

**Fourth Quarter and 12 Months Financial Statement And Dividend Announcement for the Period Ended 31 March 2006**

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

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

Consolidated results for the fourth quarter (Q4/FY06) and twelve months period ended 31 March 2006. These figures have not been audited.

	<b>Group</b>					
	<b>Q4</b>			<b>Full Year</b>		
	<b>Jan 2006 to Mar 2006 S\$'000</b>	<b>Jan 2005 to Mar 2005 S\$'000</b>	<b>Increase / (Decrease) %</b>	<b>Apr 2005 to Mar 2006 S\$'000</b>	<b>Apr 2004 to Mar 2005 S\$'000</b>	<b>Increase / (Decrease) %</b>
Revenue	91,778	83,147	10.38	318,178	324,261	(1.88)
Other operating income - see note 1(a)(1)	1,107	210	427.14	7,052	690	922.03
Changes in inventories of goods for resale	13,395	(7,256)	NM	56,693	37,197	52.41
Purchases of goods for resale	(74,571)	(53,271)	39.98	(288,852)	(279,293)	3.42
Staff cost	(6,104)	(6,274)	(2.71)	(23,734)	(20,669)	14.83
Rental expense	(3,340)	(4,149)	(19.50)	(15,153)	(15,714)	(3.57)
Selling, advertising and promotional expense	(4,692)	(2,477)	89.42	(12,595)	(11,149)	12.97
Amortisation expense	-	(156)	NM	-	(625)	NM
Depreciation expense	(901)	(1,073)	(16.03)	(2,731)	(2,911)	(6.18)
Other operating expenses	(3,489)	2,651	NM	(6,499)	(7,386)	(12.01)
<b>Operating profit</b>	<b>13,183</b>	<b>11,352</b>	<b>16.13</b>	<b>32,359</b>	<b>24,401</b>	<b>32.61</b>
Finance costs	(295)	(331)	(10.88)	(1,172)	(973)	20.45
Share of profits of associates	175	202	(13.37)	457	275	66.18
Gain on dilution of interest in subsidiary	-	-	-	10,608	-	NM
<b>Profit before income tax</b>	<b>13,063</b>	<b>11,223</b>	<b>16.39</b>	<b>42,252</b>	<b>23,703</b>	<b>78.26</b>
Income tax expense	(3,087)	(1,746)	76.80	(7,156)	(4,941)	44.83
<b>Profit after tax</b>	<b>9,976</b>	<b>9,477</b>	<b>5.27</b>	<b>35,096</b>	<b>18,762</b>	<b>87.06</b>
Attributable to:						
<b>Equity holders of the parent</b>	<b>9,054</b>	<b>9,559</b>	<b>(5.28)</b>	<b>34,070</b>	<b>19,126</b>	<b>78.13</b>
<b>Minority interests</b>	<b>922</b>	<b>(82)</b>	<b>NM</b>	<b>1,026</b>	<b>(364)</b>	<b>NM</b>
	<b>9,976</b>	<b>9,477</b>	<b>5.27</b>	<b>35,096</b>	<b>18,762</b>	<b>87.06</b>

Note: NM - Not Meaningful

## Additional information for the income statement

(1) Other operating income comprises the following:

	Group					
	Q4			Full Year		
	Jan 2006 to Mar 2006 S\$'000	Jan 2005 to Mar 2005 S\$'000	Increase / (Decrease) %	Apr 2005 to Mar 2006 S\$'000	Apr 2004 to Mar 2005 S\$'000	Increase / (Decrease) %
Dividend income	-	-	-	18	10	80.00
Interest income	167	128	30.47	494	176	180.68
Gain (loss) on disposal of property, plant and equipment	-	(1)	NM	74	219	(66.21)
Foreign exchange gain - realised	3,078	-	NM	3,341	-	NM
Foreign exchange gain (loss) - unrealised	(2,214)	-	NM	2,732	-	NM
Others	76	83	(8.43)	393	285	37.89
	<b>1,107</b>	<b>210</b>	<b>427.14</b>	<b>7,052</b>	<b>690</b>	<b>922.03</b>

