

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

Consolidated Statement of Comprehensive Income	30-Jun-11 \$'000	30-Jun-10 \$'000	Change %
Revenue	23,470	20,402	15
Cost of sales	(11,857)	(11,123)	7
Gross profit	11,613	9,279	25
<i>Other items of income</i>			
Interest income	16	19	(16)
Other credits	326	1,035	(69)
<i>Other items of expense</i>			
Distribution costs	(688)	(542)	27
Administrative expenses	(4,383)	(3,966)	11
Finance costs	(4)	-	-
Other expenses	(5,389)	(4,218)	28
Other charges	(303)	(253)	20
Profit before income tax	1,188	1,354	(12)
Income tax expense	(393)	(10)	3,830
<b>Profit for the financial year</b>	795	1,344	(41)
<b>Other comprehensive income :</b>			
Exchange differences on translating foreign operation	(375)	-	
Other comprehensive income for the financial year, net of tax	(375)	-	
<b>Total comprehensive income for the financial year</b>	420	1,344	
<b>Profit attributable to:</b>			
Owners of the parent	905	1,344	
Non-controlling interests	(110)	-	
	795	1,344	
<b>Total comprehensive income attributable to:</b>			
Owners of the parent	711	1,344	
Non-controlling interests	(291)	-	
	420	1,344	

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

Other credits	30-Jun-11 \$'000	30-Jun-10 \$'000
Foreign exchange gains, net	(882)	15
Gain on disposal of plant and equipment	83	5
Amortisation of deferred revenue	1,047	1,015
Other income	78	-
	326	1,035
<b>Finance costs</b>		
Interest expense	(4)	-
<b>Other charges</b>		
Allowance for slow-moving inventories	(36)	(71)
Allowance for doubtful receivables – non-trade	(102)	(182)
Plant and equipment written off	(165)	-
	(303)	(253)

**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.**

Statements of Financial Position	Group	Group	Company	Company
	30-Jun-11	30-Jun-10	30-Jun-11	30-Jun-10
	\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>				
Non-current assets:				
Property, plant and equipment	645	176	-	-
Exploration and evaluation assets	13,191	-	-	-
Investments in subsidiaries	-	-	34,601	2,112
Available-for-sale financial asset	-	-	7,013	-
Goodwill	34,029	-	-	-
<b>Total non-current assets</b>	<b>47,865</b>	<b>176</b>	<b>41,614</b>	<b>2,112</b>
Current assets:				
Inventories	9,284	9,319	-	-
Trade and other receivables	3,110	2,431	4,896	2,523
Other assets	882	264	-	-
Prepayments	393	25	-	-
Cash and cash equivalents	11,465	4,401	67	43
<b>Total current assets</b>	<b>25,134</b>	<b>16,440</b>	<b>4,963</b>	<b>2,566</b>
<b>Total assets</b>	<b>72,999</b>	<b>16,616</b>	<b>46,577</b>	<b>4,678</b>
<b>EQUITY AND LIABILITIES</b>				
Equity:				
Share capital	42,229	2,053	42,229	2,053
Reserves	(123)	143	71	143
Retained earnings	7,085	8,190	1,535	2,289
Equity attributable to owners of the parent	49,191	10,386	43,835	4,485
Non-controlling interests	4,870	-	-	-
<b>Total equity</b>	<b>54,061</b>	<b>10,386</b>	<b>43,835</b>	<b>4,485</b>
Non-current liabilities:				
Bank loan	9,772	-	-	-
Finance lease payable	67	-	-	-
Other liabilities	1,870	2,930	-	-
<b>Total non-current liabilities</b>	<b>11,709</b>	<b>2,930</b>	<b>-</b>	<b>-</b>
Current liabilities:				
Current income tax payable	430	3	3	3
Trade and other payables	5,372	1,826	2,739	190
Finance lease payable	67	-	-	-
Other liabilities	1,360	1,471	-	-
<b>Total current liabilities</b>	<b>7,229</b>	<b>3,300</b>	<b>2,742</b>	<b>193</b>
<b>Total liabilities</b>	<b>18,938</b>	<b>6,230</b>	<b>2,742</b>	<b>193</b>
<b>Total equity and liabilities</b>	<b>72,999</b>	<b>16,616</b>	<b>46,577</b>	<b>4,678</b>

