

FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT

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

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

Statement of Comprehensive Income	30-Jun-10 \$'000	30-Jun-09 \$'000	Change %
Revenue	20,402	17,111	19
Cost of sales	(11,123)	(9,245)	20
Gross profit	9,279	7,866	18
Interest income	19	72	(74)
Other credits	1,035	1,187	(13)
Distribution costs	(542)	(465)	17
Administrative expenses	(3,966)	(4,060)	(2)
Finance costs	-	(13)	(100)
Other expenses	(4,218)	(4,098)	3
Other charges	(253)	(240)	5
Profit before income tax	1,354	249	444
Income tax expense	(10)	(7)	43
Profit for the year	1,344	242	455
Other comprehensive income :	-	-	-
Total comprehensive income attributable to: Owners of the parent	1,344	242	455

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

Other credits	30-Jun-10 \$'000	30-Jun-09 \$'000
Foreign exchange gain	15	11
Recovery of maintenance costs	-	173
Gain on disposal of plant and equipment	5	-
Bad debts recovered . trade receivables	-	1
Amortisation of deferred revenue	1,015	1,002
	1,035	1,187

Finance costs	30-Jun-10 \$'000	30-Jun-09 \$'000
Interest expenses	-	(13)

Other charges	30-Jun-10 \$'000	30-Jun-09 \$'000
Allowance for slow-moving inventories	(71)	(84)
Loss on disposal of financial assets at fair value through profit or loss	-	(145)
Allowance for doubtful non-trade receivables	(182)	-
Foreign exchange loss	-	(8)
Bad debts written off-trade receivables	-	(3)
	(253)	(240)

1(b)(i) A Balance Sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Statement of Financial Position	Group	Group	Company	Company
	30-Jun-10	30-Jun-09	30-Jun-10	30-Jun-09
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Non-current assets:				
Plant and equipment	176	299	-	-
Investment in subsidiary	-	-	2,112	2,112
Other receivables	-	-	-	-
Total non-current assets	176	299	2,112	2,112
Current assets:				
Inventories	9,319	10,539	-	-
Trade and other receivables	2,431	2,486	1,820	2,003
Other assets	289	210	703	-
Cash and cash equivalents	4,401	3,234	43	42
Total current assets	16,440	16,469	2,566	2,045
Total assets	16,616	16,768	4,678	4,157
EQUITY AND LIABILITIES				
Equity:				
Share capital	2,053	2,053	2,053	2,053
Retained earnings	8,190	8,201	2,289	845
Share option reserve	143	143	143	143
Total equity	10,386	10,397	4,485	3,041
Non-current liabilities:				
Other liabilities	2,930	3,991	-	990
Current liabilities:				
Current income tax payable	3	11	3	5
Trade and other payables	1,826	1,093	190	121
Other liabilities	1,471	1,276	-	-
Total current liabilities	3,300	2,380	193	126
Total liabilities	6,230	6,371	193	1,116
Total equity and liabilities	16,616	16,768	4,678	4,157

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

Amount repayable in one year or less, or on demand

As at 30 Jun 2010 (\$'000)		As at 30 Jun 2009 (\$'000)	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Amount repayable after one year

As at 30 Jun 2010 (\$'000)		As at 30 Jun 2009 (\$'000)	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collaterals

Nil

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

Statement of Cash Flows	1-Jul-09 To 30-Jun-10 \$'000	1-Jul-08 to 30-Jun-09 \$'000
Cash flows from operating activities:		
Profit before tax	1,354	249
Adjustments for: -		
Interest income	(19)	(72)
Interest expense	-	13
Depreciation of plant and equipment	123	137
Gain on disposal of plant and equipment	(5)	-
Loss on disposal of financial assets at fair value through profit or loss	-	145
Allowance for doubtful non-trade receivables	182	-
Allowance for slow-moving inventories	71	84
Amortisation of deferred revenue	(1,015)	(1,002)
Operating cash flows before changes in working capital	691	(446)
Inventories	1,149	(805)
Trade and other receivables	(127)	(1,718)
Other assets	(79)	1,152
Cash restricted in use over 3 months	-	350
Trade and other payables	733	(985)
Other liabilities	149	(187)
Cash generated from / (absorbed by) operations	2,516	(2,639)
Income tax paid	(18)	(344)
Net cash from / (used in) operating activities	2,498	(2,983)
Cash flows from investing activities:		
Proceeds from disposal of property, plant and equipment	5	-
Proceeds from disposal of investment at fair value through profit and loss	-	4,855
Interest received	19	72
Net cash from investing activities	24	4,927
Cash flows from financing activities:		
Interest paid	-	(13)
Reduction in share capital	-	(10,844)
Dividends paid	(1,355)	(10,845)
Net cash used in financing activities	(1,355)	(21,702)
Net increase / (decrease) in cash and cash equivalents	1,167	(19,758)
Cash and cash equivalents, statement of cash flows, beginning balance	1,584	21,342
Cash and cash equivalents, statement of cash flows, ending balance*	2,751	1,584