(2) Profit is arrived at after charging/(crediting) the following:

	Group					
	Q4			Full Year		
	Jan 2006 to Mar 2006 S\$'000	Jan 2005 to Mar 2005 S\$'000	Increase / (Decrease) %	Apr 2005 to Mar 2006 S\$'000	Apr 2004 to Mar 2005 S\$'000	Increase / (Decrease) %
Interest on borrowings	295	331	(10.88)	1,172	973	20.45
(Write back of) Allowance for doubtful debts	(668)	745	NM	(2,301)	1,632	NM
Write back of bad debts	(32)	(12)	(166.67)	(32)	(12)	(166.67)
Allowance for (Write back of) inventories	(1,378)	1,450	NM	2,964	5,866	(49.47)
Inventories written (back) off	(350)	3	NM	(350)	3	NM
Property, plant and equipment written off	-	39	NM	125	107	16.82
Write back of impairment loss on other investments	-	(160)	NM	-	(160)	NM
Impairment loss on goodwill	2,621	-	NM	2,621	-	NM
Write back of impairment loss on club membership	(63)	-	NM	(63)	-	NM
Foreign exchange gain - realised	-	(196)	NM	-	(781)	NM
Foreign exchange loss (gain) - unrealised	-	(4,281)	NM	-	1,018	NM

(3) Adjustments for under (over) provision of tax in respect of prior years:

	Group					
	Q4			Full Year		
	Jan 2006 to Mar 2006 S\$'000	Jan 2005 to Mar 2005 S\$'000	Increase / (Decrease) %	Apr 2005 to Mar 2006 S\$'000	Apr 2004 to Mar 2005 S\$'000	Increase / (Decrease) %
Under (Over) provision of tax in prior years						
- current	(15)	(666)	(97.75)	6	(587)	NM
- deferred	13	(256)	NM	13	(256)	NM

Note: NM - Not Meaningful

**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.**

	GROUP		COMPANY	
	31 Mar 2006 S\$'000	31 Mar 2005 S\$'000	31 Mar 2006 S\$'000	31 Mar 2005 S\$'000
<b>ASSETS</b>				
<b>Current Assets:</b>				
Cash and cash equivalents	45,587	55,886	7,547	23,696
Trade receivables	32,753	24,858	3,457	1,167
Other receivables and prepaid expenses	8,953	4,301	10,686	25,086
Derivative financial instruments	26	-	26	-
Inventories	198,666	141,442	41,459	32,722
<b>Total current assets</b>	<b>285,985</b>	<b>226,487</b>	<b>63,175</b>	<b>82,671</b>
<b>Non-current assets:</b>				
Property, plant and equipment	18,304	18,017	13,000	12,577
Investment property	398	398	398	398
Subsidiaries	-	-	42,843	12,012
Associates	5,747	5,335	3,102	3,102
Available-for-sale investments	433	359	369	359
Club memberships	219	156	219	156
Goodwill	882	1,831	-	-
Intangible asset	856	-	-	-
Deferred tax assets	4,677	4,346	970	350
<b>Total non-current assets</b>	<b>31,516</b>	<b>30,442</b>	<b>60,901</b>	<b>28,954</b>
<b>Total assets</b>	<b>317,501</b>	<b>256,929</b>	<b>124,076</b>	<b>111,625</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities:</b>				
Bank loans, overdrafts, bankers' acceptance and financial borrowings	17,254	20,114	2,000	5,000
Trade payables	134,892	116,560	20,145	27,614
Other payables	19,768	16,183	6,229	5,221
Derivative financial instruments	28	-	20	-
Income tax payable	6,354	6,275	1,862	1,572
Current portion of long-term debt	3,909	1,262	3,083	197
<b>Total current liabilities</b>	<b>182,205</b>	<b>160,394</b>	<b>33,339</b>	<b>39,604</b>
<b>Non-current liability:</b>				
Long-term debt	3,604	4,506	3,232	3,509
<b>Total non-current liability</b>	<b>3,604</b>	<b>4,506</b>	<b>3,232</b>	<b>3,509</b>
<b>Equity attributable to equity holders of the parent:</b>				
Share capital	19,620	19,620	19,620	19,620
Currency translation reserve	(3,580)	(3,317)	-	(185)
Legal reserve	210	109	-	-
Investment revaluation reserve	44	-	10	-
Accumulated profits	105,391	75,562	67,875	49,077
	121,685	91,974	87,505	68,512
<b>Minority interests</b>	<b>10,007</b>	<b>55</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>131,692</b>	<b>92,029</b>	<b>87,505</b>	<b>68,512</b>
<b>Total liabilities and equity</b>	<b>317,501</b>	<b>256,929</b>	<b>124,076</b>	<b>111,625</b>

