

YHS YEO HIAP SENG LIMITED

(Company Registration No. 195500138Z)

Unaudited Financial Statements and Dividend Announcement for the period ended 31 March 2014

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

1(a)(i) Consolidated Statement of Comprehensive Income

| | 3 Months | |
|--|--------------------------|---|
| | 01.01.2014 to 31.03.2014 | 01.01.2013 to 31.03.2013 (Restated)* |
| | S\$'000 | S\$'000 |
| Revenue | 111,556 | 135,632 |
| Cost of sales | (71,437) | (79,816) |
| Gross profit | 40,119 | 55,816 |
| Other income | 1,310 | 612 |
| Other gains - net | 3,199 | 2,104 |
| Expenses | | |
| - Advertising and promotion | (10,869) | (10,120) |
| - Marketing | (172) | (1,162) |
| - Selling and distribution | (18,089) | (18,620) |
| - Administrative | (6,463) | (5,732) |
| - Finance | (16) | (36) |
| Share of profit/(loss) of associated companies | 281 | (13) |
| Profit before income tax | 9,300 | 22,849 |
| Income tax expense | (1,952) | (3,091) |
| Net profit attributable to equity holders of the Company | 7,348 | 19,758 |
| Other comprehensive (losses)/income: | | |
| Available-for-sale financial assets | | |
| - Fair value (losses)/gains | (21,103) | 47,279 |
| - Reclassification | (1,978) | (1,274) |
| Revaluation gain on property, plant and equipment | - | 1,322 |
| Currency translation (losses)/gains arising from consolidation | (866) | 1,268 |
| Other comprehensive (losses)/income for the period, net of tax | (23,947) | 48,595 |
| Total comprehensive (losses)/income attributable to equity holders of the Company | (16,599) | 68,353 |

* Restated : Prior year comparatives are restated due to the voluntary change of accounting policy for measurement of land and buildings classified under property, plant and equipment from revaluation model to cost model, which was applied retrospectively on 1 April 2013. Please refer to Annual Report 2013 Note 2.1 for more details.

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

Net profit for the period is derived after (crediting)/charging the following:

| | 3 Months | |
|--|--------------------------------|--------------------------------|
| | 01.01.2014 to 31.03.2014 | 01.01.2013 to 31.03.2013 |
| | S\$'000 | S\$'000 |
| <u>Revenue</u> | | |
| Dividend income from available-for-sale financial assets | (7) | (7) |
| <u>Cost of sales</u> | | |
| Depreciation | 1,214 | 815 |
| Write-down of inventories, net | 1,858 | 359 |
| <u>Marketing expense</u> | | |
| Depreciation | 3 | 1 |
| <u>Selling and distribution expense</u> | | |
| Depreciation | 895 | 616 |
| Write-back of impairment of trade receivables, net | (97) | (62) |
| <u>Administrative expense</u> | | |
| Depreciation | 248 | 510 |
| <u>Other gains - net</u> | | |
| Impairment loss on property, plant and equipment | 369 | - |
| Property, plant and equipment written-off | 21 | 22 |
| Fair value gains on available-for-sale financial assets reclassified from other comprehensive income on disposal | (1,978) | (1,274) |
| Fair value gains on financial assets, at fair value through profit or loss | (5) | (76) |
| Currency translation gain - net | (1,515) | (395) |
| Gain on disposal of property, plant and equipment | (69) | (1) |
| <u>Other income</u> | | |
| Interest income | (106) | (96) |
| <u>Finance expense</u> | | |
| Interest expense on bank borrowings | 16 | 36 |
| <u>Income tax</u> | | |
| Over provision of tax in respect of prior years | (85) | (83) |