**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 2011 (\$'000)		As at 30 Jun 2010 (\$'000)	
Secured	Unsecured	Secured	Unsecured
67	-	-	-

Amount repayable after one year

As at 30 Jun 2011 (\$'000)		As at 30 Jun 2010 (\$'000)	
Secured	Unsecured	Secured	Unsecured
9,839	-	-	-

**Details of any collaterals****Finance lease**

The finance lease of the Group is secured on the motor vehicle under finance lease.

**Long-term bank loan**

Subsidiary – Interlink Petroleum Limited has a USD 8 million term loan with DBS Bank, which is secured by a fixed deposit account charge of a fixed deposit amounting to USD 4 million. The USD 4 million fixed deposit account is under Jit Sun Investments Limited.

The remaining balance is secured by the corporate guarantee from Jit Sun Investments Limited.

**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.**

<b>Statement of Cash Flows</b>	<b>1-Jul-10 To 30-Jun-11 \$'000</b>	<b>1-Jul-09 To 30-Jun-10 \$'000</b>
Operating activities		
Profit before income tax	1,188	1,354
Adjustments for:		
Amortisation of deferred revenue	(1,047)	(1,015)
Depreciation of plant and equipment	134	123
Gain on disposal of plant and equipment	(83)	(5)
Allowance for doubtful non-trade receivables	102	182
Allowance for slow-moving inventories	36	71
Plant and equipment written off	165	-
Interest income	(16)	(19)
Interest expense	4	-
Reversal of share option	(78)	-
Operating cash flows before working capital changes	405	691
Working capital changes:		
Inventories	1,034	1,149
Trade and other receivables	(781)	(127)
Other assets	(275)	(69)
Prepayments	(368)	(10)
Trade and other payables	135	733
Other liabilities	(124)	149
Cash generated (absorbed by) / from operations	(26)	2,516
Income tax refund	40	-
Income tax paid	(6)	(18)
Net cash from operating activities	60	2,498
Investing activities		
Proceeds from disposal of plant and equipment	116	5
Purchase of plant and equipment	(168)	-
Purchase of exploration and evaluation asset	(3,823)	-
Interest received	16	19
Acquisition of subsidiary, net of cash acquired	3,242	-
Net cash (used in)/from investing activities	(617)	24
Financing activities		
Interest paid	(4)	-
Proceeds from bank borrowings	4,783	-
Proceeds from subscription of shares	2,448	-
Loan received from a director	9,757	-
Repayment of loan received from a director	(7,342)	-
Repayment of finance lease payable	(66)	-
Cash received from exercised of share option	55	-
Dividends paid	(2,010)	(1,355)
Net cash from/(used in) financing activities	7,621	(1,355)
Net cash change in cash and cash equivalents	7,064	1,167
Cash and cash equivalents at beginning of financial year	2,751	1,584
Cash and cash equivalents at end of financial year	9,815	2,751
* Exclude cash restricted in use over 3 months : \$1.65 million	9,815	2,751

