



KITCHEN CULTURE HOLDINGS LTD.

(Company Registration No: 201107179D)
(the “Company”, and together with its subsidiaries, the “Group”)

**HALF YEAR UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE (“HY”) 2013**

This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor (“Sponsor”), Canaccord Genuity Singapore Pte. Ltd. for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“SGX-ST”). Canaccord Genuity Singapore Pte. Ltd. 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 Mr Alex Tan, Chief Executive Officer, Canaccord Genuity Singapore Pte. Ltd., at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854-6160.

- 1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income statement for the Group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		
	Unaudited HY2013	Unaudited HY2012	% Change Increase/(Decrease)
	\$	\$	
Revenue	13,567,231	11,279,345	20.3
Cost of sales	(7,379,170)	(5,793,997)	27.4
Gross profit	6,188,061	5,485,348	12.8
Other income	56,788	84,645	(32.9)
Selling and distribution expenses	(3,784,423)	(3,567,722)	6.1
General and administrative expenses	(1,537,492)	(1,411,320)	8.9
Finance costs	(136,669)	(133,775)	2.2
Other expenses	(266,528)	(46,085)	478.3
Share of results of joint venture	(194,848)	-	N.M.
Profit before tax	324,889	411,091	(21.0)
Tax expense	(147,307)	(92,000)	60.1
Net profit for the period	177,582	319,091	(44.3)
Other comprehensive (loss)/ income, net of tax			
Currency translation differences, arising from consolidation	(15,470)	1,804	N.M.
Total comprehensive income for the period	162,112	320,895	(49.5)

N.M.= Not Meaningful

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

	Group		
	Unaudited HY2013	Unaudited HY2012	% Change Increase/(Decrease)
	\$	\$	
Allowance for doubtful receivables	110,274	73,986	49.0
Allowance for doubtful receivables written back	(21,674)	(93,091)	(76.7)
Bad debts written off	-	545	(100.0)
Depreciation	195,570	152,269	28.4
Gain on disposal of property, plant and equipment	-	(65,500)	(100.0)
Goodwill arising on consolidation written off	6,389	-	N.M.
Interest expense	136,669	133,775	2.2
Interest income	718	5,033	(85.7)
Inventories			
- Write-down	123,411	29,814	313.9
- Reversal of write-down	(1,933)	(44,617)	(95.7)
Loss on foreign exchange difference	805	31,197	(97.4)
Other income	56,070	14,112	297.3
Property, plant and equipment written off	4,737	-	N.M.
Under provision of tax expense in respect of prior years	307	-	N.M.

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 30.6.2013	Audited 31.12.2012	Unaudited 30.6.2013	Audited 31.12.2012
	\$	\$	\$	\$
Non-current assets				
Property, plant and equipment	1,396,966	1,458,298	-	-
Subsidiaries	-	-	1,500,005	1,500,005
Interest in joint venture	-	191,828	-	-
Long-term prepayment	-	-	-	-
	<u>1,396,966</u>	<u>1,650,126</u>	<u>1,500,005</u>	<u>1,500,005</u>
Current assets				
Inventories	15,435,416	11,995,120	-	-
Trade and other receivables	11,890,342	8,763,785	3,979,400	2,492,086
Cash and bank balances	1,393,788	3,522,815	459,661	2,234,961
	<u>28,719,546</u>	<u>24,281,720</u>	<u>4,439,061</u>	<u>4,727,047</u>
Total assets	<u>30,116,512</u>	<u>25,931,846</u>	<u>5,939,066</u>	<u>6,227,052</u>
Non-current liabilities				
Finance lease liabilities	146,191	170,090	-	-
Deferred tax liabilities	44,000	37,000	-	-
	<u>190,191</u>	<u>207,090</u>	<u>-</u>	<u>-</u>
Current liabilities				
Bank borrowings	3,646,571	4,319,353	-	-
Finance lease liabilities	51,543	56,266	-	-
Trade and other payables	7,202,661	7,130,707	163,825	293,751
Bills payable to banks	5,854,594	1,420,862	-	-
Amounts due to Directors	351,144	255,000	-	-
Tax payable	158,725	44,000	-	-
	<u>17,265,238</u>	<u>13,226,188</u>	<u>163,825</u>	<u>293,751</u>
Total liabilities	<u>17,455,429</u>	<u>13,433,278</u>	<u>163,825</u>	<u>293,751</u>
Net assets	<u>12,661,083</u>	<u>12,498,568</u>	<u>5,775,241</u>	<u>5,933,301</u>
Share capital and reserves				
Share capital	6,231,259	6,231,259	6,231,259	6,231,259
Accumulated profits/(losses)	6,418,428	6,240,846	(456,018)	(297,958)
Currency translation reserve	10,993	26,463	-	-
Equity attributable to owners of the company	<u>12,660,680</u>	<u>12,498,568</u>	<u>5,775,241</u>	<u>5,933,301</u>
Non-controlling interest	403	-	-	-
Total equity	<u>12,661,083</u>	<u>12,498,568</u>	<u>5,775,241</u>	<u>5,933,301</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 HY2013		Audited FY2012	
\$	\$	\$	\$
Secured	Unsecured	Secured	Unsecured
9,552,708	-	5,796,481	-

