gross amount due from customers for contract work-in-progress	89	460	-	-
Development properties	70,829	88,187	-	-
	240,622	227,896	101,456	89,215
Non-current assets				
Trade and other receivables	421	180	-	-
Investments in associated companies	-	1,170	-	800
Investments in joint venture	-	-	1,138	1,138
Investments in subsidiaries	-	-	3,716	3,716
Property, plant and equipment	19,848	18,728	182	273
Intangible assets	161	349	161	349
	20,430	20,427	5,197	6,276
Total assets	261,052	248,323	106,653	95,491
LIABILITIES				
Current liabilities				
Trade and other payables	34,661	31,312	4,534	6,539
Borrowings	12,395	10,774	8,470	-
Obligations under finance leases	59	88	19	38
Gross amount due to customers for contract work-in-progress	3,749	4,011	-	-
Current income tax liabilities	3,002	954	-	-
Deferred income	3,250	3,250	3,250	3,250
	57,116	50,389	16,273	9,827
Non-current liabilities				
Deferred income	7,854	11,104	7,854	11,104
Borrowings	64,134	82,562	-	-
Obligations under finance leases	16	35	-	19
Deferred income tax liabilities	3,535	2,385	69	69
	75,539	96,086	7,923	11,192
Total liabilities	132,655	146,475	24,196	21,019
NET ASSETS	128,397	101,848	82,457	74,472
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	32,460	27,310	32,460	27,310
Other reserves	1,436	1,157	1,656	1,839
Retained earnings	91,791	70,884	48,341	45,323
	125,687	99,351	82,457	74,472
Non-controlling interests	2,710	2,497	-	-
Total equity	128,397	101,848	82,457	74,472

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

- Cash and cash equivalents increased by \$10.02 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 31 Dec 2014.
- Trade and other receivables increased by \$18.03 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 \$17.36 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 \$1.12 million as compared to 31 Dec 2013. The increase is mainly due to the purchase of plant and equipment of \$1.84 million and partially offset by depreciation charges for the period up to 31 Dec 2014 of \$0.63 million and written off of \$0.13 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 \$16.86 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 31-Dec-14		As at 31-Dec-13	
Secured	Unsecured	Secured	Unsecured
S\$11,980,784	S\$472,490	S\$10,522,315	S\$340,311

Amount repayable after one year

As at 31-Dec-14		As at 31-Dec-13	
Secured	Unsecured	Secured	Unsecured
S\$64,151,329	Nil	S\$82,596,754	Nil

Details of any collateral

- A subsidiary's bank trade facilities are secured by its fixed deposit of \$602,484 and proportionate corporate guarantee by the Company.
- The loans are secured by first legal mortgages over the development properties.
- Finance leases of \$74,803 (31 Dec 2013: \$122,927) are secured over some of the Group's motor vehicles.

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

	GROUP		GROUP	
	3 months ended		12 months ended	
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
	S\$'000	S\$'000	S\$'000	S\$'000
<i>Cash flows from operating activities</i>				
Net profit	9,709	7,056	23,104	20,132
Adjustments for:				
- Income tax expense	1,304	1,325	3,884	2,685
- Employee share option expense	135	288	557	807
- Amortisation of deferred income	(813)	(812)	(3,250)	(3,254)
- Depreciation	166	187	628	559
- Club membership written off	-	22	-	22
- Property, plant and equipment written off	-	-	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	(3)	-	(3)	(1)
- Interest income	(174)	(165)	(1,586)	(1,128)
- Finance expenses	98	110	573	340
- Share of (profit)/loss of associated companies	-	(101)	(38)	(97)
- Unrealised currency translation losses/(gains)	533	85	611	372
	10,955	7,995	24,564	15,569
<i>Change in working capital:</i>				
- Trade and other receivables	(8,243)	(13,165)	(16,975)	(11,737)
- Inventories	(657)	(1,347)	(2,906)	(2,648)
- Contract work-in-progress	(1,134)	(1,415)	108	652
- Development properties	8,659	5,280	17,997	(12,125)
- Trade and other payables	205	10,018	3,353	(17,176)
Cash generated by/(used in) operations	9,785	7,366	26,141	(27,465)
- Income tax paid	92	161	(686)	(1,001)
Net cash generated by/(used) in operating activities	9,877	7,527	25,455	(28,466)
<i>Cash flows from investing activities</i>				
Final cash distribution from liquidation of associated company	-	6	-	6
Dividend income received from associated companies	-	560	396	560
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	(970)	(176)	(1,790)	(20,991)
Fixed deposits with maturity of more than three months	(8,069)	(4,467)	551	(18,048)
Interest received	(38)	(48)	1,100	716
Net cash (used in)/provided by investing activities	(9,077)	(4,125)	959	(23,989)
<i>Cash flows from financing activities</i>				
Capital contribution from non-controlling interest of a subsidiary	-	40	-	40
(Repayment of)/proceeds from bank borrowings	(8,514)	(3,269)	(16,808)	48,541
Net proceeds from issuance of shares	2,542	824	4,403	3,619
Fixed deposits pledged	247	(2)	(10,520)	(17)
Repayment of finance leases	(25)	(23)	(94)	(142)
Interest paid (including amounts capitalised as development properties)	(97)	(576)	(1,211)	(1,719)
Dividends paid to equity holders of the Company	-	-	(1,159)	(1,306)
Dividends paid to non-controlling interests	(443)	-	(991)	(742)
Net cash (used in)/provided by financing activities	(6,290)	(3,006)	(26,380)	48,274
Net (decreased)/increase in cash and cash equivalents	(5,490)	396	34	(4,181)
<i>Cash and cash equivalents</i>				
Beginning of financial year	24,546	18,608	19,027	23,194
Effect of currency translation on cash and cash equivalents	20	23	15	14
End of the financial year	19,076	19,027	19,076	19,027

