



Unaudited Full Year Financial Statement And Dividend Announcement for the Year Ended 30/06/2014

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

1(a) **A statement of comprehensive income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

(a)(i)	Group \$'000 30-Jun-14	Group \$'000 30-Jun-13	+ / (-) %
Revenue	27,622	28,141	-1.8%
Cost of sales	(14,255)	(14,897)	-4.3%
Gross profit	13,367	13,244	0.9%
Other operating income	503	313	60.7%
Distribution costs	(3,710)	(3,639)	2.0%
Administrative expenses	(7,857)	(7,528)	4.4%
Gain from fair value adjustment of investment properties	-	3,375	-100.0%
Other operating expenses	(617)	(788)	-21.7%
Finance costs	(4)	(3)	33.3%
Share of results of associates	35	50	-30.0%
Profit before income tax	1,717	5,024	-65.8%
Income tax expense	(139)	(100)	39.0%
Profit for the year	1,578	4,924	-68.0%
Other comprehensive income (loss):			
Items that may be reclassified subsequently to profit or loss			
fair value gain (loss) on available-for-sale investments	13	(55)	123.6%
Exchange differences arising on translation of foreign subsidiaries	1	(6)	116.7%
Other comprehensive (loss) income for the year	14	(61)	123.0%
Total comprehensive income for the year	1,592	4,863	-67.3%

(a)(ii) **Notes to the Other disclosure items included in the above statement**

	GROUP \$'000 30-Jun-14	GROUP \$'000 30-Jun-13
Other income including interest income	503	313
Interest on borrowings	(4)	(3)
Depreciation and amortisation	(550)	(468)
Allowance for doubtful debts - trade receivables	(61)	(190)
Allowance for inventories	(65)	(124)
Reversal of allowance for doubtful debts - associate	-	3
Foreign exchange loss	(44)	(22)

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 \$'000 30-Jun-14	GROUP \$'000 30-Jun-13	COMPANY \$'000 30-Jun-14	COMPANY \$'000 30-Jun-13
ASSETS				
Current Assets				
Cash and cash equivalents	10,827	8,128	9,574	6,278
Trade receivables	1,248	1,907	641	915
Amount due from related companies, associates and related parties	-	-	150	663
Other receivables and prepayments	397	929	164	724
Inventories	3,269	2,544	1,689	1,427
Total Current Assets	15,741	13,508	12,218	10,007
Non - Current Assets				
Subsidiaries	-	-	3,075	3,011
Associates	1,825	1,890	1,000	1,000
Club membership	165	173	165	173
Available-for-sale investments	1,244	3,181	1,244	3,181
Plant and equipments	1,640	1,144	1,083	827
Investment properties	15,975	15,945	15,975	15,945
Total Non - Current Assets	20,849	22,333	22,542	24,137
Total Assets	36,590	35,841	34,760	34,144
LIABILITIES AND EQUITY				
Current Liabilities				
Trade payables	669	543	366	365
Amount due to related companies, associates and related parties	53	55	993	1,002
Other payables	2,218	2,091	1,470	1,366
Income tax payable	149	27	128	6
Total Current Liabilities	3,089	2,716	2,957	2,739
Non-Current Liability				
Other payables	294	-	209	-
Deferred tax liability	167	140	119	107
Total Non-Current Liabilities	461	140	328	107
Capital and Reserves				
Share capital	10,251	10,251	10,251	10,251
Currency translation deficit	(136)	(137)	-	-
Fair value adjustment	54	41	54	41
Accumulated profits	22,871	22,830	21,170	21,006
Total Equity	33,040	32,985	31,475	31,298
Total Liabilities and Equity	36,590	35,841	34,760	34,144

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

Not applicable.

1(c) **A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	GROUP \$'000 30-Jun-14	GROUP \$'000 30-Jun-13
Operating activities:		
Profit before income tax	1,717	5,024
Adjustments for:		
Share of result of associates	(35)	(50)
Impairment loss on club membership	8	23
Depreciation expense	550	468
Write off of plant and equipment	7	-
Loss on sale of available-for-sale investment	10	-
Dividend income	(90)	(146)
Interest income	(31)	(22)
Gain from fair value adjustments of investment properties	-	(3,375)
Allowance for doubtful debts - trade receivables	61	190
Reversal of allowance for doubtful debts - associate	-	(3)
Allowance for inventories	65	124
Exchange difference arising on foreign currency translation	1	(6)
Loss (Gain) on disposal of plant and equipment - net	10	(2)
Operating cash flows before movements in working capital	2,273	2,225
Trade receivables	598	(746)
Other receivables and prepayments	532	(375)
Inventories	(790)	247
Amount due from associates and related parties - net	(2)	(1)
Trade payables	126	(7)
Other payables	391	356
Cash generated from operations	3,128	1,699
Interest received	31	22
Income tax refund (paid)	10	(178)
Net cash from operating activities	3,169	1,543
Investing activities		
Purchase of available-for-sale investment	(500)	(500)
Proceeds on sales of available-for-sale investments	2,440	-
Dividend income	90	146
Dividend income received from associate	100	-
Additions on investment property	-	(197)
Proceeds on disposal of plant and equipment	-	4
Purchase of plant and equipment	(1,063)	(622)
Net cash from (used in) investing activities	1,067	(1,169)
Financing activities		
Dividend paid representing net cash used in financing activity	(1,537)	(1,332)
Net increase (decrease) in cash and cash equivalents	2,699	(958)
Cash and cash equivalents at beginning of year	8,128	9,086
Cash and cash equivalents at end of year	10,827	8,128
Cash and cash equivalents consist of :		
Cash and bank balances	7,719	6,620
Fixed deposits	3,108	1,508
Total	10,827	8,128

