KINGSMEN CREATIVES LTD.
(Company Registration Number: 200210790Z)

UNAUDITED THIRD QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015

PART 1 – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a) 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					
		Third Quarter Ended			Nine Months Ended		
	Note	30 Sep 15	30 Sep 14	Change	30 Sep 15	30 Sep 14	Change
		S$'000	S$'000	%	S$'000	S$'000	%
Revenue		76,007	86,188	-11.8%	210,776	223,109	-5.5%
Cost of sales		(58,216)	(64,865)	-10.3%	(158,224)	(165,724)	-4.5%
Gross profit		17,791	21,323	-16.6%	52,552	57,385	-8.4%
Other items of income							
Interest income		92	83	10.8%	285	246	15.9%
Other income	(a)	1,053	1,187	-11.3%	3,178	3,408	-6.7%
Other items of expense							
Depreciation of property, plant and equipment		(576)	(536)	7.5%	(1,694)	(1,516)	11.7%
Employee benefits expense		(13,823)	(14,632)	-5.5%	(39,337)	(38,427)	2.4%
Other expenses		(2,930)	(2,677)	9.5%	(9,150)	(9,993)	-8.4%
Interest expense		(139)	(58)	139.7%	(438)	(166)	163.9%
Share of results of associates		(344)	(72)	377.8%	408	1,198	-65.9%
Profit before tax	(b)	1,124	4,618	-75.7%	5,804	12,135	-52.2%
Income tax expense	(c)	(698)	(988)	-29.4%	(1,707)	(2,324)	-26.5%
Profit net of tax		426	3,630	-88.3%	4,097	9,811	-58.2%
Other comprehensive income:							
Item that may be reclassified subsequently to profit or loss:							
Exchange differences on translating foreign operations, net of tax		828	774	7.0%	863	176	390.3%
Other comprehensive income for the period, net of tax		828	774	7.0%	863	176	390.3%
Total comprehensive income		1,254	4,404	-71.5%	4,960	9,987	-50.3%
Profit/(loss) net of tax attributable to:							
Equity holders of the Company		566	3,458	-83.6%	4,420	9,687	-54.4%
Non-controlling interests		(140)	172	n/m	(323)	124	n/m
Profit net of tax		426	3,630	-88.3%	4,097	9,811	-58.2%
Total comprehensive income/(loss) attributable to:							
Equity holders of the Company		1,427	4,205	-66.1%	5,340	9,767	-45.3%
Non-controlling interests		(173)	199	n/m	(380)	220	n/m
Total comprehensive income		1,254	4,404	-71.5%	4,960	9,987	-50.3%

Note :
n/m = not meaningful

1(a) 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. (Cont'd)

Explanatory notes to income statement

(a) Other income comprises :-

	Group			
	Third Quarter Ended		Nine Months Ended	
	30 Sep 15	30 Sep 14	30 Sep 15	30 Sep 14
	S$'000	S$'000	S$'000	S$'000
Corporate fee income	50	40	450	387
Net gain on disposal of property, plant & equipment	-	-	35	89
Other service income	410	637	1,127	1,481
Rental income	411	400	1,261	1,129
Write-back of impairment loss on doubtful trade receivables	-	-	-	4
Miscellaneous income	182	110	305	318
	1,053	1,187	3,178	3,408

(b) The following items have been included in arriving at profit before tax :-

	Group			
	Third Quarter Ended		Nine Months Ended	
	30 Sep 15	30 Sep 14	30 Sep 15	30 Sep 14
	S$'000	S$'000	S$'000	S$'000
Amortisation of intangible asset	23	22	68	66
Bad trade debts written off	-	28	29	56
Directors' remuneration	1,580	2,208	4,834	5,955
Impairment loss on doubtful trade receivables	12	-	101	-
Net foreign exchange loss	325	112	489	40
Operating lease expenses	936	1,039	2,862	2,814

(c) Included in income tax expense for the third quarter and nine months ended 30 September 2015 are under-provision of income tax of S$2,000 (3Q 2014: S$Nil) and S$84,000 (9M 2014: S$66,000) respectively relating to prior year.