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

**Amount repayable in one year or less, or on demand**

<b>As at 31/03/06</b>	<b>As at 31/03/05</b>
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<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
S\$ 159,000	S\$ 21,004,000	S\$262,000	S\$21,114,000

**Amount repayable after one year**

<b>As at 31/03/06</b>	<b>As at 31/03/05</b>
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<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
S\$604,000	S\$3,000,000	S\$756,000	S\$3,750,000

**Details of any collateral**

**Secured**

The secured borrowings relate to the finance lease obligations of the Group which are secured against the respective assets under the finance lease arrangement.

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

	<b>GROUP</b>			
	<b>Q4</b>		<b>Full Year</b>	
	<b>Jan 2006 to Mar 2006</b>	<b>Jan 2005 to Mar 2005</b>	<b>Apr 2005 to Mar 2006</b>	<b>Apr 2004 to Mar 2005</b>
Cash flow from operating activities:	S\$'000	S\$'000	S\$'000	S\$'000
Profit before income tax	13,063	11,223	42,252	23,703
Adjustments for:				
Share of profits of associates	(175)	(202)	(457)	(275)
Amortisation of goodwill	-	156	-	625
Impairment loss on goodwill	2,621	-	2,621	-
Depreciation expense	901	1,073	2,731	2,911
Property, plant and equipment written off	-	39	125	107
Gain on disposal of property, plant and equipment	-	1	(74)	(219)
Impairment loss on club memberships	(63)	-	(63)	-
Write back of impairment loss on other investments	-	(160)	-	(160)
Gain on dilution of interest in subsidiary	-	-	(10,608)	-
Net gain on fair value changes on foreign exchange contracts	(22)	-	(214)	-
Interest expense	295	331	1,172	973
Interest income	(167)	(128)	(494)	(176)
Dividend income	-	-	(18)	(10)
<b>Operating profit before working capital changes</b>	<b>16,453</b>	<b>12,333</b>	<b>36,973</b>	<b>27,479</b>
Inventories	(13,395)	7,255	(56,693)	(37,197)
Other payables	(2,764)	(3,190)	3,126	4,034
Other receivables and prepaid expenses	(4,759)	(659)	(5,298)	(390)
Trade payables	(2,644)	(20,521)	17,564	35,306
Trade receivables	(1,766)	(1,336)	(8,553)	(11,214)
<b>Cash (used in) generated from operations</b>	<b>(8,875)</b>	<b>(6,118)</b>	<b>(12,881)</b>	<b>18,018</b>
Interest paid	(295)	(331)	(1,172)	(973)
Interest received	167	128	494	176
Dividends received	-	-	18	10
Dividends paid	-	-	(3,924)	(6,802)
Income tax paid	(3,214)	(1,653)	(7,387)	(5,116)
<b>Net cash (used in) generated from operating activities</b>	<b>(12,217)</b>	<b>(7,974)</b>	<b>(24,852)</b>	<b>5,313</b>
Cash flow from investing activities:				
Purchase of property, plant and equipment	(455)	(864)	(3,070)	(2,342)
Proceeds from disposal of property, plant and equipment	13	(1)	145	280
Acquisition of subsidiary	29	-	29	-
Proceeds from issue of shares to minority shareholders of subsidiary	-	-	20,441	-
Proceeds from disposal of quoted investments	-	-	-	25
Increase in investment in associates	-	-	-	(1,082)
Increase in available-for-sale investments	-	-	(29)	-
<b>Net cash generated from (used in) investing activities</b>	<b>(413)</b>	<b>(865)</b>	<b>17,516</b>	<b>(3,119)</b>
Cash flow from financing activities:				
(Decrease) Increase in bank loans	102	5,246	(64)	7,806
Increase (Decrease) in long-term debt	2,764	(7,370)	1,603	(5,021)
<b>Net cash generated from (used in) financing activities</b>	<b>2,866</b>	<b>(2,124)</b>	<b>1,539</b>	<b>2,785</b>
Net effects of exchange rate changes in consolidating subsidiaries	(2,197)	(92)	(1,706)	(1,112)

