

Third Quarter Financial Statement And Dividend Announcement for the Period Ended 30 Sep 2015

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-15

	GROUP				GROUP		
	3 months ended				9 months ended		
	30-Sep-15	30-Sep-14 (Restated)	Variance		30-Sep-15	30-Sep-14 (Restated)	Variance
	S\$'000	S\$'000	%		S\$'000	S\$'000	%
Revenue	22,578	18,449	22%		61,030	54,770	11%
Cost of sales	(14,680)	(11,772)	25%		(38,962)	(34,872)	12%
Gross profit	7,898	6,677			22,068	19,898	
Other income	1,485	1,490			4,279	4,133	4%
Other gains – net	826	828			2,650	2,513	
Expenses							
- Distribution and marketing	(3,331)	(2,970)	12%		(9,279)	(8,606)	8%
- Administrative	(5,709)	(5,292)	8%		(16,149)	(14,874)	9%
- Finance	(45)	(41)	10%		(140)	(94)	49%
Share of profit of joint ventures	3,035	2,000	52%		9,377	10,849	-14%
Share of profit of associated companies	-	3			-	38	
Profit before income tax	4,159	2,695			12,806	13,857	
Income tax expense	(65)	(87)			(245)	(381)	
Net profit	4,094	2,608			12,561	13,476	
Profit attributable to:							
Equity holders of the Company	3,682	2,419			11,406	12,732	
Non-controlling interests	412	189			1,155	744	
	4,094	2,608			12,561	13,476	

- 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 2015

	GROUP				GROUP		
	3 months ended				9 months ended		
	30-Sep-15	30-Sep-14 (Restated)	Variance		30-Sep-15	30-Sep-14 (Restated)	Variance
	S\$'000	S\$'000	%		S\$'000	S\$'000	%
Net profit	4,094	2,608			12,561	13,476	
Other comprehensive income							
Available-for-sale financial assets – fair value gain	-	-			-	8	
Currency translation differences arising from consolidation – gains	1,223	263			1,518	71	
Other comprehensive income, net of tax	1,223	263			1,518	79	
Total comprehensive income	5,317	2,871			14,079	13,555	
Total comprehensive income attributable to:							
Equity holders of the Company	4,579	2,612			12,521	12,793	
Non-controlling interests	738	259			1,558	762	
	5,317	2,871			14,079	13,555	

Additional information to the income statement:

	GROUP			GROUP	
	3 months ended			9 months ended	
	30-Sep-15	30-Sep-14 (Restated)		30-Sep-15	30-Sep-14 (Restated)
	S\$'000	S\$'000		S\$'000	S\$'000
1. Other income					
Commission income	1	4		6	12
Fixed deposit interest	372	204		913	589
Interest income from financial assets	6	278		58	446
Parking fee income	21	25		65	76
Management fee	14	9		41	41
Rental income	932	933		2,797	2,716
Miscellaneous income	139	37		399	253
	1,485	1,490		4,279	4,133

Additional information to the income statement (continued):

	GROUP			GROUP	
	3 months ended			9 months ended	
	30-Sep-15	30-Sep-14 (Restated)		30-Sep-15	30-Sep-14 (Restated)
	S\$'000	S\$'000		S\$'000	S\$'000
2. Other gains – net					
Amortisation of deferred income	812	812		2,437	2,437
Bad debts recovered	14	16		177	76
Gain on disposal of property, plant and equipment	-	-		36	-
	826	828		2,650	2,513

3. Distribution and marketing expenses

The increase in distribution and marketing expenses was mainly due to increase in rental of showroom, staff cost and marketing cost.