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.

	Note	Group		Company	
		As at 30 Sep 15	As at 31 Dec 14	As at 30 Sep 15	As at 31 Dec 14
		S$'000	S$'000	S$'000	S$'000
ASSETS					
Non-current assets					
Property, plant and equipment		22,660	11,366	215	254
Intangible assets		7,829	7,562	-	-
Investments in subsidiaries		-	-	25,715	22,496
Investments in associates		8,224	8,095	4,372	4,012
Other investments		1,093	1,093	1,093	1,093
Trade and other receivables		654	662	-	-
Deferred tax assets		908	540	173	173
		41,368	29,318	31,568	28,028
Current assets					
Inventories		3,378	2,182	-	-
Gross amount due from customers for contract work-in-progress	(d)	31,309	15,684	-	-
Trade and other receivables	(e)	85,907	92,503	4,131	5,150
Other assets		1,252	1,255	296	45
Cash and cash equivalents	(f)	68,349	82,972	8,741	6,288
		190,195	194,596	13,168	11,483
Total assets		231,563	223,914	44,736	39,511
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital		26,854	23,614	26,854	23,614
Retained earnings		72,449	74,923	14,925	12,346
Other reserves		(2,092)	(1,790)	1,826	1,826
		97,211	96,747	43,605	37,786
Non-controlling interests		1,859	4,318	-	-
Total equity		99,070	101,065	43,605	37,786
Non-current liabilities					
Trade and other payables		139	154	-	-
Other financial liabilities		8,575	1,671	-	-
Deferred tax liabilities		485	479	-	-
		9,199	2,304	-	-
Current liabilities					
Gross amount due to customers for contract work-in-progress	(g)	12,647	7,026	-	-
Trade and other payables	(h)	94,382	99,560	1,131	1,642
Other financial liabilities		5,251	4,843	-	-
Other liabilities		4,762	2,091	-	83
Income tax payable		6,252	7,025	-	-
		123,294	120,545	1,131	1,725
Total liabilities		132,493	122,849	1,131	1,725
Total equity and liabilities		231,563	223,914	44,736	39,511

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. (Cont'd)

Explanatory notes to statement of financial position

(d) **Gross amount due from customers for contract work-in-progress**

Gross amount due from customers for contract work-in-progress comprises of the contract costs incurred and the profits/losses recognised less the progress billings on our interior fit-out projects and various thematic works across Asia.

(e) **Trade and other receivables**

	Group		Company	
	As at 30 Sep 15	As at 31 Dec 14	As at 30 Sep 15	As at 31 Dec 14
	S$'000	S$'000	S$'000	S$'000
Trade receivables	74,672	79,439	1,229	874
Other receivables	11,235	13,064	2,902	4,276
Total	85,907	92,503	4,131	5,150

(f) **Cash and cash equivalents**

	Group		Company	
	As at 30 Sep 15	As at 31 Dec 14	As at 30 Sep 15	As at 31 Dec 14
	S$'000	S$'000	S$'000	S$'000
Cash at banks and in hand	51,994	59,127	1,596	4,702
Short-term deposits	16,355	23,845	7,145	1,586
Total	68,349	82,972	8,741	6,288

(g) **Gross amount due to customers for contract work-in-progress**

Gross amount due to customers for contract work-in-progress comprises of the progress billings less the contract costs incurred and the profits/losses recognised on our interior fit-out projects and various thematic works across Asia.

(h) **Trade and other payables**

	Group		Company	
	As at 30 Sep 15	As at 31 Dec 14	As at 30 Sep 15	As at 31 Dec 14
	S$'000	S$'000	S$'000	S$'000
Trade payables	80,521	81,674	-	-
Other payables	13,861	17,886	1,131	1,642
Total	94,382	99,560	1,131	1,642

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.

	Group	
	As at 30 Sep 15	**As at 31 Dec 14**
	S$'000	S$'000
Secured		
- repayable within one year	5,251	4,843
- repayable after one year	8,575	1,671
	13,826	6,514
Unsecured		
- repayable within one year	-	-
- repayable after one year	-	-
	-	-

Details of any collaterals

Bank loans and trust receipts are secured by way of legal charges on the Group's three factory units in Malaysia, corporate guarantees of the Company and a subsidiary in Malaysia, personal guarantees given by certain directors of the subsidiaries in Malaysia and short-term deposits pledged to the banks.