1(b) Balance Sheets

| | Group | | Company | |
|---|---------------------|---------------------|---------------------|---------------------|
| | As at 31.03.2014 | As at 31.12.2013 | As at 31.03.2014 | As at 31.12.2013 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| ASSETS | | | | |
| Current assets | | | | |
| Cash and cash equivalents | 177,688 | 189,632 | 95,831 | 104,237 |
| Financial assets, at fair value through profit or loss | 3,846 | - | - | - |
| Trade and other receivables | 68,841 | 73,557 | 62,919 | 55,666 |
| Inventories | 63,341 | 68,667 | - | - |
| Current income tax recoverable | 1,616 | 1,155 | - | - |
| Other current assets | 21,481 | 13,429 | 68 | 68 |
| | 336,813 | 346,440 | 158,818 | 159,971 |
| Non-current assets | | | | |
| Available-for-sale financial assets | 226,928 | 250,371 | 360 | 360 |
| Loans to subsidiaries | - | - | 152,102 | 152,008 |
| Investments in associated companies | 5,516 | 5,326 | - | - |
| Investments in subsidiaries | - | - | 305,875 | 305,875 |
| Investment properties | 99,159 | 99,727 | 67,656 | 63,631 |
| Property, plant and equipment | 159,873 | 154,705 | 739 | 763 |
| Deferred income tax assets | 3,105 | 3,415 | - | - |
| | 494,581 | 513,544 | 526,732 | 522,637 |
| Total assets | 831,394 | 859,984 | 685,550 | 682,608 |
| LIABILITIES | | | | |
| Current liabilities | | | | |
| Trade and other payables | 86,565 | 95,879 | 161,697 | 160,338 |
| Current income tax liabilities | 5,534 | 4,934 | 261 | 238 |
| Borrowings | 3,708 | 7,036 | - | - |
| | 95,807 | 107,849 | 161,958 | 160,576 |
| Non-current liabilities | | | | |
| Borrowings | 6,400 | 7,000 | - | - |
| Provisions for other liabilities and charges | 2,474 | 2,411 | - | - |
| Deferred income tax liabilities | 6,730 | 6,227 | 3,322 | 3,283 |
| Other non-current liabilities | 33 | 33 | - | - |
| | 15,637 | 15,671 | 3,322 | 3,283 |
| Total liabilities | 111,444 | 123,520 | 165,280 | 163,859 |
| NET ASSETS | 719,950 | 736,464 | 520,270 | 518,749 |
| EQUITY | | | | |
| Capital and reserves attributable to equity holders of the Company | | | | |
| Share capital | 219,511 | 219,188 | 219,511 | 219,188 |
| Capital reserve | 6,066 | 6,066 | - | - |
| Other reserves | 138,073 | 162,258 | 356 | 594 |
| Retained profits | 356,300 | 348,952 | 300,403 | 298,967 |
| TOTAL EQUITY | 719,950 | 736,464 | 520,270 | 518,749 |

1(b) Balance Sheets (continued)

1(b)(i) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

| As at 31.03.2014 | | As at 31.12.2013 | |
|------------------|-----------|------------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 1,309 | 2,399 | 1,636 | 5,400 |

Amount repayable after one year but before five years

| As at 31.03.2014 | | As at 31.12.2013 | |
|------------------|-----------|------------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| - | 6,400 | - | 7,000 |

Details of any collateral

Short-term bank loan of the Group totalling \$1,309,000 (2013: \$1,636,000) is secured by a first mortgage over an investment property of a subsidiary.

1(c) Consolidated Statement of Cash Flows

| | 3 Months ended | |
|--|----------------|---------------------------|
| | 31.03.2014 | 31.03.2013 (Restated)* |
| | S\$'000 | S\$'000 |
| Cash flows from operating activities | | |
| Net profit for the period | 7,348 | 19,758 |
| Adjustments for : | | |
| Income tax expense | 1,952 | 3,091 |
| Depreciation of property, plant and equipment | 2,360 | 1,942 |
| Dividend income from available-for-sale financial assets | (7) | (7) |
| Share-based payment expense | 85 | 26 |
| Property, plant and equipment written-off | 21 | 22 |
| Unrealised currency translation differences | 183 | (571) |
| Gain on disposal of property, plant and equipment | (69) | (1) |
| Fair value gains on financial assets, at fair value through profit or loss | (5) | (76) |
| Fair value gains on available-for-sale financial assets reclassified from other comprehensive income on disposal | (1,978) | (1,274) |
| Interest expense | 16 | 36 |
| Interest income | (106) | (96) |
| Provision for retirement benefits | 74 | 76 |
| Impairment loss on property, plant and equipment | 369 | - |
| Share of (profit)/loss of associated companies | (281) | 13 |
| | 9,962 | 22,939 |
| Change in working capital : | | |
| Trade and other receivables | 4,716 | 3,485 |
| Inventories | 5,326 | 8,051 |
| Development properties | - | 10,876 |
| Other current assets | 3,089 | (5,245) |
| Trade and other payables | (9,314) | 5,973 |
| Cash generated from operations | 13,779 | 46,079 |
| Income tax paid | (979) | (859) |
| Retirement benefits paid | (15) | (18) |
| Net cash provided by operating activities | 12,785 | 45,202 |