Amount repayable after one year

Unaudited HY2013		Audited FY2012	
\$	\$	\$	\$
Secured	Unsecured	Secured	Unsecured
146,191	-	170,090	-

Details of collateral are as follows:

Term loans

The term loans are secured by corporate guarantees from the Company.

Revolving short-term loans

Revolving short-term loans are secured by corporate guarantees from the Company.

Bills payable to banks

The bills payable to banks 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 2013, finance lease liabilities amounting to \$157,734 (31.12.2012: \$175,592) was guaranteed by the Company's Director, namely Lim Wee Li.

Note:

The above borrowings do not include advances of \$351,144 as at 30 June 2013 (31.12.2012: \$255,000) from the Company's Directors, Lim Wee Li and Lim Han Li, to fund the Group's working capital needs. The increase in the amounts due to directors by \$0.1 million were advanced to the Group's wholly-owned subsidiary in Malaysia, which was loss making in HY2013 as a result of decreasing retail revenue. These advances are unsecured and non-interest bearing.

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.

	Unaudited HY2013 \$	Group Unaudited HY2012 \$
Cash flows from operating activities		
Profit before tax	324,889	411,091
Adjustments for:		
Depreciation of property, plant and equipment	195,570	152,269
Gain on disposal of property, plant and equipment	-	(65,500)
Goodwill arising on consolidation written off	6,389	-
Interest income	(718)	(5,033)
Interest expense	136,669	133,775
Property, plant and equipment written off	4,737	-
Share of results of joint venture	194,848	-
Operating profit before working capital changes	862,384	626,602
Inventories	(3,437,923)	(258,138)
Receivables	(3,124,823)	265,599
Payables	4,491,238	(1,630,719)
Translation differences	(17,793)	5,667
Cash used in operations	(1,226,917)	(990,989)
Interest paid	(136,669)	(133,775)
Interest received	718	5,033
Tax paid	(25,582)	(242,535)
Net cash used in operating activities	(1,388,450)	(1,362,266)
Cash flows from investing activities		
Net cash inflow from acquisition of a subsidiary	970	-
Purchases of property, plant and equipment	(138,867)	(372,586)
Proceeds from disposal of property, plant and equipment	-	65,500
Net cash used in investing activities	(137,897)	(307,086)
Cash flows from financing activities		
Advance from a director	96,144	-
Dividend paid to shareholders	-	(260,000)
Drawdown of bank borrowings	420,000	2,000,000
Proceeds from issuance of new shares by a subsidiary	1,980	-
Repayment of bank borrowings	(1,092,782)	(641,613)
Repayment of advances from directors	-	(510,000)
Repayment of finance leases	(28,635)	(55,666)
Net cash (used in)/from financing activities	(603,293)	532,721

Consolidated Statement of Cash Flows (cont'd)

	Group	
	Unaudited HY2013	Unaudited HY2012
	\$	\$
Net decrease in cash and cash equivalents	(2,129,640)	(1,136,631)
Cash and cash equivalents at the beginning of the financial period	3,522,815	6,400,619
Effect of exchange rate changes on cash and bank equivalents	613	(15,527)
Cash and cash equivalents at the end of the financial period	<u>1,393,788</u>	<u>5,248,461</u>

Cash and cash equivalents comprise cash and bank balances.