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		12 months ended	
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
	S\$'000	S\$'000	S\$'000	S\$'000
Cash and cash equivalents	110,680	100,662	110,680	100,662
Less: Bank deposits pledged	(11,838)	(1,318)	(11,838)	(1,318)
Less: Bank deposits with maturity more than three months	(79,766)	(80,317)	(79,766)	(80,317)
Cash and cash equivalents per consolidated statement of cash flows	19,076	19,027	19,076	19,027

The Group generated an operating cash flow before working capital changes of \$24.56 million as compared to cash generated from operation of \$15.57 million in the financial year ended 31 Dec 2013. Taking into account changes in working capital and income tax paid, the Group generated \$25.46 million for its operating activities as compared to \$28.47 million used in the financial year ended 31 Dec 2013.

The Group recorded a net cash inflow of \$0.03 million in the financial year ended 31 Dec 2014 compared to a net cash outflow of \$4.18 million in the financial year ended 31 Dec 2013. The net increase in cash and cash equivalents was due to net cash generated from operating activities and investing activities of \$25.46 million and \$0.96 million respectively, which was partially offset by net cash used in financing activities of \$26.38 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 31 Dec 14

GROUP	Attributable to equity holders of the Company							Non-controlling interests	Total equity
	Share capital	Currency translation reserve	Warrant reserve	Fair value reserve	Employee share option reserve	Retained earnings	Total		
	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
Balance as at 1-Oct-14	29,738	(628)	180	-	1,521	82,376	113,187	2,711	115,898
Issue of new shares	2,722	-	(180)	-	-	-	2,542	-	2,542
Employee share option scheme	-	-	-	-	135	-	135	-	135
Dividend paid	-	-	-	-	-	-	-	(443)	(443)
Total comprehensive income for the period	-	408	-	-	-	9,415	9,823	442	10,265
Balance as at 31-Dec-14	32,460	(220)	-	-	1,656	91,791	125,687	2,710	128,397

Consolidated statement of changes in equity for the period ended 31 Dec 13

GROUP	Attributable to equity holders of the Company							Non-controlling interests	Total equity
	Share capital	Currency translation reserve	Warrant reserve	Fair value reserve	Employee share option reserve	Retained earnings	Total		
	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
Balance as at 1-Oct-13	26,417	(761)	311	(8)	1,317	64,454	91,730	1,802	93,532
Issue of new shares	893	-	(55)	-	(14)	-	824	-	824
Employee share option scheme	-	-	-	-	288	-	288	-	288
Dividend paid	-	-	-	-	-	-	-	-	-
Non-controlling Interest Contribution	-	-	-	-	-	-	-	40	40
Total comprehensive income for the period	-	79	-	-	-	6,430	6,509	655	7,164
Balance as at 31-Dec-13	27,310	(682)	256	(8)	1,591	70,884	99,351	2,497	101,848

Statement of changes in equity for the financial period ended 31 Dec 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
Balance as at 1-Oct-14	29,738	-	180	1,521	45,748	77,187
Issue of new shares	2,722	-	(180)	-	-	2,542
Dividend paid	-	-	-	-	-	-
Employee share option scheme	-	-	-	135	-	135
Total comprehensive income for the period	-	-	-	-	2,593	2,593
Balance as at 31-Dec-14	32,460	-	-	1,656	48,341	82,457