Finance lease obligations are secured by the rights to the motor vehicles.

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.

	Note	Group Third Quarter Ended 30 Sep 15 S$'000	 30 Sep 14 S$'000	Group Nine Months Ended 30 Sep 15 S$'000	 30 Sep 14 S$'000
Cash flows from operating activities					
Profit before tax		1,124	4,618	5,804	12,135
Adjustments for:					
Amortisation of intangible asset		23	22	68	66
Bad trade debts written off		-	28	29	56
Depreciation of property, plant and equipment		580	837	2,242	1,823
Interest expense		139	58	438	166
Interest income		(92)	(83)	(285)	(246)
Net impairment loss/(write-back of impairment loss) on doubtful trade receivables		12	-	101	(4)
Net gain on disposal of property, plant and equipment		-	-	(35)	(89)
Share of results of associates		344	72	(408)	(1,198)
Currency realignment		(122)	428	(11)	188
Operating cash flows before changes in working capital		2,008	5,980	7,943	12,897
(Increase)/decrease in:					
Inventories		(20)	(1,106)	(1,196)	(1,297)
Gross amount due from customers for contract work-in-progress		(4,423)	1,645	(15,625)	(10,000)
Trade and other receivables		(11,645)	(4,973)	6,474	9,516
Other assets		(415)	167	(78)	681
Increase/(decrease) in:					
Gross amount due to customers for contract work-in-progress		4,746	(1,296)	5,621	8,829
Trade and other payables		8,760	2,873	(5,193)	(7,235)
Other liabilities		3,048	815	4,106	415
Net cash flows from operations		2,059	4,105	2,052	13,806
Interest received		92	83	285	246
Interest paid		(139)	(58)	(438)	(166)
Income tax paid		(464)	(563)	(2,705)	(2,951)
Net cash flows from/(used in) operating activities		1,548	3,567	(806)	10,935
Cash flows from investing activities					
Proceeds from disposal of property, plant and equipment		-	-	58	101
Purchase of property, plant and equipment		(641)	(417)	(15,860)	(1,882)
Acquisition of an associate		-	-	-	(40)
Acquisition of additional interest in associates		(360)	-	(434)	-
Net cash inflow from re-measurement of ownership interest in a subsidiary		-	-	-	1,805
Acquisition of non-controlling interest of subsidiaries		(1,414)	-	(1,414)	-
Dividend income from associates		-	385	847	495
Net cash flows (used in)/from investing activities		(2,415)	(32)	(16,803)	479
Cash flows from financing activities					
Dividends paid on ordinary shares		(1,978)	(2,919)	(6,875)	(7,782)
Dividends paid to non-controlling interest of subsidiaries		(100)	(60)	(100)	(103)
Repayment of finance lease obligations		(6)	(7)	(18)	(36)
Proceeds from draw down of loans and borrowings		6,084	2,154	15,914	5,574
Repayment of loans and borrowings		(2,816)	(2,795)	(7,215)	(4,804)
Decrease/(increase) in deposits pledged to banks for banking facilities		20	(13)	(174)	(650)
Net cash flows from/(used in) financing activities		1,204	(3,640)	1,532	(7,801)
Net increase/(decrease) in cash and cash equivalents		337	(105)	(16,077)	3,613
Effect of exchange rate changes on cash and cash equivalents		1,039	304	1,280	78
Cash and cash equivalents at beginning of period		65,187	65,652	81,360	62,160
Cash and cash equivalents at end of period	(i)	66,563	65,851	66,563	65,851

Explanatory note to consolidated cash flow statement

(i) Cash and cash equivalents included in the consolidated cash flow statement comprise the following:-

	Group As at 30 Sep 15 S$'000	 As at 30 Sep 14 S$'000
Cash at banks and in hand	51,994	48,894
Short-term deposits	16,355	19,167
	68,349	68,061
Less: Deposits pledged to banks for banking facilities	(1,786)	(2,210)
Cash and cash equivalents	66,563	65,851