1(c) Continuation ... A cash flow statement (for the group)

	GROUP			
	Q4		Full Year	
	Jan 2006 to Mar 2006	Jan 2005 to Mar 2005	Apr 2005 to Mar 2006	Apr 2004 to Mar 2005
	S\$'000	S\$'000	S\$'000	S\$'000
(Decrease) Increase in cash	(11,961)	(11,055)	(7,503)	3,867
Cash at beginning of period	54,784	61,381	50,326	46,459
<b>Cash at end of period</b>	<b>42,823</b>	<b>50,326</b>	<b>42,823</b>	<b>50,326</b>

Cash and cash equivalents comprise:

Cash and bank balances	30,318	38,977	30,318	38,977
Fixed deposits	15,269	16,909	15,269	16,909
Bank overdrafts	(2,764)	(5,560)	(2,764)	(5,560)
	<b>42,823</b>	<b>50,326</b>	<b>42,823</b>	<b>50,326</b>

**Notes to the consolidated cash flow statement**

A. Cash purchase of plant and equipment	455	864	3,070	2,342
Purchase of plant and equipment under finance lease agreement	-	-	142	608
Total additions to plant and equipment	<b>455</b>	<b>864</b>	<b>3,212</b>	<b>2,950</b>

B. Summary of the effects of acquisition of subsidiary:

Net liabilities assumed:

Current assets	2,826	-	2,826	-
Non-current assets	856	-	856	-
Current liabilities	(5,351)	-	(5,351)	-
	(1,669)	-	(1,669)	-
Add: Goodwill on acquisition of subsidiary	1,672	-	1,672	-
	3	-	3	-
Less: Cash assumed on acquisition of subsidiary	(32)	-	(32)	-
Net cash flow on acquisition of subsidiary	<b>(29)</b>	<b>-</b>	<b>(29)</b>	<b>-</b>

