KOH BROTHERS GROUP LIMITED
(Company Registration No. 199400775D)

Unaudited Second Quarter and 6 Months Financial Statement And Dividend Announcement for the Period Ended 30 June 2014

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

1(a) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		GROUP					
		3 months ended			6 months ended		
	Notes	30/06/2014 S$'000	30/06/2013 (restated)* S$'000	Change %	30/06/2014 S$'000	30/06/2013 (restated)* S$'000	Change %
Sales	1	109,490	102,712	7%	210,649	183,234	15%
Cost of sales		(92,120)	(88,784)	4%	(178,841)	(158,389)	13%
Gross profit		17,370	13,928	25%	31,808	24,845	28%
Other gains - net	2	7,105	633	1022%	7,435	1,004	641%
Expenses							
- Distribution		(3,071)	(2,303)	33%	(3,859)	(3,213)	20%
- Administrative		(6,623)	(6,436)	3%	(13,118)	(12,053)	9%
- Other		(359)	(233)	54%	(448)	(358)	25%
- Finance		(44)	(128)	-66%	(518)	(663)	-22%
Share profit/(loss) (net of tax) of:							
- associated companies		103	(90)	N.M.	165	(31)	N.M.
- joint ventures		(1,630)	439	N.M.	(2,082)	819	N.M.
Profit before income tax	3	12,851	5,810	121%	19,383	10,350	87%
Income tax expense	4	(1,380)	(618)	123%	(3,487)	(1,812)	92%
Profit after income tax		11,471	5,192	121%	15,896	8,538	86%
Other comprehensive income, net of tax:							
Exchange differences on translating foreign operations		217	122	79%	(46)	10	N.M.
Total comprehensive income		11,688	5,314	120%	15,850	8,548	85%
Profit attributable to:							
Equity holders of the Company		11,529	4,843	138%	16,256	8,105	101%
Non-controlling interests		(58)	349	N.M.	(360)	433	N.M.
		11,471	5,192	121%	15,896	8,538	86%
Total comprehensive income attributable to:							
Equity holders of the Company		11,660	4,934	136%	16,126	8,229	96%
Non-controlling interests		28	380	-94%	(276)	319	N.M.
		11,688	5,314	120%	15,850	8,548	85%

(*) - Certain comparative figures have been restated due to the adoption of the new FRS111 Joint Arrangements. Please refer to paragraph 5 of this announcement for details.

N.M. - Not meaningful

Notes to the Consolidated Statement of Comprehensive Income

	GROUP			
	3 months ended		6 months ended	
	30/06/2014 S$'000	30/06/2013 (restated) S$'000	30/06/2014 S$'000	30/06/2013 (restated) S$'000
Note 1				
Sales include the following :				
Sales of products	37,612	33,956	67,622	57,216
Services rendered	129	1,360	1,934	3,180
Property development and rental	44,110	28,350	86,468	51,522
Contract revenue	27,639	39,046	54,625	71,316
	109,490	102,712	210,649	183,234
Note 2				
Other gains include the following :				
Rental income	93	161	194	277
Profit on disposal of property, plant and equipment	104	94	100	101
Fair value gain/(loss) on long-term financial assets and financial liabilities	421	(3)	405	(54)
Fair value gain on investment properties	6,100	-	6,100	-
Interest income	272	146	466	298
Rebates and others	115	235	170	382
	7,105	633	7,435	1,004
Note 3				
Profit before income tax is stated after charging/(crediting) the following items:				
Allowance for/(Write-back of allowance for) impairment on trade and non-trade receivables	2,353	347	2,631	(738)
Impairment loss of investment in a joint venture	250	-	250	-
Depreciation of property, plant and equipment	1,327	1,087	2,667	2,045
Net foreign exchange loss	332	4	313	23
Note 4				
Income tax includes the following :				
Current income tax				
- in respect of current period	41	505	855	890
- (over)/under provision in respect of prior period	(485)	25	(590)	126
Deferred income tax				
- in respect of current period	1,824	84	3,307	688
- under/(over) provision in respect of prior period	-	4	(85)	108
	1,380	618	3,487	1,812

The Group's taxation charge for the period ended 30 June 2014 is higher than that determined by applying the Singapore income tax rate of 17% to the Group's profit before income tax mainly due to losses of certain subsidiaries being unable to be offsetted against profits of other subsidiaries.