Statement of changes in equity for the financial period ended 31 Dec 13

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-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
Balance as at 1-Oct-13	26,417	(8)	311	1,317	44,358	72,395
Issue of new shares	893	-	(55)	(14)	-	824
Dividend paid	-	-	-	-	-	-
Employee share option scheme	-	-	-	288	-	288
Total comprehensive income for the period	-	-	-	-	965	965
Balance as at 31-Dec-13	27,310	(8)	256	1,591	45,323	74,472

- 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	
	31-Dec-14	31-Dec-13
	S\$'000	S\$'000
Issued and paid up capital		
At the end of the financial period/year	32,460	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) 15,807,986 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 immediately preceding year.**

	GROUP AND COMPANY	
	31-Dec-14	31-Dec-13
No of issued shares at the beginning of the 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	15,807,986	14,807,700
No of issued shares at the end of the year	209,531,686	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 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 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			12 months ended	
	31-Dec-14	31-Dec-13		31-Dec-14	31-Dec-13
Earnings per share based on consolidated profit after taxation and Non-controlling interests					
Based on existing issued share capital (cents)	4.785	3.511		11.216	10.374
On a fully diluted basis (cents)	4.444	3.096		10.416	9.149

Note:

- a) The Earnings per share is calculated based on the weighted average number of shares in issue during the period amounting to 196,745,111 and 183,158,550 shares as at 31 Dec 2014 and 31 Dec 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 211,847,748 and 207,675,708 shares as at 31 Dec 2014 and 31 Dec 2013 respectively.

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	
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
Net asset value per share based on the existing issued share capital as at the respective period	59.98 cents	52.16 cents	39.35 cents	39.10 cents

Note:

The net assets value per ordinary shares are calculated based on the issued share capital of the Company of 209,531,686 and 190,481,700 shares as at 31 Dec 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.**

Profit and Loss

Group revenue for the current financial year increased by 35% to \$147.21 million, as compared to \$109.32 million for the financial year ended 31 Dec 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 26% from \$29.93 million in 2013 to \$37.70 million in 2014. Buylateral also made investments in marketing, supply chain infrastructure and logistics in 2014 which resulted in a drop in profitability for the company.

In 2014, the Group's property companies have continued to contribute significantly to the Group's revenue and net profit, with the Group's net profit increasing to \$23.10 million as compared to a net profit of \$20.13 million for the financial year ended 31 Dec 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. Any drop in property prices will also affect household balance sheets resulting in scaling down of furniture purchases.

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.

Buylateral also made investments in marketing, supply chain infrastructure and logistics in 2014 which resulted in a drop in profitability for the company. But with these investments, Buylateral has been able to expand 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 to continue to expand its customer base in the USA market.

In terms of overseas property investments, Cove City Ltd launched its London project Marine Wharf East, located at Surrey Quays in mid Sep 2014. It has to date sold 59 units of the 94 units in Phase 1 launched in Singapore, Middle East, Hong Kong and China. The UK market is expected to be stable in 2015 and Cove City will ride on its good initial response and continue to market this project during the course of the year in Asia and London. The Group owns 25% of Cove City Ltd.

The Group is also continuing to look for opportunities in Malaysia. It has shifted its focus from Iskandar to Penang where the Board and management feels that there may be opportunities in the residential property market riding on the positive economic growth, robust manufacturing activities in electronics, service sector growth particularly in BPO (Business Process Outsourcing) operations and fledging tourism and potential MICE (Meetings, Incentives, Conventions, Exhibitions) activities in Penang.

The Group is also looking at real estate opportunities in the USA and Japan and any further acquisitions in the overseas markets will be announced in due course.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of dividend	: First and Final
Dividend type	: Cash
Dividend amount per ordinary share	: 0.65 Cents per ordinary share
Tax Rate	: One-tier tax exempt

(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	: First and Final
Dividend type	: Cash
Dividend amount per ordinary share	: 0.6 Cents per ordinary share
Tax Rate	: One-tier tax exempt

(c) Date payable

The date payable for the proposed first and final dividend of 0.65 Cents per share will be announced at a later date.

(d) Books closure date

To be announced at a later date

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

Not applicable.

