



Unaudited Half Year Financial Statement And Dividend Announcement for the Period Ended 31 December 2014

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

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

	Group \$'000 1H 31 Dec 14	Group \$'000 1H 31 Dec 13	Increase / (decrease) %
Revenue	10,207	10,206	0.0
Cost of sales	(4,940)	(5,043)	(2.0)
Gross profit	5,267	5,163	2.0
Other operating income	2,478	202	n/m
Distribution costs	(1,687)	(1,761)	(4.2)
Administrative expenses	(3,787)	(3,716)	1.9
Other operating expenses	(237)	(312)	(24.0)
Share of results of associates (net of tax)	-	15	(100.0)
Profit (Loss) before income tax	2,034	(409)	n/m
Income tax	-	(10)	(100.0)
Profit (Loss) after income tax	2,034	(419)	n/m
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign subsidiaries	7	5	40.0
Fair value loss on available-for-sale investments			
Loss arising during the year	(14)	(2)	n/m
Rereclassification to profit or loss from equity on disposal of available-for-sale investments	-	(13)	(100.0)
Other comprehensive income for the period	(7)	(10)	(30.0)
Total comprehensive income for the period	2,027	(429)	(572.5)

n/m - Not meaningful

- 1(a)(ii) **Notes to Income Statement**
Other disclosure items included in the above statement

	GROUP \$'000 1H 31 Dec 14	GROUP \$'000 1H 31 Dec 13
Depreciation and amortisation	(299)	(260)
Foreign exchange loss	(15)	(44)
Allowance for doubtful debts and bad debts written off	(18)	(21)
Plant and equipment written off	(7)	(3)
Gain (Loss) on disposal of plant and equipment	6	(3)
Gain on disposal of shares in associate	2,385	-

- 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		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	31-Dec-14	31-Dec-13	30-Jun-14	31-Dec-14	31-Dec-13	30-Jun-14
ASSETS						
CURRENT ASSETS						
Cash and bank balances	6,897	4,065	10,827	6,501	3,558	9,574
Trade receivables	2,777	2,635	1,248	2,002	1,748	641
Amount due from related companies, associates and related parties	-	-	-	369	717	157
Other receivables and prepayments	758	883	397	488	496	164
Inventories	7,057	6,234	3,269	4,965	3,403	1,689
Total current assets	17,489	13,817	15,741	14,325	9,922	12,225
NON-CURRENT ASSETS						
Subsidiaries	-	-	-	3,075	3,411	3,075
Associates	31	1,804	1,825	-	1,000	1,000
Club membership	165	173	165	165	173	165
Available-for-sale investments	1,230	1,466	1,244	1,230	1,466	1,244
Plant and equipment	1,689	1,664	1,640	1,103	1,129	1,083
Investment properties	15,975	15,945	15,975	15,975	15,945	15,975
Total non - current assets	19,090	21,052	20,849	21,548	23,124	22,542
Total Assets	36,579	34,869	36,590	35,873	33,046	34,767
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Trade payables	1,353	1,777	669	941	737	366
Amount due to related companies, associates and related parties	51	52	53	993	994	1,000
Other payables	1,917	1,856	2,219	1,161	1,096	1,470
Income tax payable	79	25	149	64	10	128
Total current liabilities	3,400	3,710	3,090	3,159	2,837	2,964
NON-CURRENT LIABILITY						
Other payables	276	-	293	197	-	209
Deferred tax liabilities	167	140	167	119	107	119
Total non-current liability	443	140	460	316	107	328
CAPITAL AND RESERVES						
Share capital	10,251	10,251	10,251	10,251	10,251	10,251
Currency translation deficit	(129)	(132)	(136)	-	-	-
Fair value adjustment reserve	40	26	54	40	26	54
Accumulated profits	22,574	20,874	22,871	22,107	19,825	21,170
Total equity	32,736	31,019	33,040	32,398	30,102	31,475
Total Liabilities and Equity	36,579	34,869	36,590	35,873	33,046	34,767

- 1(b)(ii) Aggregate amount of group's borrowings and debt securities.

None

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

	GROUP \$'000 1H 31 Dec 14	GROUP \$'000 1H 31 Dec 13
Operating activities:		
Profit (Loss) before income tax	2,034	(409)
<u>Adjustments for:</u>		
Share of result of associates	-	(15)
Depreciation expense	299	260
Plant & equipment written off	7	3
(Gain) Loss on disposal of plant and equipment	(6)	3
Loss on disposal of available-for-sale investment	-	10
Dividend income	(29)	(52)
Interest income	(21)	(7)
Allowance for doubtful debts - trade receivables	18	21
Gain on disposal of shares in associate	(2,385)	-
Exchange difference arising on foreign currency translation	(5)	6
Operating cash flows before movements in working capital	(88)	(180)
Trade receivables	(1,547)	(749)
Other receivables and prepayments	(361)	46
Inventories	(3,788)	(3,690)
Amount due from associates and related parties - net	(2)	(3)
Trade payables	684	1,234
Other payables	(289)	(235)
Cash used in operations	(5,391)	(3,577)
Interest received	21	7
Income tax paid	(70)	(12)
Net cash used in operating activities	(5,440)	(3,582)
Investing activities		
Purchase of available-for-sale investments	-	(500)
Dividend income	29	152
Proceeds from disposal of available-for-sale investments	-	2,190
Additions on investment property	(30)	-
Proceeds from disposal of plant and equipment	24	12
Purchase of plant and equipment	(376)	(798)
Proceed from disposal of shares in associate	3,400	-
Net cash generated from investing activities	3,047	1,056
Financing activity		
Dividends paid, representing net cash used in financing activity	(1,537)	(1,537)
Net decrease in cash and cash equivalents	(3,930)	(4,063)
Cash and cash equivalents at beginning of period	10,827	8,128
Cash and cash equivalents at end of period	6,897	4,065