**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.**

	Attributable to equity holders of the parent					Minority interests	Total equity	
	Issued Capital	Currency Translation Reserves	Legal * Reserve	Investment Revaluation Reserve	Accumulated Profits			Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000			S\$'000
<b>GROUP-Statement of changes in equity for full year ended 31 March 2005</b>								
Balance as at 31 March 2004	16,350	(2,153)	-	-	66,617	80,814	437	81,251
Currency translation differences	-	556	-	-	-	556	21	577
Net profit for the period	-	-	-	-	2,405	2,405	(103)	2,302
<b>Balance as at 30 June 2004</b>	<b>16,350</b>	<b>(1,597)</b>	<b>-</b>	<b>-</b>	<b>69,022</b>	<b>83,775</b>	<b>355</b>	<b>84,130</b>
<b>Balance as at 30 June 2004</b>	<b>16,350</b>	<b>(1,597)</b>	<b>-</b>	<b>-</b>	<b>69,022</b>	<b>83,775</b>	<b>355</b>	<b>84,130</b>
Currency translation differences	-	(647)	-	-	-	(647)	(12)	(659)
Net profit for the period	-	-	-	-	4,656	4,656	(123)	4,533
Final dividend of \$0.02 per share and special dividend of \$0.11 per share less tax of 20% paid in respect of previous financial year	-	-	-	-	(6,802)	(6,802)	-	(6,802)
<b>Balance as at 30 September 2004</b>	<b>16,350</b>	<b>(2,244)</b>	<b>-</b>	<b>-</b>	<b>66,876</b>	<b>80,982</b>	<b>220</b>	<b>81,202</b>
<b>Balance as at 30 September 2004</b>	<b>16,350</b>	<b>(2,244)</b>	<b>-</b>	<b>-</b>	<b>66,876</b>	<b>80,982</b>	<b>220</b>	<b>81,202</b>
Currency translation differences	-	(970)	-	-	-	(970)	(42)	(1,012)
Net profit for the period	-	-	-	-	2,506	2,506	(56)	2,450
Issue of bonus shares	3,270	-	-	-	(3,270)	-	-	-
<b>Balance as at 31 December 2004</b>	<b>19,620</b>	<b>(3,214)</b>	<b>-</b>	<b>-</b>	<b>66,112</b>	<b>82,518</b>	<b>122</b>	<b>82,640</b>
<b>Balance as at 31 December 2004</b>	<b>19,620</b>	<b>(3,214)</b>	<b>-</b>	<b>-</b>	<b>66,112</b>	<b>82,518</b>	<b>122</b>	<b>82,640</b>
Currency translation differences	-	(103)	-	-	-	(103)	15	(88)
Net profit for the period	-	-	-	-	9,559	9,559	(82)	9,477
Appropriation of legal reserve	-	-	109	-	(109)	-	-	-
<b>Balance as at 31 March 2005</b>	<b>19,620</b>	<b>(3,317)</b>	<b>109</b>	<b>-</b>	<b>75,562</b>	<b>91,974</b>	<b>55</b>	<b>92,029</b>

1(d)(i) Continuation ... A statement of changes in equity (for the issuer and group)