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	Attributable to equity holders of the Company						
	Share capital S$'000	Treasury shares S$'000	Retained earnings S$'000	Other reserves S$'000	Equity attributable to equity holders of the Company, total S$'000	Non-controlling interests S$'000	Equity, total S$'000
Opening balance at 1 January 2015	23,614	-	74,923	(1,790)	96,747	4,318	101,065
Profit/(loss) for the period	-	-	3,854	-	3,854	(183)	3,671
Other comprehensive income/(loss)							
Foreign currency translation	-	-	-	59	59	(24)	35
Appropriation to reserve	-	-	(19)	19	-	-	-
Other comprehensive (loss)/income for the period, net of tax	-	-	(19)	78	59	(24)	35
Total comprehensive income/(loss) for the period	-	-	3,835	78	3,913	(207)	3,706
Contributions by and distributions to equity holders							
Ordinary shares issued pursuant to performance share scheme	1,435	-	-	-	1,435	-	1,435
Dividends paid on ordinary shares	-	-	(4,897)	-	(4,897)	-	(4,897)
Total contributions by and distributions to equity holders	1,435	-	(4,897)	-	(3,462)	-	(3,462)
Total transactions with equity holders in their capacity as equity holders	1,435	-	(4,897)	-	(3,462)	-	(3,462)
Closing balance at 30 June 2015	25,049	-	73,861	(1,712)	97,198	4,111	101,309
Profit/(loss) for the period	-	-	566	-	566	(140)	426
Other comprehensive income/(loss)							
Foreign currency translation	-	-	-	861	861	(33)	828
Other comprehensive income/(loss) for the period, net of tax	-	-	-	861	861	(33)	828
Total comprehensive income/(loss) for the period	-	-	566	861	1,427	(173)	1,254
Contributions by and distributions to equity holders							
Ordinary shares issued pursuant to acquisition of non-controlling interest in a subsidiary	1,805	-	-	-	1,805	-	1,805
Dividends paid on ordinary shares	-	-	(1,978)	-	(1,978)	-	(1,978)
Total contributions by and distributions to equity holders	1,805	-	(1,978)	-	(173)	-	(173)
Changes in ownership interests in subsidiaries							
Acquisition of non-controlling interest of subsidiaries without a change in control	-	-	-	(1,241)	(1,241)	(1,979)	(3,220)
Dividends paid to non-controlling interest of a subsidiary	-	-	-	-	-	(100)	(100)
Total changes in ownership interests in subsidiaries	-	-	-	(1,241)	(1,241)	(2,079)	(3,320)
Total transactions with equity holders in their capacity as equity holders	1,805	-	(1,978)	(1,241)	(1,414)	(2,079)	(3,493)
Closing balance at 30 September 2015	26,854	-	72,449	(2,092)	97,211	1,859	99,070

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)

