



KITCHEN CULTURE HOLDINGS LTD.

(Company Registration No: 201107179D)

(the “Company”, and together with its subsidiaries, the “Group”)

**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT
FOR THE HALF YEAR ENDED 30 JUNE (“HY”) 2016**

*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor (“**Sponsor**”), SAC Advisors Private Limited (formerly known as Canaccord Genuity Singapore Pte. Ltd.), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). The Sponsor 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 Ms Lee Khai Yinn (Tel: (65) 6532 3829) at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542.

- 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 HY2016	Unaudited HY2015	% Change Increase/(Decrease)
	\$	\$	
Revenue	12,808,371	14,232,169	(10.0)
Cost of sales	(7,068,569)	(7,550,416)	(6.4)
Gross profit	5,739,802	6,681,753	(14.1)
Other income	106,269	748,982	(85.8)
Selling and distribution expenses	(3,536,347)	(4,144,437)	(14.7)
General and administrative expenses	(3,208,214)	(2,297,075)	39.7
Other operating expenses	(188,773)	(485,089)	(61.1)
(Loss)/Profit from operations	(1,087,263)	504,134	N.M.
Finance costs	(454,723)	(253,717)	79.2
(Loss)/Profit before tax	(1,541,986)	250,417	N.M.
Tax credit	-	42,158	N.M.
(Loss)/Profit for the period	(1,541,986)	292,575	N.M.
Other comprehensive income for the period, net of tax			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Currency translation differences, arising from consolidation	98,852	78,974	25.2
Total comprehensive income for the period	(1,443,134)	371,549	N.M.
Loss/(Profit) attributable to:			
Owners of the Company	(1,446,601)	490,114	N.M.
Non-controlling interests	(95,385)	(197,539)	(51.7)
	(1,541,986)	292,575	N.M.
Total comprehensive income attributable to:			
Owners of the Company	(1,367,173)	569,088	N.M.
Non-controlling interests	(75,961)	(197,539)	(61.5)
	(1,443,134)	371,549	N.M.

N.M.= Not Meaningful

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

	Group		
	Unaudited HY2016	Unaudited HY2015	% Change Increase/(Decrease)
	\$	\$	
Amortisation of intangible assets	–	(105,115)	N.M.
Depreciation of property, plant and equipment	(398,229)	(241,361)	65.0
Gain on disposal of property, plant and equipment	80	–	N.M.
Gain on re-measurement of previously held joint venture	–	641,173	N.M.
Loss on settlement of pre-existing loans upon obtaining control in a subsidiary	–	(112,157)	N.M.
Interest expense	(454,723)	(253,717)	79.2
Interest income	2,396	9,684	(75.3)
Net loss on foreign exchange difference	(164,821)	(244,370)	(32.6)
Other income	103,793	98,125	5.8

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 30.6.2016	Audited 31.12.2015	Unaudited 30.6.2016	Audited 31.12.2015
	\$	\$	\$	\$
Current assets				
Cash and cash equivalents	1,171,359	3,257,939	26,199	21,767
Trade receivables	15,840,301	11,139,910	–	–
Other receivables	2,357,058	1,841,741	3,742,576	4,090,881
Inventories	11,550,210	10,760,610	–	–
	<u>30,918,928</u>	<u>27,000,200</u>	<u>3,768,775</u>	<u>4,112,648</u>
Non-current assets				
Property, plant and equipment	1,695,192	1,687,517	–	–
Investment property	276,883	276,883	–	–
Subsidiaries	–	–	1,500,005	1,500,005
Trade receivables	589,697	674,385	–	–
Deferred tax assets	337,520	350,582	–	–
	<u>2,899,292</u>	<u>2,989,367</u>	<u>1,500,005</u>	<u>1,500,005</u>
Total assets	<u>33,818,220</u>	<u>29,989,567</u>	<u>5,268,780</u>	<u>5,612,653</u>
Current liabilities				
Trade payables	9,918,573	7,646,581	–	–
Other payables	6,027,109	2,353,435	320,361	297,931
Finance lease liabilities	53,345	58,058	–	–
Borrowings	8,880,833	8,414,731	–	–
Income tax payable	4,429	4,429	–	–
	<u>24,884,289</u>	<u>18,477,234</u>	<u>320,361</u>	<u>297,931</u>
Non-current liabilities				
Finance lease liabilities	85,440	114,563	–	–
Borrowings	3,143,855	4,250,000	–	–
	<u>3,229,295</u>	<u>4,364,563</u>	<u>–</u>	<u>–</u>
Total liabilities	<u>28,113,584</u>	<u>22,841,797</u>	<u>320,361</u>	<u>297,931</u>
Equity				
Share capital	6,231,259	6,231,259	6,231,259	6,231,259
Translation reserve	454,343	374,915	–	–
(Accumulated losses)/ Retained earnings	(712,511)	734,090	(1,282,840)	(916,537)
Equity attributable to owners of the Company	<u>5,973,091</u>	<u>7,340,264</u>	<u>4,948,419</u>	<u>5,314,722</u>
Non-controlling interests	(268,455)	(192,494)	–	–
Total equity	<u>5,704,636</u>	<u>7,147,770</u>	<u>4,948,419</u>	<u>5,314,722</u>
Total liabilities and equity	<u>33,818,220</u>	<u>29,989,567</u>	<u>5,268,780</u>	<u>5,612,653</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 30.06.2016		Audited 31.12.2015	
\$	\$	\$	\$
Secured	Unsecured	Secured	Unsecured
8,934,178	3,110,978	8,472,789	–