**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**

<b>Statement of Changes in Equity</b>	<b>Share capital</b>	<b>Share option reserve</b>	<b>Currency translation reserve</b>	<b>Retained earnings</b>	<b>Equity attributable to owners of the parent</b>	<b>Non-controlling interests</b>	<b>Total equity</b>
<b>Group</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Balance as at 1 July 2010	2,053	143	-	8,190	10,386	-	10,386
<b>Profit for the financial year</b>	-	-	-	905	905	(110)	795
<b>Other comprehensive income for the year:</b>							
Exchange differences on translating foreign operation	-	-	(194)	-	(194)	(181)	(375)
<b>Total comprehensive income for the financial year</b>	-	-	(194)	905	711	(291)	420
Acquisition of interest in a subsidiary	-	-	-	-	-	5,161	5,161
Issue of shares	40,127	-	-	-	40,127	-	40,127
Share options cancelled/exercised	49	(72)	-	-	(23)	-	(23)
Dividends	-	-	-	(2,010)	(2,010)	-	(2,010)
Balance as at 30 June 2011	42,229	71	(194)	7,085	49,191	4,870	54,061
Balance as at 1 July 2009	2,053	143	-	8,201	10,397	-	10,397
<b>Profit for the financial year, representing total comprehensive income for the financial year</b>	-	-	-	1,344	1,344	-	1,344
Dividends	-	-	-	(1,355)	(1,355)	-	(1,355)
Balance at as 30 June 2010	2,053	143	-	8,190	10,386	-	10,386

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 (Continued)

Statement of Changes in Equity Company	Share Capital \$'000	Share option reserve \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2010	2,053	143	2,289	4,485
<b>Profit for the financial year, representing total comprehensive income for the financial year</b>	-	-	1,256	1,256
Issue of shares	40,127	-	-	40,127
Share options cancelled/exercised	49	(72)	-	(23)
Dividends	-	-	(2,010)	(2,010)
Balance at 30 June 2011	42,229	71	1,535	43,835
Balance at 1 July 2009	2,053	143	845	3,041
<b>Profit for the financial year, representing total comprehensive income for the financial year</b>	-	-	2,799	2,799
Dividends	-	-	(1,355)	(1,355)
Balance at 30 June 2010	2,053	143	2,289	4,485

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 2010	135,555,000	2,053,111
Issue of shares	130,740,910	40,126,393
Share options exercised	225,000	49,135
Balance at 30 June 2011	266,520,910	42,228,639

The Company did not have any outstanding convertible securities in issue as at the end of the current financial period reported on.

(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-11	30-Jun-10
Total number of issued shares excluding treasury shares	266,520,910	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 financial information has been prepared in accordance with the same accounting policies and methods of computation adopted in the audited financial statements of the last financial year, except for the adoption of the new or revised Singapore Financial Reporting Standards ("**FRS**") and Interpretations of FRS ("**INT FRS**") which became effective for the current financial year. The adoption of these FRS and INT FRS did not result in any substantial changes to the Group's accounting policies.

**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.**

Not applicable.

**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.**

<b>Earnings per shares (EPS) (based on consolidated profit after taxation and minority interest)</b>	<b>30-Jun-11</b>	<b>30-Jun-10</b>
- on weighted average number of shares	0.37 cents	0.99 cents
- on a fully diluted basis	0.37 cents	0.99 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

	<b>Group 30-Jun-11</b>	<b>Group 30-Jun-10</b>	<b>Company 30-Jun-11</b>	<b>Company 30-Jun-10</b>
Net asset value per share based on existing issued share capital as at the respective period	18.46 cents	7.66 cents	16.45 cents	3.31 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 2011 (“**FY2011**”) increased by 15% to \$23.4 million as compared to the last financial year ended 30 June 2010 (“**FY2010**”). The increase was due mainly to recovery of residential property markets. Gross profit improved correspondingly by 25% to \$11.6 million.

Gross profit margin increased to 49.5% as compared to 45.5% in FY2010. This is due to the strengthening of Singapore dollar which lowered the cost of goods purchased from overseas.

Interest income decreased by 16% to \$16,000 mainly due to the lower interest rates offered by banks for Singapore dollar fixed deposit accounts.

Other credits decreased by \$709,000 due to four main factors. Firstly, there was an increase in other credit from the sale of fixed assets by \$78,000. This was derived from the sale of motor vehicle. Secondly, there was an increase in other credit of \$72,000 from the reversal of employee stock option scheme provisions. Thirdly, there was an increase in other credit of \$32,000 from the amortizing of the deferred revenue arising from the sale of a building. Lastly, there was a decrease in other credit of \$891,000 from the exchange loss incurred in FY2011. The group suffered the exchange loss of mainly due to the difference in currency rates for Indian rupees. Funds were converted to Indian rupees due to the acquisition of Interlink Petroleum in India. At the end of the exercise, the balance Indian rupees were converted back to Singapore dollars; thus resulting in the exchange loss.