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 \$'000	Currency Translation Reserve \$'000	Fair Value Adjustment (Deficit) Surplus \$'000	Accumulated Profits \$'000	Total \$'000
Lastest Period					
Balance as at July 1, 2013	10,251	(137)	41	22,830	32,985
Total comprehensive income for the year	-	1	13	1,578	1,592
Dividends paid	-	-	-	(1,537)	(1,537)
Balance as at June 30, 2014	<u>10,251</u>	<u>(136)</u>	<u>54</u>	<u>22,871</u>	<u>33,040</u>
Previous Corresponding Period					
Balance as at July 1, 2012	10,251	(131)	96	19,238	29,454
Total comprehensive income for the year	-	(6)	(55)	4,924	4,863
Dividends paid	-	-	-	(1,332)	(1,332)
Balance as at June 30, 2013	<u>10,251</u>	<u>(137)</u>	<u>41</u>	<u>22,830</u>	<u>32,985</u>

Company	Share Capital \$'000	Fair Value Adjustment (Deficit) Surplus \$'000	Accumulated Profits \$'000	Total \$'000
Lastest Period				
Balance as at July 1, 2013	10,251	41	21,006	31,298
Total comprehensive income for the year	-	13	1,701	1,714
Dividends paid	-	-	(1,537)	(1,537)
Balance as at June 30, 2014	<u>10,251</u>	<u>54</u>	<u>21,170</u>	<u>31,475</u>
Previous Corresponding Period				
Balance as at July 1, 2012	10,251	96	17,559	27,906
Total comprehensive income for the year	-	(55)	4,779	4,724
Dividends paid	-	-	(1,332)	(1,332)
Balance as at June 30, 2013	<u>10,251</u>	<u>41</u>	<u>21,006</u>	<u>31,298</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 immediate preceding financial year.**

	Number of shares	Paid-up Capital S\$
Balance at 30 June 2013	<u>102,476,024</u>	<u>10,251,458</u>
Balance at 30 June 2014	<u>102,476,024</u>	<u>10,251,458</u>

The Company does not have any share option scheme in place after the expiry of the last share option as at 30 June 2014.

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.**

The total number of issued ordinary shares excluding treasury shares as at 30 June 2014 was 102,476,024. (30 June 2013: 102,476,024)

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

The Company has no treasury shares. There were no sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

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

The figures have not been audited and reviewed.

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 Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year compared with those of the audited financial statements ended 30 June 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.

On July 1, 2013, the Group adopted all the new and revised Singapore Financial Reporting standard ("FRSs") and Interpretations of FRS ("INT FRS") that are effective from that date and are relevant to its operations. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior years except for FRS 113 Fair Value Measurements.

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

	Group 30-Jun-14	Group 30-Jun-13
Earning per ordinary share for the year : -		
(i) Based on weighted average number of ordinary shares in issued	1.54 cents	4.81 cents
(ii) On a fully diluted basis	1.54 cents	4.81 cents

Note to item (6i) :

Earnings per share is calculated based on the weighted average number of 102,476,024 (30 Jun 13: 102,476,024) ordinary shares in issue.

The basic and fully diluted earnings per ordinary share are the same as the Group did not have any potential dilutive ordinary share outstanding as at 30 June 2014.

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 period reported on; and
 (b) immediately preceding financial year**

	As at 30-Jun-14 Cents	As at 30-Jun-13 Cents
Group	32.24	32.19
Company	30.71	30.54

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.

Statement of comprehensive income

The Group's revenue was 1.8% lower at \$27.6 million from \$28.1 million in last financial year ended 30 June 2013.

Other Operating income increased by \$0.2 million mainly from grants received from government agencies.

The Group's total operating expenses increased by \$0.2 million to \$12.2 million from \$12.0 million last year. This is mainly due to one-time office relocation cost.

The Group's operating profit after tax, before any fair value adjustment, increased marginally by \$0.03 million or 1.9% from \$1.55 million in FY2013 to \$1.58 million in FY2014.