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	Accumulated profits	Currency translation reserve	Total	Non-controlling Interest	Total equity
	\$	\$	\$	\$	\$	\$
As at 1 January 2013	6,231,259	6,240,846	26,463	12,498,568	-	12,498,568
Profit for the period	-	177,582	-	177,582	-	177,582
<i>Other comprehensive income for the period, net of tax</i>						
- Currency translation differences arising from consolidation	-	-	(15,470)	(15,470)	-	(15,470)
Total comprehensive income/(loss) for the period	-	177,582	(15,470)	162,112	-	162,112
Issuance of shares in a subsidiary	-	-	-	-	1,980	1,980
Non-controlling interest arising from acquisition of subsidiary	-	-	-	-	(1,577)	(1,577)
As at 30 June 2013	6,231,259	6,418,428	10,993	12,660,680	403	12,661,083
As at 1 January 2012	6,231,259	6,869,587	19,715	13,120,561	-	13,120,561
Profit for the period	-	319,091	-	319,091	-	319,091
<i>Other comprehensive income for the period, net of tax</i>						
- Currency translation differences arising from consolidation	-	-	1,804	1,804	-	1,804
Total comprehensive income for the period	-	319,091	1,804	320,895	-	320,895
Dividend	-	(260,000)	-	(260,000)	-	(260,000)
As at 30 June 2012	6,231,259	6,928,678	21,519	13,181,456	-	13,181,456

1(d)(i)

Statements of Changes in Equity

Company	Share capital \$	Accumulated (losses) \$	Total Equity \$
As at 1 January 2013	6,231,259	(297,958)	5,933,301
Net loss and total comprehensive loss for the period	-	(158,060)	(158,060)
As at 30 June 2013	<u>6,231,259</u>	<u>(456,018)</u>	<u>5,775,241</u>
As at 1 January 2012	6,231,259	397,116	6,628,375
Net loss and total comprehensive loss for the period	-	(174,920)	(174,920)
Dividend	-	(260,000)	(260,000)
As at 30 June 2012	<u>6,231,259</u>	<u>(37,804)</u>	<u>6,193,455</u>

- 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 2013		As at 30 June 2012	
	No. of shares	\$	No. of shares	\$
Issued and paid-up shares	100,000,000	6,231,259	100,000,000	6,231,259

There was no change in the Company's share capital during HY2013. There were no outstanding convertibles or treasury shares held by the Company as at 30 June 2013 and 30 June 2012.

- 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 2013	As at 31 December 2012
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.

There were no sales, transfers, disposals, cancellation and/or use of treasury shares for HY2013.

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 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 2012 ("FY2012").

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 2013, where applicable. The adoption of these standards from

the effective date did not result in material adjustments to the financial position, results of operations or cash flows of the Group for HY2013.

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	
	HY2013	HY2012
Basic and fully diluted (cents)	0.2	0.3

Basic and fully diluted earnings per share are calculated by dividing the Group's profit for the year 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	
	30.6.2013	31.12.2012	30.6.2013	31.12.2012
Net asset value per ordinary share (cents)	12.7	12.5	5.8	5.9

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

For HY2013, the Group registered revenue of \$13.6 million, an increase of 20.3% or \$2.3 million as compared to \$11.3 million for HY2012. The increase was mainly attributable to higher revenue contribution from the Residential Projects segment by 40.6% or \$3.1 million, which was partially offset by a decrease in revenue contribution from the Distribution and Retail segment by 22.6% or \$0.8 million.

Residential Projects

The Residential Projects segment accounted for 79.3% or \$10.8 million of the Group's revenue in HY2013, of which approximately \$1.9 million was attributable to revenue recognised from 7 new projects, while \$8.9 million was derived from 17 ongoing projects from the previous financial years. Comparatively, Residential Projects revenue for HY2012 amounted to \$7.6 million, of which approximately \$4.3 million was attributable to revenue recognised from 11 new projects, while \$3.3 million was derived from 13 ongoing projects from the previous financial years.