	GROUP			GROUP	
	3 months ended			9 months ended	
	30-Sep-15	30-Sep-14 (Restated)		30-Sep-15	30-Sep-14 (Restated)
	S\$'000	S\$'000		S\$'000	S\$'000
4. Finance Expense					
Bank loan interest	25	16		79	34
Finance lease interest	-	2		3	6
Trust receipts interest	20	23		58	54
	45	41		140	94

	GROUP			GROUP	
	3 months ended			9 months ended	
	30-Sep-15	30-Sep-14 (Restated)		30-Sep-15	30-Sep-14 (Restated)
	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	147	130		463	397
Allowance for impairment of trade and other receivables	33	78		168	74
Foreign Exchange loss/(gain) – net	450	(31)		465	52

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-15	31-Dec-14 (Restated)	30-Sep-15	31-Dec-14 (Restated)
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	107,640	92,228	94,584	76,790
Available-for-sale financial assets	19	24	19	24
Trade and other receivables	10,370	10,475	5,957	5,843
Loans to associated companies	10,233	8,092	5,262	4,789
Loans to joint ventures	-	14,010	-	14,010
Inventories	19,318	18,457	-	-
Gross amount due from customers for contract work-in-progress	236	89	-	-
	147,816	143,375	105,822	101,456
Non-current assets				
Trade and other receivables	447	421	-	-
Investments in associated companies	-	-	-	-
Investments in joint ventures	35,510	31,026	1,138	1,138
Investments in subsidiaries	-	-	3,716	3,716
Property, plant and equipment	1,475	1,770	119	182
Intangible assets	161	161	161	161
	37,593	33,378	5,134	5,197
Total assets	185,409	176,753	110,956	106,653
LIABILITIES				
Current liabilities				
Trade and other payables	17,301	20,281	3,941	4,419
Loans from joint ventures	2,565	115	2,565	115
Borrowings	11,479	12,395	10,171	8,470
Obligations under finance leases	22	59	-	19
Gross amount due to customers for contract work-in-progress	2,861	3,748	-	-
Current income tax liabilities	497	544	-	-
Deferred income	3,250	3,250	3,250	3,250
	37,975	40,392	19,927	16,273
Non-current liabilities				
Deferred income	5,416	7,854	5,416	7,854
Obligations under finance leases	-	16	-	-
Deferred income tax liabilities	25	94	-	69
	5,441	7,964	5,416	7,923
Total liabilities	43,416	48,356	25,343	24,196
NET ASSETS	141,993	128,397	85,613	82,457
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	33,651	32,460	33,651	32,460
Other reserves	2,306	1,436	1,411	1,656
Retained earnings	101,816	91,791	50,551	48,341
	137,773	125,687	85,613	82,457
Non-controlling interests	4,220	2,710	-	-
Total equity	141,993	128,397	85,613	82,457

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

- Cash and cash equivalents increased by \$15.41 million as compared to 31 Dec 2014. The increase is mainly due to funds received from joint venture companies.
- Loans to joint ventures decreased by \$14.01 million as compared to 31 Dec 2014. The decrease is mainly due to repayment by joint venture companies.

Current and Non-Current Liabilities

- Total borrowings decreased by \$0.97 million as compared to 31 Dec 2014. The decrease is mainly due to repayment of bank borrowings.

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-15		As at 31-Dec-14 (Restated)	
Secured	Unsecured	Secured	Unsecured
S\$11,045,480	S\$455,529	S\$11,980,784	S\$472,490

Amount repayable after one year

As at 30-Sep-15		As at 31-Dec-14 (Restated)	
Secured	Unsecured	Secured	Unsecured
Nil	Nil	S\$16,998	Nil

Details of any collateral

The Group's bank loan is secured by a charge on certain fixed deposit(s) in Singapore Dollar/other acceptable currencies placed/ to be placed from time to time with the bank.

The Group's bills payable are secured, except for an amount of \$455,529 (31 Dec 2014: \$472,490) which is unsecured. The bills payable is secured by a pledge over fixed deposits of a subsidiary amounting to about \$602,935 (31 Dec 2014: \$602,484); a deed of debenture by way of fixed and floating charge over the subsidiary's present and future undertakings; and a deed of assignment of credit insurance policies of a subsidiary and proportionate corporate guarantee by the Company.