* FY2009 exclude cash restricted in use over 3 months : \$1.65 million

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

Statement of Changes in Equity Group	Share Capital \$'000	Share Option Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Current Year:				
Balance at 1 July 2009	2,053	143	8,201	10,397
Total comprehensive income for the year	-	-	1,344	1,344
Dividends	-	-	(1,355)	(1,355)
Balance at 30 June 2010	2,053	143	8,190	10,386
Previous Year:				
Balance at 1 July 2008	12,897	143	18,804	31,844
Total comprehensive income for the year	-	-	242	242
Reduction in share capital	(10,844)	-	-	(10,844)
Dividends	-	-	(10,845)	(10,845)
Closing balance at 30 June 2009	2,053	143	8,201	10,397

Statement of Changes in Equity Company	Share Capital \$'000	Share Option Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Current year:				
Balance at 1 July 2009	2,053	143	845	3,041
Total comprehensive income for the year	-	-	2,799	2,799
Dividends	-	-	(1,355)	(1,355)
Balance at 30 June 2010	2,053	143	2,289	4,485
Previous Year:				
Balance at 1 July 2008	12,897	143	11,689	24,729
Total comprehensive income for the year	-	-	1	1
Reduction in share capital	(10,844)	-	-	(10,844)
Dividends	-	-	(10,845)	(10,845)
Balance at 30 June 2009	2,053	143	845	3,041

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 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.

Share Capital - Ordinary shares	Number of Shares	\$
Balance at 1 July 2009	135,555,000	2,053,111
Balance at 30 June 2010	135,555,000	2,053,111

(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.

	30-Jun-10	30-Jun-09
Total number of issued shares excluding treasury shares	135,555,000	135,555,000

(d)(iv) 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.

Not Applicable.

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

The above financial statements have not been audited or 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.

The accounting policies and methods of computation adopted by the Group for the year ended 30 June 2010 are consistent with those used in the annual audited statements as at 30 June 2009.

5. If there were 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.

There were no changes in the accounting policies and methods of computation used in the preparation of the financial information in this announcement except for the adoption of the respective new or revised Financial Reporting Standards ("FRS") which has no significant impact on the financial position or performance of the Group.

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

Earnings per shares (EPS) (based on consolidated profit after taxation and minority interest)	30-Jun-10	30-Jun-09
- on weighted average number of shares	0.99 cents	0.18 cents
- on a fully diluted basis	0.99 cents	0.18 cents

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

	Group 30-Jun-10	Group 30-Jun-09	Company 30-Jun-10	Company 30-Jun-09
Net asset value per share based on existing issued share capital as at the respective period	7.66 cents	7.67 cents	3.31 cents	2.24 cents

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 period reported on.**

Statement of Comprehensive Income

Total revenue for the financial year ended 30 June 2010 increased by 19% to \$20.4 million from last financial year. The increase was due mainly to recovery of residential property markets. Gross profit improved correspondingly by 18% to \$9.3 million.

Gross profit margin maintained at 45.5% as compared with 46% of last financial year.

Distribution costs increased \$77,000 due to more advertisement on product awareness.

Administrative expenses decreased \$94,000 mainly due to jobs credits and cost savings.

Other expenses increased \$120,000 primarily due to repair & maintenance of building and testing fee for products.