Distribution and Retail

The Distribution and Retail segment accounted for 20.7% or \$2.8 million of the Group's revenue in HY2013. The decrease in Distribution and Retail revenue by 22.6% or \$0.8 million was due to a decline by \$0.6 million and \$0.2 million recorded by the Group's operations in Singapore and Malaysia respectively, as a result of a slow-down in the retail and distribution business in these regions.

Gross Profit

In line with the higher revenue for HY2013, gross profit increased by 12.8% or \$0.7 million, from \$5.5 million in HY2012 to \$6.2 million in HY2013. Overall gross profit margin has, however, declined by 3.0 percentage points from 48.6% in HY2012 to 45.6% in HY2013 due mainly to higher cost of sales incurred for certain residential projects, and due to competitive pricing for the retail segment.

Other Income

Other income decreased by 32.9% or approximately \$28,000, from approximately \$85,000 in HY2012 to \$57,000 in HY2013. This was due mainly to a gain on disposal of a motor vehicle in HY2012 of \$66,000 whereas other income in HY2013 relate mainly to a write-back of unclaimed creditors and marketing income which amounted to an aggregate of approximately \$38,000 in HY2013.

Selling and Distribution Expenses

Selling and distribution expenses increased by 6.1% or \$0.2 million, from \$3.6 million recorded in HY2012 to \$3.8 million in HY2013.

This was mainly attributable to:

- a. Increase in staff related costs for the sales, marketing and operations staff by \$0.2 million;
- b. An increase in rental by \$0.2 million as the Group:
 - (i) leased an additional retail showroom in Singapore starting from the third quarter of FY2012;
 - (ii) leased a new corporate showroom in Singapore starting from the second quarter of FY2012;and
- (iii) incurred higher rental expense in HY2013 for warehousing space in Singapore as compared with HY2012 due to an increase in rental rates and third party warehouse charges.

The above was partially offset by decrease in travelling and entertainment expenses by \$0.2 million.

General and Administrative Expenses

General and administrative expenses increased by 8.9% or \$0.1 million, from \$1.4 million in HY2012 to \$1.5 million in HY2013.

This was mainly attributable to:

- a. Increase in depreciation and repairs and maintenance expenses by \$0.1 million as a result of renovation and refurbishment of showrooms; and
- b. Increase in salaries and related costs, insurance and staff welfare by \$0.1 million.

The above was partially offset by a decrease in legal and professional fee by \$0.1 million.

Other Expenses

Other expenses increased by 478.3% or \$0.2 million, from \$0.1 million in HY2012 to \$0.3 million in HY2013, mainly due to a decrease in the write-back of allowance for doubtful receivables as compared to HY2012 by \$0.1 million, as well as an increase in the write-down of inventories by \$0.1 million as a result of damaged and obsolete goods.

Share of Results of Joint Venture

This relates to the Group's 40% share of losses (restricted up to its investment in joint venture), from its Hong Kong joint venture which was newly started up in November 2012. The Group's share of losses amounted to approximately \$0.2 million in HY2013.

Profit Before Tax

Despite an increase in revenue and gross profit, the Group's profit before tax decreased by 21.0% or \$0.1 million, from \$0.4 million in HY2012 to \$0.3 million in HY2013. This was due mainly to higher selling and distribution expenses, general and administrative expenses and other expenses and the share of losses arising from the Group's Hong Kong joint venture.

Tax Expense

Tax expense increased by 60.1% or \$55,000, from \$92,000 in HY2012 to \$147,000 in HY2013. This was provided for based on income derived from the Group's profitable operations in Singapore, which recorded higher profit before tax in HY2013 as compared with HY2012.

Review of Statements of Financial Position of the Group

Assets

The Group's total assets increased by \$4.2 million from \$25.9 million as at 31 December 2012 to \$30.1 million as at 30 June 2013. The increase in total assets was mainly attributable to:

- a. An increase in inventories by \$3.4 million due mainly to increased purchases during HY2013 for project inventories yet to be delivered to site; and
- b. An increase in trade and other receivables by \$3.1 million due mainly to an increase in receivables and retention sum amounting to \$2.8 million and \$0.3 million respectively due mainly to sales invoices raised towards the second quarter of FY2013, which was in tandem with higher revenue recognised.