1(c) Consolidated Statement of Cash Flows (continued)

| | 3 Months ended | |
|---|-----------------|---------------------------|
| | 31.03.2014 | 31.03.2013 (Restated)* |
| | S\$'000 | S\$'000 |
| Cash flows from investing activities | | |
| Dividends received from available-for-sale financial assets | 7 | 7 |
| Proceeds from disposal of property, plant and equipment | 195 | 4 |
| Proceeds from disposal of available-for-sale financial assets | 2,340 | 1,976 |
| Purchases of property, plant and equipment | (8,451) | (6,829) |
| Deposits paid for property, plant and equipment | (11,141) | - |
| Purchases of financial assets, at fair value through profit or loss | (3,841) | (4,012) |
| Interest received | 106 | 96 |
| Net cash used in investing activities | (20,785) | (8,758) |
| Cash flows from financing activities | | |
| Interest paid | (16) | (36) |
| Repayments of borrowings | (3,928) | (3,358) |
| Proceeds from borrowings | - | 3,000 |
| Acquisition of non-controlling interests in a subsidiary | - | (85,121) |
| Net cash used in financing activities | (3,944) | (85,515) |
| Net decrease in cash and cash equivalents | (11,944) | (49,071) |
| Cash and cash equivalents at the beginning of the financial period | 189,632 | 181,496 |
| Cash and cash equivalents at the end of the financial period | 177,688 | 132,425 |
| Represented by: | | |
| Cash at bank and on hand | 89,317 | 132,425 |
| Fixed deposits with financial institutions | 88,371 | - |
| Cash and cash equivalents as per balance sheet and above | 177,688 | 132,425 |

1(d)(i) Consolidated Statement of Changes in Equity

For the financial period ended 31 March 2014

| | Attributable to equity holders of the Company | | | | | | | | Total \$'000 | Non- controlling interests \$'000 | Total equity \$'000 |
|--|---|------------------------------|--|------------------------------------|---|------------------------------|---|-------------------------------|-----------------|--|---------------------------|
| | Share capital \$'000 | Capital reserve \$'000 | Property revaluation reserve \$'000 | Fair value reserve \$'000 | Foreign currency translation reserve \$'000 | General reserve \$'000 | Share-based payment reserve \$'000 | Retained profits \$'000 | | | |
| Balance at 1 January 2014 | 219,188 | 6,066 | 18,919 | 218,374 | (38,239) | (37,250) | 454 | 348,952 | 736,464 | - | 736,464 |
| Employee share-based compensation scheme | | | | | | | | | | | |
| - Value of employee services | - | - | - | - | - | - | 85 | - | 85 | - | 85 |
| - Issue of new shares | 323 | - | - | - | - | - | (323) | - | - | - | - |
| Total comprehensive loss for the period | - | - | - | (22,591) | (866) | (490) | - | 7,348 | (16,599) | - | (16,599) |
| Balance at 31 March 2014 | 219,511 | 6,066 | 18,919 | 195,783 | (39,105) | (37,740) | 216 | 356,300 | 719,950 | - | 719,950 |

For the financial period ended 31 March 2013

| | Attributable to equity holders of the Company | | | | | | | | Total \$'000 | Non- controlling interests \$'000 | Total equity \$'000 |
|--|---|------------------------------|--|------------------------------------|---|------------------------------|---|-------------------------------|-----------------|--|---------------------------|
| | Share capital \$'000 | Capital reserve \$'000 | Property revaluation reserve \$'000 | Fair value reserve \$'000 | Foreign currency translation reserve \$'000 | General reserve \$'000 | Share-based payment reserve \$'000 | Retained profits \$'000 | | | |
| Balance at 1 January 2013 | 218,865 | 6,066 | 17,597 | 189,806 | (40,183) | 1,088 | 453 | 267,058 | 660,750 | 49,441 | 710,191 |
| Employee share-based compensation scheme | | | | | | | | | | | |
| - Value of employee services | - | - | - | - | - | - | 26 | - | 26 | - | 26 |
| - Issue of new shares | 277 | - | - | - | - | - | (277) | - | - | - | - |
| Acquisition of non-controlling interests in a subsidiary | - | - | - | - | - | (35,680) | - | - | (35,680) | (49,441) | (85,121) |
| Total comprehensive income for the period | - | - | 1,322 | 46,005 | 1,268 | - | - | 19,758 | 68,353 | - | 68,353 |
| Balance at 31 March 2013 | 219,142 | 6,066 | 18,919 | 235,811 | (38,915) | (34,592) | 202 | 286,816 | 693,449 | - | 693,449 |