Amount repayable after one year

Unaudited 30.06.2016		Audited 31.12.2015	
\$	\$	\$	\$
Secured	Unsecured	Secured	Unsecured
3,229,295	–	4,364,563	–

Details of collateral are as follows:

Borrowings from financial and non-financial institutions

Borrowings from financial institutions comprised of term loans, short-term revolving loans, accounts receivable financing and bills payable. Borrowings from non-financial institutions comprised of loans from shareholders and third parties and advances from a Director.

Save as disclosed, all borrowings from financial and non-financial institutions 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 2016, finance lease liabilities amounting to \$138,785 (31 December 2015: \$172,621) 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 HY2016	Unaudited HY2015
	\$	\$
Operating activities		
(Loss)/Profit before tax	(1,541,986)	250,417
Adjustments for:		
Amortisation of intangible assets	–	105,115
Gain on disposal of property, plant and equipment	(80)	–
Re-measurement gain of previously held joint venture	–	(641,173)
Loss on settlement of pre-existing loans upon obtaining control in a subsidiary	–	112,157
Depreciation of property, plant and equipment	398,229	241,361
Interest expense	454,723	253,717
Interest income	(2,396)	(9,684)
Unrealised foreign exchange gain	(113,666)	(52,407)
Operating cash flows before movements in working capital	(805,176)	259,503
Inventories	(697,395)	2,552,737
Trade and other receivables	(5,002,323)	(4,250,831)
Trade and other payables	3,025,561	(82,111)
Cash used in operating activities	(3,479,333)	(1,520,702)
Income tax received	–	24,814
Net cash used in operating activities	(3,479,333)	(1,495,888)
Investing activities		
Net cash outflow on acquisition of a subsidiary	–	(195,413)
Interest received	2,396	9,684
Proceeds from disposal of property, plant and equipment	80	–
Payment for deferred consideration on acquisition of subsidiary	(123,579)	–
Purchases of property, plant and equipment	(451,588)	(440,919)
Net cash used in investing activities	(572,691)	(626,648)
Financing activities		
Fixed deposit pledged to a bank	(434)	–
Advances from a director	3,110,978	–
Drawdown of bank borrowings	5,683,329	4,668,094
Drawdown of term loan from a director	–	250,000
Drawdown of term loan from external third parties	–	2,500,000
Drawdown of term loan from shareholders	–	1,500,000
Repayment of bank borrowings	(6,323,372)	(7,955,277)
Repayment of finance leases	(29,237)	(25,108)
Interest paid	(454,723)	(253,717)
Net cash generated from financing activities	1,986,541	683,992
Net decrease in cash and cash equivalents	(2,065,483)	(1,438,544)
Cash and cash equivalents at the beginning of the financial period	3,090,434	3,067,149
Effects of foreign exchange rate changes on the balance of cash held in foreign currencies	(21,451)	(13,271)
Cash and cash equivalents at the end of the financial period	1,003,500	1,615,334

Cash and cash equivalents comprise cash and bank balances and fixed deposit on the statement of financial position. The fixed deposit of \$167,859 (HY2015: \$167,505) is pledged to a bank to secure banking facilities.