Group	Attributable to equity holders of the Company						
	Share capital S$'000	Treasury shares S$'000	Retained earnings S$'000	Other reserves S$'000	Equity attributable to equity holders of the Company, total S$'000	Non-controlling interests S$'000	Equity, total S$'000
Opening balance at 1 January 2014	23,266	(334)	65,601	(3,008)	85,525	3,747	89,272
Profit/(loss) for the period	-	-	6,229	-	6,229	(48)	6,181
Other comprehensive (loss)/income							
Foreign currency translation	-	-	-	(667)	(667)	69	(598)
Other comprehensive (loss)/income for the period, net of tax	-	-	-	(667)	(667)	69	(598)
Total comprehensive income/(loss) for the period	-	-	6,229	(667)	5,562	21	5,583
Contributions by and distributions to equity holders							
Ordinary shares issued pursuant to performance share scheme	333	-	-	-	333	-	333
Treasury shares reissued pursuant to performance share scheme	-	334	-	472	806	-	806
Dividends paid on ordinary shares	-	-	(4,863)	-	(4,863)	-	(4,863)
Total contributions by and distributions to equity holders	333	334	(4,863)	472	(3,724)	-	(3,724)
Changes in ownership interests in subsidiaries							
Capital contribution by non-controlling interest of a subsidiary	-	-	-	-	-	6	6
Dividends paid to non-controlling interests of a subsidiary	-	-	-	-	-	(43)	(43)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	(37)	(37)
Total transactions with equity holders in their capacity as equity holders	333	334	(4,863)	472	(3,724)	(37)	(3,761)
Closing balance at 30 June 2014	23,599	-	66,967	(3,203)	87,363	3,731	91,094
Profit for the period	-	-	3,458	-	3,458	172	3,630
Other comprehensive income							
Foreign currency translation	-	-	-	747	747	27	774
Other comprehensive income for the period, net of tax	-	-	-	747	747	27	774
Total comprehensive income for the period	-	-	3,458	747	4,205	199	4,404
Contributions by and distributions to equity holders							
Ordinary shares issued pursuant to performance share scheme	15	-	-	-	15	-	15
Dividends paid on ordinary shares	-	-	(2,919)	-	(2,919)	-	(2,919)
Total contributions by and distributions to equity holders	15	-	(2,919)	-	(2,904)	-	(2,904)
Changes in ownership interests in subsidiaries							
Dividends paid to non-controlling interest of a subsidiary	-	-	-	-	-	(60)	(60)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	(60)	(60)
Total transactions with equity holders in their capacity as equity holders	15	-	(2,919)	-	(2,904)	(60)	(2,964)
Closing balance at 30 September 2014	23,614	-	67,506	(2,456)	88,664	3,870	92,534

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	Attributable to equity holders of the Company				
	Share capital S$'000	**Treasury shares** S$'000	**Retained earnings** S$'000	**Other reserves** S$'000	**Equity, total** S$'000
Opening balance at 1 January 2015	23,614	-	12,346	1,826	37,786
Profit for the period	-	-	6,380	-	6,380
Other comprehensive income for the period, net of tax	-	-	-	-	-
Total comprehensive income for the period	-	-	6,380	-	6,380
Contributions by and distributions to equity holders					
Ordinary shares issued pursuant to performance share scheme	1,435	-	-	-	1,435
Dividends paid on ordinary shares	-	-	(4,897)	-	(4,897)
Total contributions by and distributions to equity holders	1,435	-	(4,897)	-	(3,462)
Total transactions with equity holders in their capacity as equity holders	1,435	-	(4,897)	-	(3,462)
Closing balance at 30 June 2015	25,049	-	13,829	1,826	40,704
Profit for the period	-	-	3,074	-	3,074
Other comprehensive income for the period, net of tax	-	-	-	-	-
Total comprehensive income for the period	-	-	3,074	-	3,074
Contributions by and distributions to equity holders					
Ordinary shares issued pursuant to acquisition of non-controlling interest in a subsidiary	1,805	-	-	-	1,805
Dividends paid on ordinary shares	-	-	(1,978)	-	(1,978)
Total contributions by and distributions to equity holders	1,805	-	(1,978)	-	(173)
Total transactions with equity holders in their capacity as equity holders	1,805	-	(1,978)	-	(173)
Closing balance at 30 September 2015	26,854	-	14,925	1,826	43,605
Opening balance at 1 January 2014	23,266	(334)	11,808	1,354	36,094
Profit for the period	-	-	4,625	-	4,625
Other comprehensive income for the period, net of tax	-	-	-	-	-
Total comprehensive income for the period	-	-	4,625	-	4,625
Contributions by and distributions to equity holders					
Ordinary shares issued pursuant to performance share scheme	333	-	-	-	333
Treasury shares reissued pursuant to performance share scheme	-	334	-	472	806
Dividends paid on ordinary shares	-	-	(4,863)	-	(4,863)
Total contributions by and distributions to equity holders	333	334	(4,863)	472	(3,724)
Total transactions with equity holders in their capacity as equity holders	333	334	(4,863)	472	(3,724)
Closing balance at 30 June 2014	23,599	-	11,570	1,826	36,995
Profit for the period	-	-	2,597	-	2,597
Other comprehensive income for the period, net of tax	-	-	-	-	-
Total comprehensive income for the period	-	-	2,597	-	2,597
Contributions by and distributions to equity holders					
Ordinary shares issued pursuant to performance share scheme	15	-	-	-	15
Dividends paid on ordinary shares	-	-	(2,919)	-	(2,919)
Total contributions by and distributions to equity holders	15	-	(2,919)	-	(2,904)
Total transactions with equity holders in their capacity as equity holders	15	-	(2,919)	-	(2,904)
Closing balance at 30 September 2014	23,614	-	11,248	1,826	36,688