1(d)(i) Statement of Changes in Equity of the Company

For the financial period ended 31 March 2014

| | Share capital | Fair value reserve | Share-based payment reserve | Retained profits | Total |
|---|---------------|--------------------|-----------------------------|------------------|---------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance at 1 January 2014 | 219,188 | 140 | 454 | 298,967 | 518,749 |
| Employee share-based compensation scheme | | | | | |
| - Value of employee services | - | - | 85 | - | 85 |
| - Issue of new shares | 323 | - | (323) | - | - |
| Total comprehensive income for the period | - | - | - | 1,436 | 1,436 |
| Balance at 31 March 2014 | 219,511 | 140 | 216 | 300,403 | 520,270 |

For the financial period ended 31 March 2013

| | Share capital | Fair value reserve | Share-based payment reserve | Retained profits | Total |
|---|---------------|--------------------|-----------------------------|------------------|---------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance at 1 January 2013 | 218,865 | 7,637 | 453 | 195,089 | 422,044 |
| Employee share-based compensation scheme | | | | | |
| - Value of employee services | - | - | 26 | - | 26 |
| - Issue of new shares | 277 | - | (277) | - | - |
| Total comprehensive income for the period | - | 198 | - | 4,164 | 4,362 |
| Balance at 31 March 2013 | 219,142 | 7,835 | 202 | 199,253 | 426,432 |

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 year reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

| | 3 months ended 31.03.2014 |
|--|------------------------------|
| Issued and fully paid ordinary shares ('000): | |
| As at beginning of period | 574,328 |
| Issue during the period | |
| - pursuant to the grant of awards under employee share-based compensation scheme | 200 |
| As at end of period | 574,528 |

The Company does not have any convertibles.

1(d)(iii) To show number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer as at end of the current financial period and as at end of the immediately preceding year.

The Company does not have any treasury shares.

1(d)(iv) To show the total number of issued shares excluding treasury shares as at end of the current financial period and as at end of the immediately preceding year:-

| | 31.03.2014 | 31.12.2013 |
|--|------------|------------|
| Number of issued shares excluding treasury shares ('000) | 574,528 | 574,328 |

1(d)(v) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 31 March 2014 (31 December 2013: Nil).

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.

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.**

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current reporting year compared with the audited financial statements for the year ended 31 December 2013.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Earnings per ordinary share of the Group

| | Group | |
|--|---|---|
| | 3 Months | |
| | 01.01.2014 To 31.03.2014 | 01.01.2013 To 31.03.2013 (Restated)* |
| Earnings per ordinary share for the period based on net profit attributable to equity holders of the Company during the period:- | | |
| (a) Based on weighted average number of ordinary shares in issue (cents) | 1.28 | 3.44 |
| (b) On a fully diluted basis (cents) | 1.28 | 3.44 |
| Weighted average number of ordinary shares in issue for calculation of basic earnings per share ('000) | 574,484 | 574,293 |
| Weighted average number of ordinary shares in issue for calculation of diluted earnings per share ('000) | 574,548 | 574,471 |

* Restated : Prior year comparatives are restated due to the voluntary change of accounting policy for measurement of land and buildings classified under property, plant and equipment from revaluation model to cost model, which was applied retrospectively on 1 April 2013. Please refer to Annual Report 2013 Note 2.1 for more details.

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 | |
|---|------------|------------|------------|------------|
| | 31.03.2014 | 31.12.2013 | 31.03.2014 | 31.12.2013 |
| | Cents | Cents | Cents | Cents |
| Net asset value per ordinary share based on total number of issued shares excluding treasury shares as at the end of the reporting period | 125.31 | 128.23 | 90.56 | 90.32 |

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.

8(a) **Year to Date Results - 3 Months ended 31 March 2014 vs. 3 Months ended 31 March 2013**

Food and Beverage division performance

The Food and Beverage ("F&B") revenue increased by 0.9% to \$111.56 million for the financial period ended 31 March 2014 as compared to \$110.56 million recorded in the corresponding financial period last year. The F&B division gross profit decreased by 5.5% to \$37.64 million for the financial period ended 31 March 2014 as compared to \$39.84 million recorded in the corresponding financial period last year. This is mainly due to higher inventory written off and higher utilities expense, depreciation and repair and maintenance expenses in the current period.

Overall, the F&B division recorded a lower net profit after tax attributable to equity holders of the Company of \$4.32 million in the current financial period as compared to net profit after tax of \$5.56 million in corresponding financial period last year mainly due to:

- Lower gross profit of \$2.19 million; and
- Higher advertising and promotion expenses of \$0.31 million incurred mainly due to increased promotion activities carried out by subsidiaries in China;

The decreases were partially offset by:

- Lower selling and distribution expenses of \$0.41 million incurred mainly due to lower expenses incurred in Singapore which is in line with lower sales as well as lower employee related costs in Malaysia;
- Higher foreign currency translation gain of \$1.10 million mainly due to depreciation of Malaysia Ringgit against Indonesia Rupiah.