1(b)(i) BALANCE SHEETS

	GROUP			COMPANY	
	30/06/2014	31/12/2013 (restated)	31/12/2012 (restated)	30/06/2014	31/12/2013
	S$'000	S$'000	S$'000	S$'000	S$'000
ASSETS					
CURRENT ASSETS					
Cash and bank balances	35,340	37,732	45,003	135	464
Financial assets at fair value through profit or loss	159	159	176	2,298	1,149
Trade receivables	63,236	77,554	67,770	-	-
Due from customers on construction contracts	12,916	12,873	7,047	-	-
Amounts due from subsidiaries	-	-	-	6,627	9,379
Amounts due from an associated company	15	15	7	-	-
Amounts due from joint ventures	69,925	35,966	28,613	-	-
Inventories	11,150	12,577	12,526	-	-
Other assets	15,368	16,012	14,355	-	-
Development properties	145,831	132,356	158,573	-	-
	353,940	325,244	334,070	9,060	10,992
NON-CURRENT ASSETS					
Amount due from subsidiaries	-	-	-	2,405	2,405
Trade receivables	812	466	745	-	-
Investments in associated companies	1,395	1,510	800	-	-
Investments in joint ventures	51,076	52,608	50,215	-	-
Investments in subsidiaries	-	-	-	86,660	91,015
Investment properties	89,840	82,023	79,161	-	-
Property, plant and equipment	86,679	87,063	60,015	-	-
Goodwill	5,078	5,078	-	-	
	234,880	228,748	190,936	89,065	93,420
TOTAL ASSETS	588,820	553,992	525,006	98,125	104,412
LIABILITIES					
CURRENT LIABILITIES					
Trade payables	58,107	63,791	51,225	-	-
Other liabilities	40,210	39,782	36,344	293	610
Due to customers on construction contracts	39,448	42,934	34,619	-	-
Amounts due to subsidiaries	-	-	-	-	3,040
Amounts due to an associated company	737	950	1,005	-	-
Amounts due to joint ventures	-	-	1,660	-	-
Current income tax liabilities	3,106	3,487	3,562	-	10
Short-term borrowings	26,777	23,536	34,308	-	-
	168,385	174,480	162,723	293	3,660
NON-CURRENT LIABILITIES					
Amounts due to subsidiaries	-	-	-	6,852	9,464
Trade payables	2,725	1,438	3,956	-	-
Finance lease	2,843	3,201	497	-	-
Bank borrowings	164,386	136,107	144,993	-	-
Other liabilities	-	1,137	-	-	39
Deferred income tax liabilities	11,775	8,727	7,061	-	-
	181,729	150,610	156,507	6,852	9,503
TOTAL LIABILITIES	350,114	325,090	319,230	7,145	13,163
NET ASSETS	238,706	228,902	205,776	90,980	91,249
Capital and reserves attributable to equity holders of the Company					
Share capital	45,320	45,320	45,320	45,320	45,320
Treasury shares	(8,759)	(5,795)	(854)	(8,759)	(5,795)
Capital and other reserves	(375)	(375)	1,411	-	-
Retained profits	198,092	184,918	165,196	54,419	51,724
Currency translation reserve	(5,700)	(5,570)	(6,052)	-	-
	228,578	218,498	205,021	90,980	91,249
Non-controlling interests	10,128	10,404	755	-	-
Total equity	238,706	228,902	205,776	90,980	91,249

1(b)(ii) Aggregate amount of Group's borrowings and debt securities.

	As at 30/06/2014		As at 31/12/2013 (restated)	
	Secured	Unsecured	Secured	Unsecured
	S$'000	S$'000	S$'000	S$'000
Amount repayable in one year or less, or on demand	10,756	16,021	3,054	20,482
Amount repayable after one year	166,515	714	138,450	858

Details of any collateral

The Group's secured borrowings are secured by the Group's properties, plant and machinery, motor vehicles and fixed deposits.