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.

Ordinary shares issued and fully paid-up	Number of shares	Issued and paid-up share capital S$'000
Balance as at 30 June 2015	195,914,181	25,049
Issuance of shares pursuant to acquisition of non-controlling interest in a subsidiary	1,830,000	1,805
Balance as at 30 September 2015	197,744,181	26,854

There were no outstanding convertibles issued by the Company as at 30 September 2015 and 30 September 2014.

There were no treasury shares held by the Company against the total number of issued shares excluding treasury shares of 197,744,181 and 194,553,261 as at 30 September 2015 and 30 September 2014 respectively.

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.

	Company	
	As at 30 Sep 15	As at 31 Dec 14
Total number of issued shares excluding treasury shares	197,744,181	194,553,261

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 during and as at the end of the current financial period ended 30 September 2015.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures 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.

Except as disclosed in paragraph 5 below, the accounting policies and methods of computation adopted in the financial statements for the current reporting period are consistent with those disclosed in the audited financial statements for the financial year ended 31 December 2014.

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 applicable new and revised Financial Reporting Standards ("FRS") and Interpretations of Financial Reporting Standards ("INT FRS") that are mandatory for the accounting periods beginning on or after 1 January 2015. The adoption of these new and revised FRS and INT FRS did not result in any substantial change to the Group's and the Company's accounting policies and has no significant impact on the financial statements for the current reporting period.

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			
	Third Quarter Ended		Nine Months Ended	
	30 Sep 15	30 Sep 14	30 Sep 15	30 Sep 14
Net profit attributable to shareholders (S$'000)	566	3,458	4,420	9,687
Weighted average number of ordinary shares in issue	197,704,398	194,542,985	195,884,376	194,035,531
Basic and diluted earnings per share (S$ cents)	0.29	1.78	2.26	4.99

The basic and diluted earnings per share are the same as there were no potentially dilutive ordinary shares in issue as at 30 September 2015 and 30 September 2014.

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	
	As at 30 Sep 15	As at 31 Dec 14	As at 30 Sep 15	As at 31 Dec 14
Net asset value, net of non-controlling interests (S$'000)	97,211	96,747	43,605	37,786
Number of ordinary shares in issue, excluding treasury shares	197,744,181	194,553,261	197,744,181	194,553,261
Net asset value per ordinary share (S$ cents)	49.16	49.73	22.05	19.42

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

Revenue

	Group					
	Third Quarter Ended			Nine Months Ended		
	30 Sep 15	30 Sep 14	+/-	30 Sep 15	30 Sep 14	+/-
	S$'000	S$'000	%	S$'000	S$'000	%
Exhibitions & Museums	30,743	33,360	-7.8%	99,227	82,909	19.7%
Retail & Corporate Interiors	37,910	42,218	-10.2%	94,528	119,257	-20.7%
Research & Design	3,190	3,885	-17.9%	9,707	9,519	2.0%
Alternative Marketing	4,164	6,725	-38.1%	7,314	11,424	-36.0%
	76,007	86,188	-11.8%	210,776	223,109	-5.5%

For the third quarter ended 30 September 2015 ("3Q 2015"), the Group recorded a revenue of S$76.0 million as compared to S$86.2 million for the previous corresponding quarter ended 30 September 2014 ("3Q 2014"). This brought revenue for the nine months ended 30 September 2015 ("9M 2015") to S$210.8 million, a decrease of 5.5% as compared to S$223.1 million for the previous corresponding nine months ended 30 September 2014 ("9M 2014").