Property division performance

There were no property related activities incurred in the current period since the sale of the last remaining residential property in December 2013.

**8(a) Year to Date Results - 3 Months ended 31 March 2014 vs. 3 Months ended 31 March 2013
(continued)**

Group performance

The Group's net profit after tax attributable to equity holders of the Company decreased by \$12.41 million to \$7.35 million in the current financial period as compared to \$19.76 million recorded in the corresponding financial period last year. This was mainly due to absence of \$11.57 million net profit from Property division, \$1.24 million lower net profit from F&B division, partially offset by \$0.71 million higher fair value gains derived from disposal of available-for-sale financial assets.

8(b) Balance Sheets – 31 March 2014 vs. 31 December 2013

Group

Cash and cash equivalents decreased by \$11.94 million from \$189.63 million as at 31 December 2013 to \$177.69 million as at 31 March 2014. The decrease was mainly due to deposits paid for land purchases in Indonesia in the current period.

Other current assets increased by \$8.05 million from \$13.43 million as at 31 December 2013 to \$21.48 million as at 31 March 2014. The increase was largely due to \$11.14 million deposits paid for land purchases in Indonesia partially offset by \$2.97 million refund of deposit due to cancellation of bank guarantee for property development.

Available-for-sale financial assets decreased by \$23.44 million from \$250.37 million as at 31 December 2013 to \$226.93 million as at 31 March 2014 due to fair value loss as well as disposal of a quoted investment in the current financial period.

Property, plant and equipment increased by \$5.16 million from \$154.71 million as at 31 December 2013 to \$159.87 million as at 31 March 2014. The increase was mainly due to purchases of \$8.45 million of property, plant and equipment in the current financial period, partially offset by current period's depreciation charge of \$2.36 million, and impairment of plant and machinery of \$0.37 million.

Trade and other payables decreased by \$9.31 million from \$95.88 million as at 31 December 2013 to \$86.57 million as at 31 March 2014. The decrease was largely due to lower purchases of raw materials and trading goods, lower accruals for sale tax as well as settlement of other payables for capital expenditure.

Company

Cash and cash equivalents decreased by \$8.41 million from \$104.24 million as at 31 December 2013 to \$95.83 million as at 31 March 2014 mainly due to \$5.00 million advance to a subsidiary, and \$4.02 million additions to investment properties. As a result, trade and other receivables increased from \$55.67 million as at 31 December 2013 to \$62.92 million as at 31 March 2014 and investment properties increased from \$63.63 million as at 31 December 2013 to \$67.66 million as at 31 March 2014.

8(c) Statement of Cash Flows

Year to Date - 3 Months ended 31 March 2014 vs. 3 Months ended 31 March 2013

The Group registered a net decrease in cash and cash equivalents of \$11.94 million for the quarter ended 31 March 2014.

Net operating cash inflow for the Group was \$12.79 million, of which \$6.30 million was contributed by F&B division and \$6.49 million was contributed by the Property division. Cash inflow from property division was mainly due to \$3.93 million collection made on property sold and \$2.97 million refund of deposit for bank guarantee.

Net cash outflow from investing activities of \$20.79 million was mainly due to \$8.45 million purchases of property, plant and equipment, \$11.14 million deposits paid for land purchase in Indonesia and \$3.84 million purchases of financial assets, at fair value through profit or loss, partially offset by \$2.34 million proceeds from sale of available-for-sale financial assets.

Net cash outflow from financing activities of \$3.94 million was mainly due to repayment of bank borrowings.

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 year and the next 12 Months .

The continued increase in raw material prices and energy costs, coupled with continued pressure on sales and selling prices due to intense competition will put pressure on the Group's earnings for the Food and Beverage division. Nevertheless, the Group expects its 2014 earnings for Food and Beverage to be satisfactory.

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate movements, cost of capital and capital availability, competition from other companies and venues for sale/manufacture/distribution of goods and services, shift in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events

11. Contingent Liability

None.

12. 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 Period

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.

13. If no dividend has been declared/recommendeded, a statement to that effect.

No dividend is recommended for the financial period reported on.

14. Interested Person Transactions

The Company does not have a shareholders' mandate for interested person transactions.

BY ORDER OF THE BOARD

Lim Swee Lee Joanne
Company Secretary
25 April 2014

STATEMENT PURSUANT TO RULE 705(4) OF THE LISTING MANUAL

The directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited financial statements for the period ended 31 March 2014 to be false or misleading in any material respect.

On behalf of the Directors



TJONG YIK MIN
Director

25 April 2014



KOH BOON HWEE
Director