	Attributable to equity holders of the parent					Minority interests	Total equity	
	Issued Capital	Currency Translation Reserves	Legal * Reserve	Investment Revaluation Reserve	Accumulated Profits			Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000			S\$'000
<b>GROUP-Statement of changes in equity for full year ended 31 March 2006</b>								
Balance as at 31 March 2005	19,620	(3,317)	109	-	75,562	91,974	55	92,029
- Effect of adopting FRS 39	-	-	-	-	(216)	(216)	-	(216)
	19,620	(3,317)	109	-	75,346	91,758	55	91,813
Currency translation differences	-	580	-	-	-	580	26	606
Net profit for the period	-	-	-	-	5,525	5,525	(237)	5,288
<b>Balance as at 30 June 2005</b>	<b>19,620</b>	<b>(2,737)</b>	<b>109</b>	<b>-</b>	<b>80,871</b>	<b>97,863</b>	<b>(156)</b>	<b>97,707</b>
<b>Balance as at 30 June 2005</b>	<b>19,620</b>	<b>(2,737)</b>	<b>109</b>	<b>-</b>	<b>80,871</b>	<b>97,863</b>	<b>(156)</b>	<b>97,707</b>
Currency translation differences	-	17	-	-	-	17	12	29
Net profit for the period	-	-	-	-	3,822	3,822	(225)	3,597
Final dividend of \$0.01 per share and special dividend of \$0.015 per share less tax of 20% paid in respect of previous financial year	-	-	-	-	(3,924)	(3,924)	-	(3,924)
<b>Balance as at 30 September 2005</b>	<b>19,620</b>	<b>(2,720)</b>	<b>109</b>	<b>-</b>	<b>80,769</b>	<b>97,778</b>	<b>(369)</b>	<b>97,409</b>
<b>Balance as at 30 September 2005</b>	<b>19,620</b>	<b>(2,720)</b>	<b>109</b>	<b>-</b>	<b>80,769</b>	<b>97,778</b>	<b>(369)</b>	<b>97,409</b>
Currency translation differences	-	309	-	-	-	309	(529)	(220)
Net profit for the period	-	-	-	-	15,669	15,669	566	16,235
Contribution from minority interests	-	-	-	-	-	-	9,833	9,833
<b>Balance as at 31 December 2005</b>	<b>19,620</b>	<b>(2,411)</b>	<b>109</b>	<b>-</b>	<b>96,438</b>	<b>113,756</b>	<b>9,501</b>	<b>123,257</b>
<b>Balance as at 31 December 2005</b>	<b>19,620</b>	<b>(2,411)</b>	<b>109</b>	<b>-</b>	<b>96,438</b>	<b>113,756</b>	<b>9,501</b>	<b>123,257</b>
Currency translation differences	-	(1,169)	-	-	-	(1,169)	(416)	(1,585)
Net profit for the period	-	-	-	-	9,054	9,054	922	9,976
Gains on available-for-sale investments	-	-	-	44	-	44	-	44
Appropriation of legal reserve	-	-	101	-	(101)	-	-	-
<b>Balance as at 31 March 2006</b>	<b>19,620</b>	<b>(3,580)</b>	<b>210</b>	<b>44</b>	<b>105,391</b>	<b>121,685</b>	<b>10,007</b>	<b>131,692</b>

**1(d)(i) Continuation ... A statement of changes in equity (for the issuer and group)**

**COMPANY-Statement of changes in equity for full year ended 31 March 2005**

Balance as at 31 March 2004

Currency translation differences

Net loss for the period

**Balance as at 30 June 2004**

**Balance as at 30 June 2004**

Currency translation differences

Net profit for the period

Final dividend of \$0.02 per share and special dividend of \$0.11 per share less tax of 20% paid in respect of previous financial year

**Balance as at 30 September 2004**

**Balance as at 30 September 2004**

Currency translation differences

Net profit for the period

Issue of bonus shares

**Balance as at 31 December 2004**

**Balance as at 31 December 2004**

Currency translation differences

Net profit for the period

**Balance as at 31 March 2005**

	Issued Capital	Currency Translation Reserves	Legal * Reserve	Investment Revaluation Reserve	Accumulated Profits	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 31 March 2004	16,350	(136)	-	-	36,268	52,482
Currency translation differences	-	92	-	-	-	92
Net loss for the period	-	-	-	-	(317)	(317)
<b>Balance as at 30 June 2004</b>	<b>16,350</b>	<b>(44)</b>	<b>-</b>	<b>-</b>	<b>35,951</b>	<b>52,257</b>
<b>Balance as at 30 June 2004</b>	<b>16,350</b>	<b>(44)</b>	<b>-</b>	<b>-</b>	<b>35,951</b>	<b>52,257</b>
Currency translation differences	-	(142)	-	-	-	(142)
Net profit for the period	-	-	-	-	91	91
Final dividend of \$0.02 per share and special dividend of \$0.11 per share less tax of 20% paid in respect of previous financial year	-	-	-	-	(6,802)	(6,802)
<b>Balance as at 30 September 2004</b>	<b>16,350</b>	<b>(186)</b>	<b>-</b>	<b>-</b>	<b>29,240</b>	<b>45,404</b>
<b>Balance as at 30 September 2004</b>	<b>16,350</b>	<b>(186)</b>	<b>-</b>	<b>-</b>	<b>29,240</b>	<b>45,404</b>
Currency translation differences	-	(2)	-	-	-	(2)
Net profit for the period	-	-	-	-	2,347	2,347
Issue of bonus shares	3,270	-	-	-	(3,270)	-
<b>Balance as at 31 December 2004</b>	<b>19,620</b>	<b>(188)</b>	<b>-</b>	<b>-</b>	<b>28,317</b>	<b>47,749</b>
<b>Balance as at 31 December 2004</b>	<b>19,620</b>	<b>(188)</b>	<b>-</b>	<b>-</b>	<b>28,317</b>	<b>47,749</b>
Currency translation differences	-	3	-	-	-	3
Net profit for the period	-	-	-	-	20,760	20,760
<b>Balance as at 31 March 2005</b>	<b>19,620</b>	<b>(185)</b>	<b>-</b>	<b>-</b>	<b>49,077</b>	<b>68,512</b>