The above is partially offset by:

- c. A decrease in net carrying value of property, plant and equipment by \$0.1 million due mainly to depreciation charges amounting to \$0.2 million and partially offset by additions during HY2013 such as renovations, office equipment and motor vehicle (renewal of certificate of entitlement) which amounted to \$0.1 million;
- d. A decrease in interest in joint venture entity by \$0.2 million from the share of loss for the financial period; and
- e. A decrease in cash and bank balances of \$2.1 million.

Liabilities

The Group's total liabilities increased by \$4.1 million from \$13.4 million as at 31 December 2012 to \$17.5 million as at 30 June 2013. The increase in total liabilities was mainly attributable to:

- a. An increase in bills payable to banks by \$4.4 million which is in tandem with the increase in purchase of inventories;
- b. An increase in trade and other payables by \$0.1 million;
- c. An increase in the amounts due to directors by \$0.1 million, which are unsecured and non-interest bearing. The amounts were advanced to the Group's wholly-owned subsidiary in Malaysia, which was loss-making in HY2013 as a result of decreasing retail revenue; and
- d. An increase in tax payable by \$0.1 million.

The above is partially offset by a decrease in bank borrowings by \$0.7 million due mainly to repayment of bank loans.

Total Equity

Total equity increased by \$0.2 million from \$12.5 million as at 31 December 2012 to \$12.7 million as at 30 June 2013. The Group's net asset value per share stood at 12.7 cents as at 30 June 2013 as compared to 12.5 cents as at 31 December 2012.

Review of Consolidated Statement of Cash Flows

In HY2013, the Group's operating profit before working capital changes was \$0.9 million. The net cash used in working capital amounting to \$2.1 million was due mainly to an increase in inventories by \$3.4 million, an increase in receivables by \$3.1 million and partially offset by an increase in payables by \$4.5 million. During HY2013, the Group paid interest and income tax of \$0.2 million in aggregate. The net cash used in operating activities amounted to \$1.4 million.

In HY2013, net cash used in investing activities of \$0.1 million was due mainly to purchase of office equipment, renovation and motor vehicle of \$0.1 million.

Net cash used in financing activities of \$0.6 million in HY2013 was due mainly to drawdown of bank borrowings of \$0.4 million and an advance from a director of \$0.1 million, partially offset by repayments of bank borrowings and finance leases which amounted to an aggregate of \$1.1 million.

As a result of the above, cash and cash equivalents decreased by \$2.1 million, from \$3.5 million as at 1 January 2013 to \$1.4 million as at 30 June 2013.

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

No forecast or prospect statement has been previously disclosed to shareholders.

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 Group will continue 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. The Group will also continue to explore business opportunities, including expanding its geographical coverage.

In HY2013, the Group has entered into a licensing and dealership agreement with a third party to set up a “kitchen culture” showroom in Jakarta, Indonesia. The 5,700 sq. ft. showroom is expected to be ready within the next 12 months.

In addition, as announced on 25 June 2013, the Group, through its wholly-owned subsidiary, KHL Marketing Asia-Pacific Pte Ltd, has entered into a joint venture agreement with a third party and Eclat Office Club Pte. Ltd. to jointly undertake the business of managing a serviced office at the Group’s rented premise at Sultan-Link Building. The serviced office is expected to commence operation in FY2013.

Given the present economic outlook and uncertainty in the global economy, the business conditions in Singapore, Malaysia and Hong Kong are expected to remain challenging and competitive for the next 12 months.

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 financial period ended 30 June 2013.

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).

14. Negative confirmation pursuant to Rule 705(5)

We, Lim Wee Li and Lim Han Li, being two Directors of 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 of the Company which may render the unaudited financial results for the half year financial period ended 30 June 2013 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Lim Wee Li
Executive Chairman and CEO

Lim Han Li
Executive Director

Date: 5 August 2013