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	Retained earnings/ (Accumulated losses)	Translation reserve	Attributable to owners of the Company	Non-controlling interest	Total equity
	\$	\$	\$	\$	\$	\$
As at 1 January 2016	6,231,259	734,090	374,915	7,340,264	(192,494)	7,147,770
Loss for the period	–	(1,446,601)	–	(1,446,601)	(95,385)	(1,541,986)
Other comprehensive income for the period, net of tax						
- Exchange differences on translation of foreign operations	–	–	79,428	79,428	19,424	98,852
Total comprehensive income for the period	–	(1,446,601)	79,428	(1,367,173)	(75,961)	(1,443,134)
As at 30 June 2016	6,231,259	(712,511)	454,343	5,973,091	(268,455)	5,704,636
As at 1 January 2015	6,231,259	6,078,414	88,683	12,398,356	(287)	12,398,069
Profit/(Loss) for the period	–	490,114	–	490,114	(197,539)	292,575
Other comprehensive income for the period, net of tax						
- Exchange differences on translation of foreign operations	–	–	78,974	78,974	–	78,974
Total comprehensive income for the period	–	490,114	78,974	569,088	(197,539)	371,549
Non-controlling interest arising from acquisition of subsidiary	–	–	–	–	489,132	489,132
As at 30 June 2015	6,231,259	6,568,528	167,657	12,967,444	291,306	13,258,750

1(d)(i) A statement (for the Issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

Company	Share capital \$	Accumulated losses \$	Total equity \$
As at 1 January 2016	6,231,259	(916,537)	5,314,722
Loss for the period, representing total comprehensive income for the period	–	(366,303)	(366,303)
As at 30 June 2016	6,231,259	(1,282,840)	4,948,419
As at 1 January 2015	6,231,259	(128,659)	6,102,600
Loss for the period, representing total comprehensive income for the period	–	(79,644)	(79,644)
As at 30 June 2015	6,231,259	(208,303)	6,022,956

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 2016		As at 31 December 2015	
	Number of shares	\$	Number of shares	\$
Issued and paid-up shares	100,000,000	6,231,259	100,000,000	6,231,259

As at 30 June 2016 and 30 June 2015, the Company did not have outstanding options, convertibles and treasury shares.

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 2016	As at 31 December 2015
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.

Not applicable. The Company did not have any treasury shares at the beginning and end of HY2016.

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 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.

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 2015 ("FY2015").

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 2016, where applicable. The adoption of these new and revised FRSs and INT FRS is not expected to result in material adjustments to the financial position, results of operations or cash flows of the Group for HY2016.

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	
	HY2016	HY2015
Basic and fully diluted (cents)	(1.4)	0.5

As at 30 June 2016 and 2015, the Company did not have any dilutive instruments. Hence, the basic and diluted earnings per share for both periods under review are the same. For illustrative and comparative purposes, the earnings per share for the respective periods have been computed by dividing the Group's profit/(loss) attributable to owners of the Company for the respective period 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	
	30.6.2016	31.12.2015	30.6.2016	31.12.2015
Net asset value per ordinary share (cents)	6.0	7.3	4.9	5.3

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

In HY2016, the Group recorded revenue of \$12.8 million, a decrease of 10.0% or \$1.4 million as compared to \$14.2 million in HY2015. The decrease was mainly attributable to lower revenue contribution from the Distribution and Retail segment by 18.6% or \$1.0 million and Residential Projects segment by 4.6% or \$0.4 million.

Residential Projects

The Residential Projects segment accounted for 64.8% or \$8.3 million of the Group's revenue in HY2016, of which approximately \$6.2 million was attributable to revenue recognised from 12 new projects, while \$2.1 million was derived from 11 ongoing projects from the previous financial years. Comparatively, Residential Projects revenue for HY2015 amounted to \$8.8 million, of which approximately \$7.2 million was attributable to revenue recognised from 10 new projects, while \$1.6 million was derived from 13 ongoing projects from the previous financial years.