**COMPANY-Statement of changes in equity for full year ended 31 March 2006**

Balance as at 31 March 2005

- Effect of adopting FRS 39

Currency translation differences

Net loss for the period

**Balance as at 30 June 2005**

**Balance as at 30 June 2005**

Net profit for the period

Final dividend of \$0.01 per share and special dividend of \$0.015 per share less tax of 20% paid in respect of previous financial year

**Balance as at 30 September 2005**

**Balance as at 30 September 2005**

Net profit for the period

**Balance as at 31 December 2005**

**Balance as at 31 December 2005**

Net profit for the period

Gains on available-for-sale investments

**Balance as at 31 March 2006**

Balance as at 31 March 2005	19,620	(185)	-	-	49,077	68,512
- Effect of adopting FRS 39	-	-	-	-	(213)	(213)
Currency translation differences	-	185	-	-	-	185
Net loss for the period	-	-	-	-	(1,861)	(1,861)
<b>Balance as at 30 June 2005</b>	<b>19,620</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,003</b>	<b>66,623</b>
<b>Balance as at 30 June 2005</b>	<b>19,620</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,003</b>	<b>66,623</b>
Net profit for the period	-	-	-	-	6,765	6,765
Final dividend of \$0.01 per share and special dividend of \$0.015 per share less tax of 20% paid in respect of previous financial year	-	-	-	-	(3,924)	(3,924)
<b>Balance as at 30 September 2005</b>	<b>19,620</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49,844</b>	<b>69,464</b>
<b>Balance as at 30 September 2005</b>	<b>19,620</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49,844</b>	<b>69,464</b>
Net profit for the period	-	-	-	-	16,244	16,244
<b>Balance as at 31 December 2005</b>	<b>19,620</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>66,088</b>	<b>85,708</b>
<b>Balance as at 31 December 2005</b>	<b>19,620</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>66,088</b>	<b>85,708</b>
Net profit for the period	-	-	-	-	1,787	1,787
Gains on available-for-sale investments	-	-	-	10	-	10
<b>Balance as at 31 March 2006</b>	<b>19,620</b>	<b>-</b>	<b>-</b>	<b>10</b>	<b>67,875</b>	<b>87,505</b>

\* Relates to Sincere Watch Co. Ltd, incorporated in the Republic of China (Taiwan). Legal reserve may be used to offset deficit, if any, and, when the reserve amount exceeds or equals 50% of the capital stock, an amount up to 50% of such reserve may be transferred to capital stock.

- 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.**

Since the end of the previous financial period, there have been no changes in the Company's issued share capital.

- 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 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 same accounting policies and methods of computation as in the most recently audited financial statements have been applied, except for the adoption of the following new and revised Financial Reporting Standards ("FRS") that are applicable to the Group and the Company from 1 April 2005:

FRS 1	Presentation of Financial Statements
FRS 39	Financial Instruments: Recognition and Measurement
FRS 103	Business Combinations

**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.**

Apart from FRS 39 and FRS 103, the adoption of the new and revised FRS does not have any significant impact on the Group.