1(c) CONSOLIDATED CASH FLOW STATEMENT

	6 months ended	
	30/06/2014 S$'000	30/06/2013 (restated) S$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Total profit	15,896	8,538
Adjustments for non-cash items :		
Income tax	3,487	1,812
Depreciation of property, plant and equipment	2,667	2,045
Impairment loss of investment in a joint venture	250	-
Property, plant and equipment written off	13	1
Fair value gain on investment properties	(6,100)	-
Profit on disposal of property, plant and equipment	(100)	(101)
Fair value (gain)/loss on long-term financial asset and financial liabilities	(405)	54
Fair value loss on financial assets at fair value through profit or loss	-	8
Dividend income	(3)	(3)
Share of (profit)/loss from associated companies	(165)	31
Share of loss/(profit) from joint ventures	2,082	(819)
Interest expense	518	663
Interest income	(466)	(298)
Unrealised foreign exchange gain	(64)	(240)
Operating profit before working capital changes	17,610	11,691
Working capital changes :		
- Receivables	15,205	7,441
- Inventories	1,427	(482)
- Due from/ to customers on construction contracts	(1,243)	6,282
- Development properties	(12,278)	17,466
- Payables	(4,993)	(14,391)
- Due from/ to associated companies	(214)	(124)
- Due from/ to joint ventures	(33,960)	(5,840)
Cash (used in)/generated from operations	(18,446)	22,043
Income tax paid	(818)	(1,417)
Interest paid	(1,739)	(2,967)
Net cash (used in)/generated from operating activities	(21,003)	17,659
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of a subsidiary, net of cash acquired	-	11,845
Investment in a joint venture company	(800)	-
Purchase of property, plant and equipment	(3,380)	(15,774)
Proceeds from disposal of property, plant and equipment	185	106
Additions to investment properties	(1,717)	(1,374)
Dividend received	3	3
Interest received	466	298
Net cash used in investing activities	(5,243)	(4,896)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank borrowings	55,664	11,401
Repayment of finance lease	(1,237)	(1,076)
Repayment of bank borrowings	(24,470)	(32,002)
Deposit pledge	(209)	-
Purchase of treasury shares	(2,964)	(1,613)
Payment of dividend	(3,082)	(1,608)
Net cash generated from/(used in) financing activities	23,702	(24,898)

1(c) CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

	6 months ended	
	30/06/2014 S$'000	30/06/2013 (restated) S$'000
NET CHANGE IN CASH AND CASH EQUIVALENTS	(2,544)	(12,135)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	34,021	44,803
EFFECTS OF CURRENCY TRANSLATION ON CASH AND CASH EQUIVALENTS	(57)	263
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	31,420	32,931
Represented by :		
CASH AND CASH EQUIVALENTS		
Cash and bank balances	35,340	36,119
Restricted cash	(3,920)	(1,636)
Bank overdrafts	-	(1,552)
	31,420	32,931

1(d)(i) STATEMENT OF CHANGES IN EQUITY FOR THE GROUP AND THE COMPANY

	Attributable to equity holders of the Group						NON-CONTROLLING INTEREST	TOTAL EQUITY
GROUP (S$'000)	Share Capital	Treasury Shares	Capital and Other Reserves	Retained Profits	Currency Translation Reserve	TOTAL		
Balance as at 01/01/2014	45,320	(5,795)	(375)	184,918	(5,570)	218,498	10,404	228,902
Total comprehensive income / (loss) for the period	-	-	-	16,256	(130)	16,126	(276)	15,850
Purchase of treasury shares	-	(2,964)	-	-	-	(2,964)	-	(2,964)
Final dividend	-	-	-	(3,082)	-	(3,082)	-	(3,082)
Balance as at 30/06/2014	45,320	(8,759)	(375)	198,092	(5,700)	228,578	10,128	238,706
Balance as at 01/01/2013	45,320	(854)	1,411	165,196	(6,052)	205,021	755	205,776
Total comprehensive income for the period	-	-	-	8,105	124	8,229	319	8,548
Purchase of treasury shares	-	(1,613)	-	-	-	(1,613)	-	(1,613)
Acquisition of a subsidiary	-	-	(3,015)	-	-	(3,015)	10,275	7,260
Final dividend	-	-	-	(1,608)	-	(1,608)	-	(1,608)
Balance as at 30/06/2013	45,320	(2,467)	(1,604)	171,693	(5,928)	207,014	11,349	218,363

	Attributable to equity holders of the Company			
COMPANY (S$'000)	Share Capital	Treasury Shares	Retained Profits	TOTAL
Balance as at 01/01/2014	45,320	(5,795)	51,724	91,249
Total comprehensive income for the period	-	-	5,777	5,777
Purchase of treasury shares	-	(2,964)	-	(2,964)
Final dividend	-	-	(3,082)	(3,082)
Balance as at 30/06/2014	45,320	(8,759)	54,419	90,980
Balance as at 01/01/2013	45,320	(854)	37,249	81,715
Total comprehensive income for the period	-	-	10,328	10,328
Purchase of treasury shares	-	(1,613)	-	(1,613)
Final dividend	-	-	(1,608)	(1,608)
Balance as at 30/06/2013	45,320	(2,467)	45,969	88,822

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 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.**

	No. of shares	
	30/06/2014	31/12/2013
Total number of issued shares	466,475,400	466,475,400

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.**

	No. of shares	
	30/06/2014	31/12/2013
Total number of issued shares excluding treasury shares	436,667,400	446,177,400

1(d)(iv) **A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at 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 figures have neither been audited nor reviewed.