The **Exhibitions & Museums division** performed well in 9M 2015 with a revenue of S$99.2 million as compared to S$82.9 million in 9M 2014. In 3Q 2015, the division's revenue was S$30.7 million as compared to S$33.4 million in 3Q 2014. The key contributors to the division's revenue were from major projects such as 28th SEA Games in Singapore, TFWA Asia Pacific Exhibition & Conference 2015, Art Stage Singapore 2015, Qatar Motor show 2015, Formula 1 Singapore Grand Prix, BNP Paribas WTA Finals Singapore presented by SC Global, King Abdulaziz Center for World Culture, KidZania Singapore, National Museum of Singapore, Chinatown Heritage Centre and thematic projects in the region.

The **Retail & Corporate Interiors division** recorded a revenue of S$94.5 million in 9M 2015, a decrease of 20.7% from S$119.3 million in 9M 2014. In 3Q 2015, the division's revenue was S$37.9 million, a decrease of S$4.3 million from S$42.2 million recorded in 3Q 2014. The decrease in revenue was due to the soft demand for interior design and fit-out services from the high end luxury retail segment. The division continues to see demand for interior design and fit-out services from the affordable luxury and travel retail segments. Key accounts for this division include Aldo, Coach, Fendi, Michael Kors, Ralph Lauren, The Hour Glass, Tiffany & Co., British Airways and Shilla Travel Retail.

The **Research & Design division** registered a revenue of S$9.7 million in 9M 2015, an increase of 2.0% as compared to S$9.5 million in 9M 2014. Revenue was lower at S$3.2 million in 3Q 2015 as compared to S$3.9 million in 3Q 2014. The key accounts which contributed to the division's revenue included customers and brand names such as BMW, Burberry, Changi Airport Group, Michael Kors, Procter & Gamble Co. and Valentino and thematic projects in the region.

Revenue from the **Alternative Marketing division** of S$7.3 million in 9M 2015 was lower by S$4.1 million as compared to S$11.4 million in 9M 2014. Revenue was also lower at S$4.2 million in 3Q 2015 as compared to S$6.7 million in 3Q 2014. The key contributors to the division's revenue were from projects and events from clients such as BMW, Health Promotion Board, Jurong Health, National Research Foundation, OCBC and StarHub.

(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 (Cont'd)

Gross Profit

	Group					
	Third Quarter Ended			Nine Months Ended		
	30 Sep 15 S$'000	30 Sep 14 S$'000	+/- %	30 Sep 15 S$'000	30 Sep 14 S$'000	+/- %
Revenue	76,007	86,188	-11.8%	210,776	223,109	-5.5%
Gross profit	17,791	21,323	-16.6%	52,552	57,385	-8.4%
Gross profit margin	23.4%	24.7%		24.9%	25.7%	

Gross profit for 9M 2015 and 3Q 2015 decreased by 8.4% and 16.6% to S$52.6 million and S$17.8 million respectively. The decrease was a result of the lower revenue registered and lower gross profit margin achieved.

Other Items of Income

Interest income relates mainly to interest income earned from short-term deposits and bank balances placed with banks.

Other income comprises items as set out in Note 1(a)(a).

Other Items of Expense

	Group					
	Third Quarter Ended			Nine Months Ended		
	30 Sep 15 S$'000	30 Sep 14 S$'000	+/- %	30 Sep 15 S$'000	30 Sep 14 S$'000	+/- %
Depreciation of property, plant and equipment	576	536	7.5%	1,694	1,516	11.7%
Employee benefits expense	13,823	14,632	-5.5%	39,337	38,427	2.4%
Other expenses	2,930	2,677	9.5%	9,150	9,993	-8.4%
Interest expense	139	58	139.7%	438	166	163.9%
	17,468	**17,903**	**-2.4%**	**50,619**	**50,102**	**1.0%**

The higher depreciation charge on property, plant and equipment and interest expense were incurred mainly as a result of the acquisition of a new factory unit in Malaysia in January 2015 and the corresponding bank loans taken out to finance the acquisition. The change in employee benefits expense was mainly due to higher cost resulting from increased headcount and average wage, and offset by lower performance linked incentives recorded. The higher other expenses recorded in 9M 2014 as compared to 9M 2015 was mainly due to the recognition of one-off costs in relation to the settlement of a legal case in China in 1Q 2014. Other expenses were higher in 3Q 2015 as compared to 3Q 2014 mainly due to net foreign exchange loss of S$0.3 million.