Finance leases of \$21,743 (31 Dec 2014: \$74,803) 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-15	30-Sep-14 (Restated)	30-Sep-15	30-Sep-14 (Restated)
	S\$'000	S\$'000	S\$'000	S\$'000
<i>Cash flows from operating activities</i>				
Net profit	4,094	2,608	12,561	13,476
Adjustments for:				
- Income tax expense	65	87	245	381
- Employee share option expense	58	141	173	422
- Amortisation of deferred income	(812)	(812)	(2,437)	(2,437)
- Depreciation	147	130	463	397
- Gain on disposal of property, plant and equipment	-	-	(36)	-
- Property, plant and equipment written off	-	89	-	89
- Gain on disposal of club membership	-	-	-	(14)
- Loss on disposal of available-for-sale financial assets	5	-	5	9
- Reversal of impairment loss on available-for-sale financial assets	(2)	-	-	-
- Interest income	(378)	(482)	(971)	(1,035)
- Finance expenses	45	41	140	94
- Share of profit of joint ventures	(3,035)	(2,000)	(9,377)	(10,849)
- Share of profit of associated companies	-	(3)	-	(38)
- Unrealised currency translation losses	1,205	263	1,493	78
	1,392	62	2,259	573
<i>Change in working capital:</i>				
- Trade and other receivables	(235)	(615)	62	1,379
- Inventories	1,115	(1,431)	(861)	(2,249)
- Contract work-in-progress	(918)	879	(1,034)	1,242
- Trade and other payables	(2,888)	712	(2,981)	(2,034)
Cash used in operations	(1,534)	(393)	(2,555)	(1,089)
- Income tax paid	(136)	(369)	(361)	(748)
Net cash used in operating activities	(1,670)	(762)	(2,916)	(1,837)
<i>Cash flows from investing activities</i>				
Dividend income received from joint ventures/associated company	1,125	396	4,894	396
Loans to associated companies	(1,895)	2,116	(2,141)	(8,876)
Repayment from/(loan to) joint ventures	2,450	4,365	16,460	4,050
Proceeds from redemption of financial assets	-	-	-	500
Proceeds from disposal of club membership	-	-	-	202
Disposal of property, plant and equipment	-	74	42	-
Additions to property, plant and equipment	(55)	(202)	(142)	(202)
Fixed deposits with maturity of more than three months	(3,548)	(11,453)	(14,346)	5,020
Interest received	689	232	985	1,010
Net cash (used in)/provided by investing activities	(1,234)	(4,472)	5,752	2,100
<i>Cash flows from financing activities</i>				
Proceeds from bank borrowings	14,267	10,325	33,354	34,920
Repayment of bank borrowings	(14,251)	(12,611)	(34,270)	(25,736)
Net proceeds from issuance of shares	-	1,187	773	1,861
Fixed deposits pledged	1	2,402	(2,038)	(10,767)
Repayment of finance leases	(6)	(23)	(47)	(69)
Interest paid	(45)	(41)	(140)	(94)
Dividends paid to equity holders of the Company	-	-	(1,381)	(1,159)
Dividends paid to non-controlling interests	-	(15)	(48)	(548)
Net cash (used in)/provided by financing activities	(34)	1,224	(3,797)	(1,592)
Net decrease in cash and cash equivalents	(2,938)	(4,010)	(961)	(1,329)
<i>Cash and cash equivalents</i>				
Beginning of financial year	12,256	13,236	10,279	10,560
Effect of currency translation on cash and cash equivalents	(12)	-	(12)	(5)
End of the financial year	9,306	9,226	9,306	9,226

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			9 months ended	
	30-Sep-15	30-Sep-14 (Restated)		30-Sep-15	30-Sep-14 (Restated)
	S\$'000	S\$'000		S\$'000	S\$'000
Cash and cash equivalents	107,640	87,407		107,640	87,407
Less: Bank deposits pledged	(13,877)	(12,084)		(13,877)	(12,084)
Less: Bank deposits with maturity more than three months	(84,457)	(66,097)		(84,457)	(66,097)
Cash and cash equivalents per consolidated statement of cash flows	9,306	9,226		9,306	9,226