Distribution and Retail

The Distribution and Retail segment accounted for 35.2% or \$4.5 million of the Group's revenue in HY2016. The decrease in Distribution and Retail revenue of 18.6% or \$0.9 million, from \$5.4 million in HY2015 to \$4.5 million in HY2016, was attributable to lower retail sales of \$0.9 million, \$0.2 million and \$0.1 million in Singapore, Macau and Hong Kong respectively, partially offset by improvement in sales of \$0.1 million in Malaysia and \$0.1 million in China.

Gross Profit

Gross profit decreased by 14.1% or \$1.0 million, from \$6.7 million in HY2015 to \$5.7 million in HY2016. Overall gross profit margin decreased by 2.1 percentage points from 46.9% in HY2015 to 44.8% in HY2016 as a result of challenging market conditions and uncertainties in the general economy.

Other Income

Other income decreased by 85.8% or \$0.6 million, from \$0.7 million in HY2015 to \$0.1 million in HY2016. This was mainly due to the non-recurring item of a re-measurement gain on the existing 40% equity shares in Kitchen Culture (Hong Kong) Limited ("KCHK") of \$0.6 million in HY2015.

Selling and Distribution Expenses

Selling and distribution expenses decreased by 14.7% or \$0.6 million, from \$4.1 million in HY2015 to \$3.5 million in HY2016.

This was mainly attributable to a decrease in salaries and related costs, entertainment and travelling expenses, showroom and rental expenses of total \$0.7 million as a result of cost cutting measures adopted during HY2016. The decrease is partially offset by an increase in advertising expenses in Singapore and China of \$0.1 million as compared with HY2015.

Other Operating Expenses

Other operating expenses decreased by 61.1 % or \$0.3 million, from \$0.5 million in HY2015 to \$0.2 million in HY2016, mainly due to non-recurring items in HY2015 of loss on settlement of pre-existing loans upon obtaining control in a subsidiary of \$0.1 million and amortisation of intangible assets of \$0.1 million upon obtaining control in KCHK.

General and Administrative Expenses

General and administrative expenses increased by 39.7% or \$0.9 million, from \$2.3 million in HY2015 to \$3.2 million in HY2016.

This was mainly attributable to:

- a. an increase in office rental expenses of \$0.3 million in Hong Kong and China;
- b. an increase in depreciation expenses of \$0.2 million mainly due to renovation costs incurred and subsequently capitalised in the third and fourth quarter of FY2015; and
- c. an increase in salaries and related costs and general expenses of \$0.4 million.

Finance Costs

Finance costs increased by 79.2% or \$0.2 million, from \$0.3 million in HY2015 to \$0.5 million in HY2016, mainly due to a rise in interest rates as well as additional borrowings.

(Loss)/Profit Before Tax

The Group recorded loss before tax of \$1.5 million in HY2016 as compared to profit before tax of \$0.3 million in HY2015, mainly due to a decrease in revenue and the overall lower gross profit margin, coupled with the non-recurring item of the re-measurement gain on the existing 40% equity shares in KCHK of \$0.6 million in HY2015.

Tax Expense

There is no income tax expense in HY2016 as the Group is in a loss position in HY2016. The Group recorded a profit before tax of \$0.3 million in HY2015.

Review of Statements of Financial Position of the Group

Assets

The Group's total assets increased by \$3.8 million from \$30.0 million as at 31 December 2015 to \$33.8 million as at 30 June 2016. The increase in total assets was mainly attributable to:

- a. an increase in trade receivables of \$4.6 million, mainly contributed by the Group's subsidiary in Singapore of (i) \$1.5 million due to progressive claims billed to customers in the second quarter of FY2016 and (ii) \$2.6 million due to increase in work completed but not billed in HY2016;
- b. an increase in other receivables of \$0.5 million, mainly contributed by advances to suppliers for purchases of project inventories during HY2016;
- c. an increase in inventories of \$0.8 million, mainly due to increased purchases of inventories in China during HY2016 for retail sales; and
- d. partially offset by a decrease in cash and bank balances of \$2.1 million.