Share of Results of Associates

Share of results of associates decreased by S$0.8 million from a profit of S$1.2 million in 9M 2014 to a profit of S$0.4 million in 9M 2015 and by S$0.3 million from a loss of S$0.1 million in 3Q 2014 to a loss of S$0.4 million in 3Q 2015. The decrease was mainly due to lower profit contribution from associates and a negative goodwill of S$0.2 million recognised in 1Q 2014 which resulted from the inclusion of Kingsmen C.M.T.I. Co., Limited as a new associate in January 2014.

(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 (Cont'd)

Profit Net of Tax Attributable to Equity Holders of the Company

Based on the above, profit net of tax attributable to equity holders of the Company decreased by S$5.3 million from S$9.7 million in 9M 2014 to S$4.4 million in 9M 2015. Profit net of tax attributable to equity holders of the Company was lower at S$0.6 million in 3Q 2015 as compared to S$3.5 million in 3Q 2014.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Equity Attributable to Equity Holders of the Company

Equity attributable to equity holders of the Company increased by S$0.5 million from S$96.7 million as at 31 December 2014 to S$97.2 million as at 30 September 2015. This was mainly due to new shares issued of S$3.2 million and net profit of S$4.4 million in 9M 2015 offset by dividend distribution of S$6.9 million to shareholders of the Company.

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

Our 3Q 2015 results are lower than we previously expected, and reflect the more muted business environment during the current financial period ended 30 September 2015.

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 overall outlook for the global economy remains soft, led by a continued slowdown of the Chinese economy amidst the uncertainties prevailing in the European and American markets. To stay ahead of the curve, the Group will continue to strengthen its capabilities, enlarge its pool of key accounts and explore new and synergistic businesses to enhance the Group's service offerings to the market, even as we embrace the challenges that come with evolving industry needs.

The Exhibitions & Museums division continues to see healthy growth in the exhibition and thematic business around the region and coupled with the line-up of contracts already secured, expects to record a reasonably good performance for FY2015.

Demand for interior design and fit-out services from the high end luxury retail segment is expected to remain soft. The Retail & Corporate Interiors division is therefore focusing its efforts to expand its presence in the affordable luxury and fast fashion brands segment as well as the food and beverage segment, as it continues to secure new international brands entering into Asia. These, together with the rise of travel retail, will continue to provide business opportunities and new market segments for the division.

As at 31 October 2015, we have secured contracts of approximately S$348 million, of which approximately S$305 million is expected to be recognised in FY2015. Barring unforeseen circumstances, we expect FY2015 to be a profitable year, with results being lower than that of FY2014, reflecting the challenging business environment.

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/recommended, a statement to that effect.

No dividend has been declared or recommended for the current financial period ended 30 September 2015.

13 If the group has obtained a general mandate from shareholders for interested person transactions, the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Listing Manual of the Singapore Exchange Securities Trading Limited. If no interested person transactions mandate has been obtained, a statement to that effect.

No interested person transaction mandate has been obtained from the shareholders of the Company. There were no interested person transactions of S$100,000 and above entered into by the Group during the current financial period ended 30 September 2015.

14 Confirmation of negative assurance by the Board of Directors pursuant to Rule 705(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

We, Soh Siak Poh Benedict and Simon Ong Chin Sim, being two of the Directors of Kingsmen Creatives Ltd. (the "Company"), do hereby confirm on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited financial results for the current financial period ended 30 September 2015 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Soh Siak Poh Benedict	Simon Ong Chin Sim
Executive Chairman	Group Managing Director

12 November 2015

BY ORDER OF THE BOARD OF DIRECTORS

Soh Siak Poh Benedict
Executive Chairman

12 November 2015