For the 9 months ended 30 Sep 2015, the Group generated an operating cash flow before working capital changes of \$2.26 million as compared to cash generated from operation of \$0.57 million in the 9 months ended 30 Sep 2014. Taking into account changes in working capital and income tax paid, the Group used \$2.92 million for its operating activities as compared to \$1.84 million used in the 9 months ended 30 Sep 2014.

The Group recorded a net cash outflow of \$0.96 million in the 9 months ended 30 Sep 2015 compared to a net cash outflow of \$1.33 million in the 9 months ended 30 Sep 2014. The net decrease in cash and cash equivalents was due to net cash used in operating and financing activities of \$2.92 million and \$3.80 million respectively and was partially offset by net cash provided by investing activities of \$5.75 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-15

	Attributable to equity holders of the Company								
GROUP	Share capital	Employee share option reserve	Warrant reserve	Fair value reserve	Currency translation 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-15	32,460	1,656	-	-	(220)	91,791	125,687	2,710	128,397
Employee share option scheme	-	58	-	-	-	-	58	-	58
Issue of new shares	948	(320)	-	-	-	-	628	-	628
Total comprehensive income for the year	-	-	-	-	443	3,638	4,081	462	4,543
Balance as at 31-Mar-15	33,408	1,394	-	-	223	95,429	130,454	3,172	133,626
Balance as at 1-Apr-15	33,408	1,394	-	-	223	95,429	130,454	3,172	133,626
Employee share option scheme	-	57	-	-	-	-	57	-	57
Issue of new shares	243	(98)	-	-	-	-	145	-	145
Dividend paid	-	-	-	-	-	(1,381)	(1,381)	(48)	(1,429)
Total comprehensive income/(loss) for the year	-	-	-	-	(225)	4,086	3,861	358	4,219
Balance as at 30-Jun-15	33,651	1,353	-	-	(2)	98,134	133,136	3,482	136,618
Balance as at 1-Jul-15	33,651	1,353	-	-	(2)	98,134	133,136	3,482	136,618
Employee share option scheme	-	58	-	-	-	-	58	-	58
Issue of new shares	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	897	3,682	4,579	738	5,317
Balance as at 30-Sep-15	33,651	1,411	-	-	895	101,816	137,773	4,220	141,993

Consolidated statement of changes in equity for the period ended 30-Sep-14

	Attributable to equity holders of the Company								
GROUP	Share capital	Employee share option reserve	Warrant reserve	Fair value reserve	Currency translation 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	1,591	255	(8)	(681)	70,884	99,351	2,497	101,848
Employee share option scheme	-	141	-	-	-	-	141	-	141
Issue of new shares	16	-	(1)	-	-	-	15	-	15
Total comprehensive income/(loss) for the year	-	-	-	8	(54)	3,120	3,074	230	3,304
Balance as at 31-Mar-14	27,326	1,732	254	-	(735)	74,004	102,581	2,727	105,308
Balance as at 1-Apr-14	27,326	1,732	254	-	(735)	74,004	102,581	2,727	105,308
Employee share option scheme	-	140	-	-	-	-	140	-	140
Issue of new shares	909	(236)	(14)	-	-	-	659	-	659
Dividend paid	-	-	-	-	-	(1,159)	(1,159)	(533)	(1,692)
Total comprehensive income/(loss) for the year	-	-	-	-	(86)	7,193	7,107	273	7,380
Balance as at 30-Jun-14	28,235	1,636	240	-	(821)	80,038	109,328	2,467	111,795
Balance as at 1-Jul-14	28,235	1,636	240	-	(821)	80,038	109,328	2,467	111,795
Employee share option scheme	-	141	-	-	-	-	141	-	141
Issue of new shares	1,503	(256)	(60)	-	-	-	1,187	-	1,187
Dividend paid	-	-	-	-	-	-	-	(15)	(15)
Total comprehensive income for the year	-	-	-	-	193	2,419	2,612	259	2,871
Balance as at 30-Sep-14	29,738	1,521	180	-	(628)	82,457	113,268	2,711	115,979