- 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	Currency Translation Deficit	Fair Value Adjustment	Accumulated Profits	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Latest Period					
Balance at 30 Jun 14	10,251	(136)	54	22,871	33,040
Total comprehensive income for the period					
Profit for the period				2,034	2,034
Other comprehensive income for the period		7	(14)		(7)
Total	10,251	(129)	40	24,905	35,067
Transfer to profit or loss on disposal of an associate	-	-	-	(794)	(794)
Dividends, representing transaction with owners, recognised directly in equity	-	-	-	(1,537)	(1,537)
Balance at 31 Dec 14	10,251	(129)	40	22,574	32,736
Previous Corresponding Period					
Balance at 30 Jun 13	10,251	(137)	41	22,830	32,985
Total comprehensive income for the period					
Profit for the period				(419)	(419)
Other comprehensive income for the period		5	(15)		(10)
Total	10,251	(132)	26	22,411	32,556
Dividends, representing transaction with owners, recognised directly in equity	-	-	-	(1,537)	(1,537)
Balance at 31 Dec 13	10,251	(132)	26	20,874	31,019

Company	Share Capital	Fair Value Adjustment	Accumulated Profits	Total
	\$'000	\$'000	\$'000	\$'000
Latest Period				
Balance at 30 Jun 14	10,251	54	21,170	31,475
Total comprehensive income for the period				
Profit for the period		-	2,474	2,474
Other comprehensive income for the period		(14)	-	(14)
Total	10,251	40	23,644	33,935
Dividends, representing transaction with owners, recognised directly in equity	-	-	(1,537)	(1,537)
Balance at 31 Dec 14	10,251	40	22,107	32,398
Previous Corresponding Period				
Balance at 30 Jun 13	10,251	41	21,006	31,298
Total comprehensive income for the period				
Profit for the period			356	356
Other comprehensive income for the period		(15)		(15)
Total	10,251	26	21,362	31,639
Dividends, representing transaction with owners, recognised directly in equity	-	-	(1,537)	(1,537)
Balance at 31 Dec 13	10,251	26	19,825	30,102

- 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 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.**

	<u>Number of shares</u>	<u>Paid-up Capital</u> S\$
Balance at 31 December 2014	<u>102,476,024</u>	<u>10,251,458</u>

- 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 31 December 2014 was 102,476,024. (30 June 2014: 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.**

Not applicable.

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

On July 1, 2014, the Group adopted all the new and revised Singapore Financial Reporting standards ("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.

- 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	
	6 months Ended	
	31-Dec-14	31-Dec-13
Earning per ordinary share for the period : -		
(i) Based on weighted average number of ordinary shares in issue (cents)	1.98	(0.41)
(ii) On a fully diluted basis (cents)	1.98	(0.41)

Note to item (6i):

Earnings per share is calculated based on the weighted average number of 102,476,024 (31 Dec 2013: 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 31 December 2014.

- 7 **Net asset value (for the issuer and group) per ordinary share based on the total number of issued share capital of the issuer at the end of the : -**

- (a) current financial period reported on; and
(b) immediately preceding financial year

	Cents	
	As at 31-Dec-14	As at 30-Jun-14
Group	31.95	32.24
Company	31.62	30.71

- 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 achieved total revenues amounting to \$10.21 million in 1H FY2015, matching the level in 1H FY2014. A slight improvement in the Group's cost of sales in the half year led to a corresponding improvement in the Group's gross profit.

Distribution costs, administrative expenses and other operating expenses for the Group 1H FY2015 as a whole displayed little variance from 1H FY2014, indicating that these were largely under control.

The Group's other operating income included a gain in 1H FY2015 from the sale of its entire 25% holding in First Balmoral Development Pte Ltd amounting to \$2.39 million. This lifted the results for that half year to a profit before tax of \$2.03 million compared to a loss of \$0.42 million in 1H FY2014. This sale is also reflected in the reduction of the amount in Associates in the Group balance sheet with the balance reduced to \$0.03 million as at 31 December 2014 from \$1.83 million as at 30 June 2014.

Statement of financial position and statement of cash flows

In the Group balance sheet, the higher level of inventories as at 31 December 2014 of \$7.06 million (\$3.27 million as at 30 June 2014 and \$6.23 million as at 31 December 2013) mainly reflects the stocking up of materials in preparation for the SG50 Jubilee Gift project.

- 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 1H 2015 is in line with the previous results announcement made on 28 August 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.**

The Group anticipates the business environment to remain competitive. Notwithstanding that, the SG50 Jubilee Gift project is expected to contribute positively to the Group result. The Group will continue to enhance its core competencies to further improve gifts sales.

- 11 **Dividend**

(a) Current Financial Period Reported On

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

(b) Corresponding Period of the Immediately Preceding Financial Year

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

(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 period ended 31 December 2014.

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 Company has not obtained an IPT mandate from shareholders. It does not have any interested person transaction (excluding transaction less than \$100,000) for the period under review.

14 Negative assurance on interim financial statement.

The Board of Directors hereby confirmed that, to the best of its knowledge, nothing has come to its attention which may render the unaudited half year financial results of the Group to be false or misleading in any material respect.

BY ORDER OF THE BOARD

Wong Phui Hong
Company Secretary
12 February 2015