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 paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the financial year ended 31 December 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.**

Financial Reporting Standards ("FRS") which became effective from the Group's financial period beginning on or after 1 January 2014 are:

FRS 110 Consolidated Financial Statements
FRS 111 Joint Arrangements
FRS 112 Disclosure of Interests in Other Entities

The adoption of the above FRSs did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial periods except for the adoption of FRS 111 Joint Arrangements.

Under FRS 111, interests in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has rather than legal structure of the joint arrangements. The existing policy choice of proportionate consolidation for jointly controlled entities has been eliminated and equity accounting is mandatory for participants in joint ventures. Entities that participate in joint operations will follow accounting much like that for joint asstes or joint operations currently.

The effects of the Group's financial statements arising from the adoption of FRS 111 are as follows:

(a) Impact of change in accounting policy on balance sheets

	Group	
	31/12/2013	31/12/2012
	Increase/ (Decrease) S$'000	Increase/ (Decrease) S$'000
ASSETS		
CURRENT ASSETS		
Cash and bank balances	(5,433)	(8,978)
Trade receivables	(26)	(1,786)
Amounts due from joint ventures	35,965	28,612
Other assets	(327)	(66)
Development properties	(106,996)	(109,523)
	(76,817)	(91,741)
NON-CURRENT ASSETS		
Investments in joint ventures	52,608	50,215
Investment properties	(126,202)	(125,000)
Property, plant and equipment	(2)	(4)
	(73,596)	(74,789)
TOTAL ASSETS	(150,413)	(166,530)
LIABILITIES		
CURRENT LIABILITIES		
Trade payables	(2,029)	(5,140)
Other liabilities	(2,499)	(2,954)
Amounts due to joint ventures	-	1,660
Current income tax liabilities	(539)	(2,116)
Short-term borrowings	(76,895)	(15,500)
	(81,962)	(24,050)
NON-CURRENT LIABILITIES		
Bank borrowings	(68,500)	(142,145)
Deferred income tax liabilities	49	(335)
	(68,451)	(142,480)
TOTAL LIABILITIES	(150,413)	(166,530)
NET ASSETS	-	-

(b) Impact of change in accounting policy on consolidated statement of comprehensive income

	Group	
	3 months ended 30/06/2013	6 months ended 30/06/2013
	Increase/ (Decrease) S$'000	Increase/ (Decrease) S$'000
Sales	(3,690)	(7,360)
Cost of sales	2,746	5,511
Other gains	(322)	(200)
Distribution expenses	13	66
Administrative expenses	225	442
Other expenses	451	497
Share of profit from joint ventures	439	819
Income tax expenses	138	225
Profit attributable to equity holders of the Company	- *	- *

(*) - No impact on earnings per share.

(c) Impact of change in accounting policy on consolidated statement of cash flows

	Group
	6 months ended 30/06/2013
	Increase/ (Decrease)
	S$'000
CASH FLOWS FROM OPERATINGACTIVITIES	
Cash generated from operations	(11,756)
Income tax paid	1,392
Interest paid	330
CASH FLOWS FROM INVESTING ACTIVITIES	
Additions to investment properties	56
Interest received	276
CASH FLOWS FROM FINANCING ACTIVITIES	
Repayment of bank borrowings	9,751
NET CHANGE IN CASH AND CASH EQUIVALENTS	49

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.**

Earnings per ordinary share for the period after deducting any provision for preference dividends:	GROUP			
	3 months ended		6 months ended	
	30/06/2014 (cents)	30/06/2013 (cents)	30/06/2014 (cents)	30/06/2013 (cents)
(i) Basic	2.61	1.05	3.67	1.76
(ii) On a fully diluted basis	2.61	1.05	3.67	1.76

Note:

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company over the weighted average number of ordinary shares in issue during the current financial period of 442,604,107 ordinary shares (30 June 2013: 460,263,820 ordinary shares).