As a result of the above, the group recorded a 444% increase in profit before tax to \$1,354,000 for the financial year ended 30 June 2010 as compared to \$249,000 for the last financial year.

Statement of Financial Position

Inventory reduced by \$1.2 million due to improved revenue during the period.

Trade and other receivables increased by \$55,000 mainly due to increase in project sales with longer credit terms. Other assets increased \$79,000 due to deposit paid to suppliers for purchase of goods.

Cash and cash equivalents increased \$1,167,000 to \$4.4 million mainly due to improved business and lower costs.

Other liabilities (non-current) decreased \$1,015,000. This is due to amortisation of deferred gain of \$6.29 million from disposal of property in financial year 2008 over the leaseback periods.

Trade and other payables increased \$733,000 mainly due to increase in trade creditors for purchases of goods. Other liabilities increased \$195,000 due to increase in deposit received from customers.

9. Where a forecast, or a prospect statement, has been previously disclosed to our 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 period and the next 12 months.

The Group is dependent on HDB resale market. According to HDB statistics, HDB resale transactions rose by 7.4% from 8,484 cases in 1Q 2010 to 9,114 cases in 2Q 2010. Based on the increased trend of the resale flats, the raising of minimum occupation period introduced by the government in March 2010 is expected to have limited effect on HDB resale market.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

Name of Dividend	Final	Interim
Dividend Type	Cash	Cash
Dividend Rate per ordinary share	0.5 cents	0.5 cents
Tax Rate	Exempt (one-tier)	Exempt (one-tier)

(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	Final	Interim
Dividend Type	Cash	Nil
Dividend Rate per ordinary share	0.5 cents	
Tax Rate	Exempt (one-tier)	

(c) Date payable

Interim Dividend: Paid on 18 March 2010
Final Dividend: To be announced at a later date.

(d) Books closure date

To be announced at a later date.

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

Not Applicable.

13. 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.

	Bathroom		Kitchen & Others		Project		Consolidated	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Revenue								
Segment revenue - external	11,851	11,271	5,439	4,772	3,106	1,062	20,396	17,105
Unallocated revenue							6	6
Operating profit							20,402	17,111
Segment result	6,075	5,925	1,985	1,651	1,213	284	9,273	7,860
Unallocated result							6	6
Unallocated expenses							9,279	7,866
Operating profit / (loss)							(8,960)	(8,791)
Other credits							319	(925)
Finance costs							1,035	1,187
Profit before income tax							-	(13)
Income tax expense							1,354	249
Profit for the year							(10)	(7)
Other Information							1,344	242
Segment assets	6,178	6,911	1,907	2,115	1,234	1,513	9,319	10,539
Unallocated assets							7,297	6,229
Consolidated total assets							16,616	16,768
Segment liabilities							-	-
Unallocated liabilities							6,230	6,371
Consolidated total liabilities							6,230	6,371
Capital expenditure							-	-
Depreciation expense							123	137

Segment results and assets include items directly attributable to segment as well as those that can be allocated on a reasonable basis. Segment assets consist of inventories. All other assets and all liabilities are unallocated. Segment capital expenditure is the total cost incurred during the year to acquire plant and equipment.

As the group operates only in Singapore, no geographical segment information is shown.

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

Not Applicable.

15. A breakdown of sales

	Group		
	Latest Financial Year \$'000	Previous Financial Year \$'000	Increase / (Decrease) %
Revenue reported for first half year	10,539	10,182	3.51
Profit after tax reported for first half year	955	757	26.16
Revenue reported for second half year	9,863	6,929	42.34
Profit/(Loss) after tax reported for second half year	389	(515)	175.53

16. 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 (\$)	Previous Full Year (\$)
Ordinary	1,355,550	677,775
Preference	0	0
Total	1,355,550	677,775

BY ORDER OF THE BOARD

Kwan Weng Kwong
19 August 2010

This announcement has been reviewed by the Company's sponsor, KW Capital Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor 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:-

*Name: Yang Eu Jin, Registered Professional, KW Capital Pte. Ltd.
Address: 80 Raffles Place #25-01 UOB Plaza 1 Singapore 048624
Tel: 6238 3377
Email: yangeujin@kw-capital.com*