Statement of changes in equity for the period ended 30-Sep-15

COMPANY	Share capital	Employee share option reserve	Warrant reserve	Fair value reserve	Retained earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1-Jan-15	32,460	1,656	-	-	48,341	82,457
Employee share option scheme	-	58	-	-	-	58
Issue of new shares	948	(320)	-	-	-	628
Total comprehensive income for the year	-	-	-	-	3,582	3,582
Balance as at 31-Mar-15	33,408	1,394	-	-	51,923	86,725
Balance as at 1-Apr-15	33,408	1,394	-	-	51,923	86,725
Employee share option scheme	-	57	-	-	-	57
Issue of new shares	243	(98)	-	-	-	145
Dividend paid	-	-	-	-	(1,381)	(1,381)
Total comprehensive loss for the year	-	-	-	-	(556)	(556)
Balance as at 30-Jun-15	33,651	1,353	-	-	49,986	84,990
Balance as at 1-Jul-15	33,651	1,353	-	-	49,986	84,990
Employee share option scheme	-	58	-	-	-	58
Issue of new shares	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	565	565
Balance as at 30-Sep-15	33,651	1,411	-	-	50,551	85,613

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

COMPANY	Share capital	Employee share option reserve	Warrant reserve	Fair value reserve	Retained earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1-Jan-14	27,310	1,591	255	(8)	45,324	74,472
Employee share option scheme	-	141	-	-	-	141
Issue of new shares	16	-	(1)	-	-	15
Total comprehensive income/(loss) for the year	-	-	-	8	(508)	(500)
Balance as at 31-Mar-14	27,326	1,732	254	-	44,816	74,128
Balance as at 1-Apr-14	27,326	1,732	254	-	44,816	74,128
Employee share option scheme	-	140	-	-	-	140
Issue of new shares	909	(236)	(14)	-	-	659
Dividend paid	-	-	-	-	(1,159)	(1,159)
Total comprehensive income for the year	-	-	-	-	1,986	1,986
Balance as at 30-Jun-14	28,235	1,636	240	-	45,643	75,754
Balance as at 1-Jul-14	28,235	1,636	240	-	45,643	75,754
Employee share option scheme	-	141	-	-	-	141
Issue of new shares	1,503	(256)	(60)	-	-	1,187
Dividend paid	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	105	105
Balance as at 30-Sep-14	29,738	1,521	180	-	45,748	77,187

- 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-15	31-Dec-14
	S\$'000	S\$'000
<u>Issued and paid up capital</u>		
At the end of the financial period/year	33,651	32,460

Note: During the financial period;

- (i) 1,354,000 share options were exercised and issued at \$0.2061 each; and
- (ii) 1,582,000 share options were exercised and issued at \$0.3120 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-15	31-Dec-14
No of issued shares at the beginning of the period/year	209,531,686	190,481,700
Issue of new shares:		
- exercised of share option by employees and directors	2,936,000	3,242,000
- exercised of Warrant by warrant-holders	-	15,807,986
No of issued shares at the end of the period/year	212,467,686	209,531,686

- 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 method of computation in the financial statements for the current reporting period compared with the audited financial statements dated 31 March 2015 for the year ended 31 Dec 2014, except for the re-classification of the material entities of the Group, namely Urban Lofts Pte Ltd, LVND Homes Pte Ltd, Alliance Land Pte Ltd and LVND Holdings Pte Ltd as joint ventures under the Singapore Financial Reporting Standard ("FRS") 111, instead of joint operations. Due to this reclassification, the Group adopted the equity method of accounting for the joint ventures. Please also refer to the Company's announcement dated 21 May 2015.