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 as at the end of the (a) current financial period reported on and (b) immediately preceding financial year.**

	GROUP		COMPANY	
	30/6/2014 (cents)	31/12/2013 (cents)	30/6/2014 (cents)	31/12/2013 (cents)
Net asset value backing per ordinary share based on existing issued share capital (excluding treasury shares) as at the end of the period reported on	52.35	48.97	20.84	20.45

Note:

The net asset value per share is calculated based on the issued share capital excluding treasury shares of 436,667,400 ordinary shares as at 30 June 2014 (31 December 2013: 446,177,400 ordinary shares).

8 **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flows, working capital, assets or liabilities of the Group during the current financial period reported on.**

Review of Group performance

For the 3-month period ended 30 June 2014 ("2Q 2014"), sales amounted to S$109.5 million, an increase of 7% compared to the corresponding period last year ("2Q 2013") . The increase in sales was mainly due to higher sales from the Real Estate division. The Group's gross profit improved by S$3.4 million or 25% to S$17.4 million as compared to 2Q 2013 primarily due to higher gross margin from the Real Estate division.

Other gains in 2Q 2014 was substantially higher at S$7.1 million mainly due to a net gain of S$6.1 million in the fair value of investment properties. Distribution cost increased by S$0.8 million to S$3.1 million in 2Q 2014 mainly due to an increase in allowance made for impairment on trade receivables.

Share of results of joint ventures companies recorded a loss of S$1.6 million in 2Q 2014. This mainly due to (i) lower contribution from a property that is currently undertaking an asset enhancement exercise and (ii) initial setup cost for a residential project.

The Group's profit before income tax increased by S$7.0 million or 121% to S$12.9 million in 2Q 2014 as compared with $5.8 million in 2Q 2013. The Group's net profit attributable to shareholders improved by S$6.7 million or 138% to S$11.5 million for the same period.

The Group's sales for the half year ended 30 June 2014 ("1H 2014") increased by S$27.4 million or 15% to S$210.6 million, compared to S$183.2 million for the corresponding period ended 30 June 2013 ("1H 2013"). Gross profit for 1H 2014 increased by S$7.0 million or 28% to S$31.8 million. The increase in sales and gross profit were primarily contributed by the Real Estate division.

The Group's profit before tax increased by S$9.0 million or 87% to S$19.4 million from $10.4 million a year ago. The Group's net profit attributable to shareholders also improved by S$8.2 million or 101% from S$8.1 million in 1H 2013 to S$16.3 million in 1H 2014.

Earnings per share improved to 3.67 cents for 1H 2014 compared to 1.76 cents in 1H 2013.

Review of changes in working capital, assets and liabilities

The movements in assets and liabilities are as follows:

1) Decrease in trade receivables was mainly due to reduction in retention sums which were received during the period.

2) Increase in amount due from joint ventures was mainly due to cost of acquisition of land for a new development project.

3) Increase in development properties was mainly due to development cost incurred.

4) Increase in bank borrowings was mainly due to drawdown of bank loans for development properties.

Review of changes in cashflow

The Group reported a net decrease in cash and cash equivalents mainly due to the usage of funds for development properties and cost of acquisition of land for a new joint venture project offset by net cash generated from financing activities.

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

The current announced results are in line with the general prospect commentary previously disclosed in the results announcement for the financial period ended 31 March 2014.

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.**

Advance estimates by the Ministry of Trade and Industry showed that the construction sector expanded by 2.6% on an annualised basis in 2Q 2014 (on a quarter-on-quarter basis). This was an improvement from the 0.5% contraction in the previous quarter. The Building and Construction Authority has also estimated that more demand is expected to be generated from the public sector in 2014. Notwithstanding a tight labour market and more stringent regulatory controls, we are cautiously optimistic of the construction sector.

According to flash estimates by the Urban Redevelopment Authority, prices of private residential properties declined by 1.1% in 2Q 2014 from the previous quarter. This represents three consecutive quarters of price decline. With the various property cooling measures still in place, we expect prices in the residential property market to further moderate in 2014.

11 Dividend

(a) Current Financial Period Reported On: 30 June 2014

(i) Any dividend declared for the current financial period reported on? No

(ii) Any dividend recommended for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

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

13 Interested Person Transaction

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S$100,000 and transactions conducted under Shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under Shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$ 100,000)
	$'000	$'000
Koh Keng Siang	1,500	-

14 Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation for the current financial period.

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

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the second quarter and half year ended 30 June 2014 to be false or misleading.

ON BEHALF OF THE BOARD

Koh Keng Siang
Managing Director & Group CEO

Koh Keng Hiong
Executive Director

13 August 2014
Singapore