Distribution costs increased by \$146,000 due to an increase in traveling cost.

Administrative expenses increased by \$417,000 also due to the acquisition of the oil and gas business, which has increased the operational costs of the group.

Finance costs increased by \$4,000 in FY2011 due to the addition of the finance lease for the newly acquired motor vehicle.

Other expenses increased by \$1,171,000 primarily due to legal and professional fees incurred for the acquisition of Loyz Oil and Interlink.

Other charges increased by \$50,000 in FY2011 due to three factors. Firstly, there was fixed assets written off in FY2011 amounting to \$165,000. The assets belonged to Interlink, were unidentifiable as they were purchased some years ago, and were thus written off in FY2011. Secondly, there was a decrease in stock written off by \$35,000 in comparison to FY2010 due to better control in stock management. Lastly, there was a decrease in allowance for doubtful non-trade receivables of \$80,000 in FY2011. This is pertaining to the fair value of the security pledged to the deposit due from Empire Holdings.

As a result of the above, the group recorded a 12% decrease in profit before tax to \$1,188,000 for FY2011 as compared to \$1,354,000 for FY2010.

Tax expense increased in FY2011 to \$393,000 as compared to FY2010 of \$10,000 mainly due to the fact that unutilized tax losses in prior years had been substantially utilized in FY2010 to offset the tax payable, leaving less for utilization in FY2011.

The net profit after tax decreased by 41% to \$795,000, mainly due to the losses incurred by the newly acquired oil and gas business.

## Statement of Financial Position

Property, plant and equipment increased by \$469,000 mainly due to the assets from the acquisition of Interlink. There is an exploration and evaluation asset of \$13,191,000, which are mainly the capitalized cost of the exploration and evaluation work done in Interlink oil fields.

Goodwill was derived from the consolidation of the newly acquired oil and gas business, i.e. Loyz Oil and Interlink.

Trade and other receivables increased by \$679,000 mainly due to increase in project sales with longer credit terms.



Other assets increased by \$618,000 due to deposits paid by the newly acquired oil and gas business.

Prepayments increased by \$368,000 due to prepayments made by Loyz and Interlink for the exploration projects.

Cash and cash equivalents increased by \$7,065,000 to \$11,465,000 mainly due to the acquisition of the oil and gas business. Interlink obtained USD 8 million of loan from DBS bank in FY2011.

The share capital of the group increased significantly from FY2010 of \$2,053,000 to \$42,229,000 in FY2011. This is mainly due to the issuance of new shares for the acquisition of the oil and gas business.

Reserves decreased to a debit balance of \$123,000, in comparison to a credit balance of \$143,000 in FY2010. This is mainly due to the translation reserve computed based on the translation difference in converting Interlink performance from Indian rupees to Singapore dollars. In addition, the lower amount of outstanding share options also attributed to the reduction in reserve.

Retained earnings for FY2011 decreased by \$1,105,000 to \$7,085,000 due to the consolidation of the losses incurred by the oil and gas business, which amounted to \$473,000 which is attributable to the equity holders of the group. The balance is due to the interim dividends paid out during FY2011

Non-controlling interest was computed based on 48.22% of the net tangible assets of Interlink as at 30 June 2011.

Bank loan increased to \$9,772,000 in FY2011 mainly due to the USD 8 million loan obtained by Interlink from DBS bank. The long term loan is secured by a USD 4 million fixed deposit charge which belongs to Jit Sun Investments Limited and the balance via corporate guarantee from Jit Sun Investments Limited.

Finance lease for both non-current and current increased in FY2011 mainly due to the financing of the newly acquired motor vehicle.