Accordingly, the comparative figures in the statement of financial position, income statement and statement of cash flow for the Group for the period ended 30 Sep 2014 have been restated.

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 2015, where applicable. Save as referred to in paragraph 4, 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 2015.

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			GROUP	
	3 months ended			9 months ended	
	30-Sep-15	30-Sep-14		30-Sep-15	30-Sep-14
Earnings per share based on consolidated profit after taxation and Non-controlling interests					
Based on existing issued share capital (cents)	1.7401	1.2532		5.3905	6.5962
On a fully diluted basis (cents)	1.6972	1.1436		5.2575	6.0191

Note:

- The Earnings per share is calculated based on the weighted average number of shares in issue during the period amounting to 211,596,382 and 193,020,635 shares as at 30 Sep 2015 and 30 Sep 2014 respectively.
- 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 216,945,731 and 211,526,734 shares as at 30 Sep 2015 and 30 Sep 2014 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.

	GROUP		COMPANY	
	30-Sep-15	31-Dec-14	30-Sep-15	31-Dec-14
Net asset value per share based on the existing issued share capital as at the respective period	64.84 cents	59.98 cents	40.29 cents	39.35 cents

Note:

The net assets value per ordinary shares are calculated based on the issued share capital of the Company of 212,467,686 and 209,531,686 shares as at 30 Sep 2015 and 31 Dec 2014 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 2015 increased by 11% to \$61.03 million as compared to \$54.77 million for the 9 months ended 30 Sep 2014.

This increase is mainly attributable to the Group's supply chain division under Buylateral Group which sells to the USA market, which achieved a sales increase of 37% from \$26.18 million for the 9 months ended 30 Sep 2014 to \$35.77 million for the 9 months ended 30 Sep 2015. On the other hand, within the product supply/furniture retail segment in Singapore, European imported luxury furniture business recorded lower sales, tracking the slow down in the high end residential market.

The Group's net profit for the 9 months ended 30 Sep 2015 decreased to \$12.56 million as compared to a net profit of \$13.48 million for the 9 months ended 30 Sep 2014. This was mainly due to a fall in net profit from the Group's property investments of \$1.47 million and interior and residential projects and furniture retail divisions of \$1.08 million which was partially offset by the increase in contribution of \$1.69 million from the supply chain division.

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.

The outlook for the Singapore furniture retail market remains difficult in the light of a slowing domestic economy, tighter credit, declining purchasing power and negative sentiments in the property market.

Nevertheless, the Group will continue to look at regional product supply opportunities particularly in Malaysia and Jakarta. The retail divisions have seen some traction in their initial efforts in digital marketing and will continue to pursue these opportunities.

The property development business in Singapore continues to be challenging and opportunities remain limited. The Group will continue to seek and explore opportunities in property development locally and overseas.

The Group's USA distribution and supply chain company, Buylateral Group Pte Ltd, has performed positively in the 9 months ended 30 Sep 2015. The Group is positive about the growth in the USA market and expects Buylateral to continue to grow its sales and expand its customer base in the USA market.

The Group is also preparing and planning for the scheduled opening of Macpherson Ibis Styles in 1st Quarter 2016. The Group is cautious about the performance of the hotel in the light of the haze having negative long and short term effects on the tourism industry in Singapore.

Against a backdrop of a slow down in emerging markets, rising interest rates and fragile investor and customer sentiments, the Group remains cautious about its prospects moving forward.

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 2015.

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)
	Nil	Nil

Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual

The board of directors have confirmed that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of which may render the unaudited financial statements for the financial period ended 30 Sep 2015 to be false or misleading in any material aspect.

On behalf of the Board of Directors,

Terence Goon Eu Jin
Director

Wee Ai Quey
Director

BY ORDER OF THE BOARD

Goon Eu Jin Terence
Group Chief Executive Officer and Managing Director

4 November 2015