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**

	Singapore					Malaysia & Brunei	USA	
GROUP	Interior and residential projects	Furniture retail	Development properties	Hotel Division	HQ and other investing activities	Interior and residential projects	Supply chain	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2014								
Sales								
Total segment sales	15,021	23,252	69,505	-	-	2,392	37,697	147,867
Less: Inter-segment sales	(26)	(635)	-	-	-	-	-	(661)
Sales to external parties	14,995	22,617	69,505	-	-	2,392	37,697	147,206
Adjusted EBITDA	3,142	186	22,523	148	(1,497)	205	1,896	26,603
Depreciation	72	293	-	86	107	8	62	628
Share of profit of associated companies	-	-	38	-	-	-	-	38
Total assets	6,577	15,346	114,573	18,078	85,052	2,345	19,081	261,052
Total assets includes:								
Investment in associated companies	-	-	-	-	-	-	-	-
Additions to property, plant and equipment	21	314	-	1,062	16	-	423	1,836
Available-for-sale financial assets	-	-	-	-	24	-	-	24
Intangible assets	-	-	-	-	161	-	-	161
Total liabilities	5,468	8,914	69,602	14,812	24,663	1,436	7,760	132,655

	Singapore					Malaysia & Brunei	USA	
GROUP	Interior and residential projects	Furniture retail	Development properties	Hotel Division	HQ and other investing activities	Interior and residential projects	Supply chain	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2013								
Sales								
Total segment sales	12,935	23,148	40,924	-	-	3,113	29,930	110,050
Less: Inter-segment sales	(11)	(721)	-	-	-	-	-	(732)
Sales to external parties	12,924	22,427	40,924	-	-	3,113	29,930	109,318
Adjusted EBITDA	3,625	1,039	11,452	280	3,471	273	2,448	22,588
Depreciation	70	277	-	50	119	7	36	559
Share of profit of associated companies	-	-	97	-	-	-	-	97
Total assets	8,421	15,345	117,668	17,122	72,501	1,862	15,404	248,323
Total assets includes:								
Investment in associated companies	-	-	-	-	1,170	-	-	1,170
Additions to property, plant and equipment	223	707	-	17,150	2,838	-	73	20,991
Available-for-sale financial assets	-	-	-	-	521	-	-	521
Intangible assets	-	-	-	-	349	-	-	349
Total liabilities	4,855	9,426	94,285	11,439	19,875	1,116	5,479	146,475

A reconciliation of adjusted EBITDA to profit before tax and operations is provided as follows:

	GROUP	
	2014	2013
	S\$'000	S\$'000
Adjusted EBITDA for reportable segments	26,603	22,588
Depreciation	(628)	(559)
Finance expenses	(573)	(340)
Interest income	1,586	1,128
Profit before income tax	26,988	22,817

Reportable segments assets are reconciled to total assets as follows:

	<u>GROUP</u>	
	2014	2013
	S\$'000	S\$'000
Segment assets for reportable segments	261,052	248,323

Reportable segments' liabilities are reconciled to total liabilities as follows:

	<u>GROUP</u>	
	2014	2013
	S\$'000	S\$'000
Segment liabilities for reportable segments	132,655	146,475

Group revenue from major products and services

	<u>GROUP</u>	
	2014	2013
	S\$'000	S\$'000
Sales for continuing operations		
Interior design and residential projects	17,387	16,037
Furniture retail	22,617	22,427
Supply chain	37,697	29,930
Development properties	69,505	40,924
	147,206	109,318

Group geographical information

	<u>GROUP</u>	
	2014	2013
	S\$'000	S\$'000
Revenue		
Singapore	107,117	76,275
United States of America	37,697	29,930
Malaysia and Brunei	2,392	3,113
	147,206	109,318

	<u>GROUP</u>	
	2014	2013
	S\$'000	S\$'000
Non-current assets		
Singapore	19,934	20,283
United States of America	479	116
Malaysia and Brunei	17	28
	20,430	20,427

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

NIL

15. A breakdown of sales

	GROUP		
	31-Dec-14		31-Dec-13
	S\$'000		S\$'000
Sales reported for first half year	73,550		42,747
Sales reported for second half year	73,656		66,571
Total for the year	147,206		109,318
	GROUP		
	31-Dec-14		31-Dec-13
	S\$'000		S\$'000
Operating profit after tax before deducting minority interests reported for:			
- first half year	10,868		8,762
- second half year	12,236		11,370
Total for the year	23,104		20,132

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

	Latest Full Year (31/12/2014)	Previous Full Year (31/12/2013)
	S\$'000	S\$'000
Ordinary (net of tax)	1,362	1,159
Preference	-	-
Total	1,362	1,159

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.

- 18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

The Company confirms that as at 31 December 2014, there was no person occupying any managerial position in the Company or any of its subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Terence Goon Eu Jin
Group CEO & Managing Director

24 February 2015