Liabilities

The Group's total liabilities increased by \$5.3 million from \$22.8 million as at 31 December 2015 to \$28.1 million as at 30 June 2016. The increase in total liabilities was mainly attributable to:

- a. an increase in bills payable to banks by \$2.5 million which were attributable to purchase of project and retail inventories;
- b. an increase in trade payables of \$2.3 million mainly due to a net increase in sales deposits received of \$2.1 million for works not yet completed;
- c. an increase in other payables of \$3.6 million due to (i) advances from a director of the Company of \$3.1 million and (ii) increase in accrued expenses of \$0.5 million; and
- d. partially offset by a decrease in borrowings (excluding bills payable to banks) of \$3.1 million.

Total Equity

Total equity decreased by \$1.4 million from \$7.1 million as at 31 December 2015 to \$5.7 million as at 30 June 2016 mainly due to the loss after tax recorded in HY2016. The Group's net asset value per share stood at 6.0 cents as at 30 June 2016 as compared to 7.3 cents as at 31 December 2015.

Review of Consolidated Statement of Cash Flows

In HY2016, the Group's operating cash flows before movements in working capital was cash outflow of \$0.8 million. The net cash used in working capital amounting to \$2.7 million was due mainly to an increase in receivables of \$5.0 million and an increase in inventories of \$0.7 million, partially offset by an increase in payables of \$3.0 million. The net cash used in operating activities amounted to \$3.5 million.

In HY2016, net cash used in investing activities of \$0.6 million was mainly due to purchase of property, plant and equipment of \$0.5 million and payment for deferred consideration on acquisition of subsidiary of \$0.1 million.

Net cash generated from financing activities of \$2.0 million in HY2016 was due mainly to drawdown of bank borrowings of \$5.7 million and advances from a director of \$3.1 million for working capital purposes, partially offset by interest paid of \$0.5 million as well as repayment of bank borrowings of \$6.3 million.

As a result of the above, cash and cash equivalents (excluding fixed deposit pledged) decreased by \$2.1 million, from \$3.1 million as at 1 January 2016 to \$1.0 million as at 30 June 2016.

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

The unaudited financial results for HY2015 set out in this announcement are in line with the profit guidance announcement released by the Company on 5 August 2016. Save for the aforementioned announcement, no forecast or prospect statement was previously disclosed.

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 business outlook in Singapore and in the regions where the Group operates are expected to remain challenging and competitive for the next 12 months given the present economic outlook and uncertainty in the global economy.

Notwithstanding the challenges, the Group is looking into various initiatives to improve its competitiveness and performance. This includes the following:

- a) 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 in both local and regional markets;
- b) Continue efforts in controlling costs and reducing overheads and explore opportunities to streamline operations to improve overall efficiency.

As announced on 12 May 2016, the Group, through its wholly-owned subsidiary, Kitchen Culture (Sichuan) Co. Ltd has secured a contract amounting to approximately RMB5.55 million (approximately \$1.16 million) for the supply, delivery and installation of Liebherr wine refrigerators for Chengdu Courtesy Hotel Management Co. Ltd's M5 Member Apartment project in #300, 3-12, Jiaozi Road, Chengdu Sichuan, China (the "**Contract**"). The Contract is expected to be fulfilled by mid-2017.

The Group does not expect the above contract to have a material impact on the earnings per share or net tangible assets per share of the Group for the current financial year ending 31 December 2016.

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 ended 30 June 2016.

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) of the Catalist Rules.

The Company has provided a corporate guarantee over the outstanding loan (together with the interest thereof) provided by Lim Wee Li, the Executive Chairman and CEO of the Company, to a subsidiary of the Company. The aggregate amount at risk as at 30 June 2016 was \$262,466. Further details on the loan and corporate guarantee can be found in pages 35 and 36 of the Company's Annual Report for FY2015.

Save as disclosed, there was no interested person transaction entered into by the Group with value of \$100,000 or more during HY2016.

14. Negative confirmation pursuant to Rule 705(5) of the Catalist Rules

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 ended 30 June 2016 to be false or misleading in any material aspect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules

The Company confirms that all the required undertakings in the format set out in Appendix 7H under the Rule 720(1) of the Catalist Rules have been obtained from its Directors and Executive Officers.

On behalf of the Board of Directors

Lim Wee Li
Executive Chairman and CEO

Date: 12 August 2016