Other liabilities decreased by \$1,060,000 mainly due to the amortization of the deferred revenue from the sale of the building.

Income tax payable increased to \$430,000 in FY2011, as compared to FY2010 of \$3,000, due to the fact that unutilized tax losses in prior years had been substantially utilized in last financial year to offset the tax payable, leaving less for utilization in FY2011.

Trade and other payables increased by \$3,546,000 in FY2011 as compared to FY2010 of \$1,826,000. It is mainly due to a total of \$2.4 million due to director in FY2011, from the interest free loan for the Open Offer for Interlink Petroleum in India. In addition, the acquisition of the oil and gas business also increased the group's trade and other payables.

#### Statement of Cash Flow

Net cash used in operating activities was for financing project trade debtors from improved project sales and also for deposits and prepayments made for the exploration works.

Net cash used in investing activities was mainly due to the purchase of plant and equipment and work done for the exploration and evaluation of the oil fields. Though there was a net of cash acquired from the oil and gas business, it was used in the exploration and evaluation of the oil fields.

Net cash received from financing activities was attributable to a loan from director and the loan from DBS Bank Ltd.

As a result of the above, the Group had a net increase in cash and cash equivalents of \$7,064,000 in FY2011, as compared to the previous financial year.

**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.**

In FY2011, the Group acquired Loyz Oil and Interlink as a step to venture into the energy market. In October 2010, Interlink has made an oil discovery in one of the oil fields and commenced drilling work in April 2011. Moving forward, results of the extended well test are expected to be out in the first half of the new financial year 2012. The management believes that oil prices are expected to remain robust. As such, the Group will continue to carry out exploration and production activities.

For the retail business of bathroom, kitchen and home improvement products, more emphasis has been placed in projects. With the current increase of private housing being built in Singapore, the Company has placed more focus in obtaining these projects directly from the developers. In addition, the increasing trend of buying-and-selling of HDB flats, will signify more potential sales for the Company.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

Yes.

<b>Name of Dividend</b>	<b>Final</b>	<b>Interim</b>
Dividend Type	Cash	Cash
Dividend Rate per ordinary share	0.25 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.

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

**(c) Date payable**

Interim Dividend: Paid on 14 March 2011  
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		Oil & Gas		Consolidated	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Revenue										
Segment revenue - external	12,834	11,851	5,627	5,439	4,994	3,106	-	-	23,455	20,396
Unallocated revenue									15	6
Operating profit									23,470	20,402
Segment result	6,861	6,075	2,121	1,985	2,616	1,213	-	-	11,598	9,273
Unallocated result									15	6
Operating profit / (loss)									11,613	9,279
Other credits									(10,747)	(8,960)
Finance costs									866	319
Profit before income tax									326	1,035
Income tax expense									(4)	-
Profit for the year									1,188	1,354
Other Information									(393)	(10)
Segment assets	7,190	6,178	1,499	1,907	230	1,234	34,775	-	795	1,344
Unallocated assets										
Consolidated total assets									43,694	9,319
Segment liabilities									29,305	7,298
Unallocated liabilities									72,999	16,617
Consolidated total liabilities									11,427	-
Capital expenditure									7,511	6,231
Depreciation expense									18,938	6,231
									-	-
									134	123

Segment results and assets include items directly attributable to segment as well as those that can be allocated on a reasonable basis.

Geographical information	Revenues		Non-current assets	
	FY 2011 \$'000	FY 2010 \$'000	FY 2011 \$'000	FY 2010 \$'000
Singapore	23,470	20,402	373	176
India	-	-	47,492	-
Total	23,470	20,402	47,865	176

**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	13,247	10,539	25.70
Profit after tax reported for first half year	1,528	955	60.00
Revenue reported for second half year	10,223	9,863	3.65
Profit/(Loss) after tax reported for second half year	(733)	389	(288.43)

**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	1,998,907	1,355,550
Preference	0	0
Total	1,998,907	1,355,550

BY ORDER OF THE BOARD

Kwan Weng Kwong  
29 August 2011

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