Balance Sheet

Significant variances for balance sheets items are explained as follows:

- (a) the lower trade receivables is mainly due to better collection achieved and decrease in revenue.
- (b) Other receivables and prepayments decreased by \$0.5 million mainly due to :
 - i. Recognition of advance payment made in FY2013 to trade supplier for inventories purchased during the year.
 - ii. Recovery of rental deposits
- (c) increase in inventories by \$0.7 million mainly due to larger volume purchases to enjoy savings.
Inventories purchased are durable.
- (d) Available-for-sale investments decreased by \$2.0 million largely due to redemption of the financial assets during the year.
- (e) Plant and machinery increased by \$0.5 million mainly due to capitalisation of renovation costs of the new office premises

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

The financial performance of the Group for FY2014 is in line with the previous results announcement made on 10 February 2014.

10 **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

With reference to the announcement made on 30 June 2014, the Company has been awarded contract from the National Population & Talent Division, Prime Minister's Office (NPTD) for supply, design and distribution of gift.

Barring any unforeseen circumstances, the Group expects the next 6 months to be better than 1H FY2014. In addition the Group expects the next 12 months to be profitable.

11 **Dividend**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	First & Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.3 cent per ordinary share
Tax Rate	One-Tier Tax-Exempt

Name of Dividend	Special dividend
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.2 cent per ordinary share
Tax Rate	One-Tier Tax-Exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	First & Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.3 cent per ordinary share
Tax Rate	One-Tier Tax-Exempt
Date of payment	14 November 2013

Name of Dividend	Special dividend
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.2 cent per ordinary share
Tax Rate	One-Tier Tax-Exempt
Date of payment	14 November 2013

(c) Date payable

To be announced later.

(d) Books closure date

To be announced later.

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

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

- 13 **If the Company has obtained a general mandate from shareholders for interested person transaction (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 Company has not obtained an IPT mandate from shareholders. It does not have any interested person transaction (excluding transaction less than \$100,000) in the financial year ended 30 June 2014 that is discloseable under Rule 920(1)(a)(ii) of the SGX-ST Listing Manual.

- 14 **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.**

(a) Business Segments

The Group is organised into two main operating divisions, namely gifts and properties.

	Gifts \$'000		Properties \$'000		Group \$'000	
	30-Jun-14	30-Jun-13	30-Jun-14	30-Jun-13	30-Jun-14	30-Jun-13
PROFIT AND LOSS STATEMENT						
Revenue	27,127	27,780	495	361	27,622	28,141
Results:						
Segment result	1,107	1,317	224	90	1,331	1,407
Other operating Income	367	97	21	21	388	118
Gain on fair value adjustment of investment properties	-	-	-	3,375	-	3,375
Finance cost	(4)	(3)	-	-	(4)	(3)
Share of results of associates	-	-	35	50	35	50
Unallocated operating income					115	195
Unallocated expenses					(148)	(118)
Profit before income tax					1,717	5,024
Income tax expense					(139)	(100)
Profit after income tax					1,578	4,924

Other information:

Capital expenditure on plant and equipment and investment properties	1,063	559	0	260	1,063	819
Depreciation and amortisation	520	440	30	28	550	468

(b) Geographical segments

The Group's two business segments are managed on a regional basis through two main geographical areas, namely Singapore and Asia.

	Revenue		Assets		Capital expenditure	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Singapore	25,779	25,953	35,799	34,951	1,012	776
Asia	1,843	2,188	791	890	51	43
Total	27,622	28,141	36,590	35,841	1,063	819

15 **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Apart from the comments made under section 8, there are no other factors leading to material changes.

16 **A breakdown of sales**

	Group \$'000 2014	Group \$'000 2013	% increase/ (decrease)
(a) Sales reported for first half year	10,206	10,522	-3.0%
(b) Operating profit after tax before deducting minority interests reported for first half year	(419)	3	n/m
(c) Sales reported for second half year	17,416	17,619	-1.2%
(d) Operating profit after tax before deducting minority interests reported for second half year	1,997	4,923	-59.4%

n/m = not meaningful

17 **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

	Latest Full Year \$'000	Previous Full Year \$'000
Ordinary Shares	<u>1,537</u>	<u>1,332</u>

18 **Report of persons occupying managerial positions who are related to a director, CEO or substantial shareholders.**

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Alfred Wong Siu Hong	61	Brother of Wong Phui Hong (non-executive Director) and spouse of Lim Julian (Substantial Shareholder)	Managing Director since 1983	NIL
Wong Lai Kuan, Kim	34	Daughter of Mr Wong Siu Hong (Managing Director & substantial shareholder)	Marketing Manager - Oversee marketing function of the subsidiary Company ie Humming Flowers & Gifts Pte Ltd	NIL

BY ORDER OF THE BOARD

Wong Phui Hong
 Company Secretary

28 August 2014