FRS 39 is applied prospectively, and as prescribed by the Standard, the comparative figures for financial year ended 31 March 2005 are not restated. Instead, the effects of adopting FRS 39 had been adjusted one-off to the opening retained earnings as at 1 April 2005.

Based on the financial assets and liabilities as at 1 April 2005, the impact on the Group's opening retained earnings in adopting FRS 39 is illustrated below:

	<b>S\$'000</b>
Fair value of currency forward contracts	(216)

FRS 103 requires the allocation of the cost of acquisition to identifiable assets (including intangible assets), liabilities and contingent liabilities assumed in the business combination at their fair values. The acquirer has to recognise separately the acquiree's contingent liabilities, provided that their fair values can be measured reliably. Intangible assets have to be identified and recognised if their fair values can be measured reliably and the criterion in receiving future economic benefit is considered to be satisfied in a business combination situation.

Until 31 March 2005, goodwill was amortised on a straight-line basis of 5 years. In accordance with the provisions of FRS 103, the Group:

- ceased amortisation of goodwill with effect from 1 April 2005; and
- for the financial year beginning 1 April 2005, goodwill will be assessed for impairment annually before the end of the financial year and whenever there are indications of impairment.

**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.**

	<b>GROUP</b>			
	<b>Q4</b>		<b>Full Year</b>	
	<b>Jan 2006 to Mar 2006</b>	<b>Jan 2005 to Mar 2005</b>	<b>Apr 2005 to Mar 2006</b>	<b>Apr 2004 to Mar 2005</b>
Basic earnings per share	4.61 cents	4.87 cents	17.36 cents	9.75 cents

Basic earnings per share is calculated by dividing the Group's net profit attributable to shareholders by 196,200,000 ordinary shares in issue during the financial period.

The Group does not have equity instruments which are dilutive in nature. Accordingly, fully diluted earnings per share equals to basic earnings per share.

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

Net asset value per ordinary share based on the issued share capital at the end of the financial period

GROUP		COMPANY	
31 Mar 2006	31 Mar 2005	31 Mar 2006	31 Mar 2005
62.02 cents	46.88 cents	44.60 cents	34.92 cents

The net asset per ordinary share is calculated based on 196,200,000 ordinary shares in issue at 31 March 2006 (31 March 2005: 196,200,000).

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.**

The Group achieved record profit of S\$35.1 million for the financial year FY06 despite a marginal dip in group revenue to S\$318.2 million, down 1.9% from S\$324.3 million recorded in the previous year. This improvement in group profit represented an increase of 78.1% over FY05's profit of S\$19.1 million.

The growth in profit was helped by strong demand for the group's distribution and exclusive retail brands that saw substantial sales particularly in Q4. Consequently, this led to an increase in average gross margin and this mitigated the effects of the drop in group revenue for the year. This decline in group revenue was principally due to deferred purchasing by dealers in Hong Kong during the first half of the year, the closure of several shops for upgrading and refurbishment and the cessation of one of the travel retail concessions in Singapore Changi Airport, details of which were previously reported. In addition, the public listing of Sincere Watch (Hong Kong) Limited on the Hong Kong Stock Exchange resulted in a gain on dilution of interest in subsidiary of S\$10.6 million.

Profit before tax for the group was S\$42.3 million for FY06 against S\$23.7 million for FY05. However, even without accounting for this exceptional item, profit before tax rose to S\$31.7 million, up 33.8% from the previous year.

During the year, staff cost grew as a result of more headcount in upgraded stores, brand management division, finance department and increased incentives & bonuses due to improved profitability. Selling, advertising and promotional expenses grew by 13% for the year as major marketing activities were held in Q4. Rental expenses saw a marginal decline of 3.6% for the year although the decrease in rental arising from the cessation of the Changi Airport outlet was partially offset by the increase in turnover rent incurred by the other shops.

The Balance Sheet remained strong and the Group is in a net cash position as at the end of the financial year. In line with the higher volume of sales in Q4, trade receivables increased to S\$32.8 million. In addition, the higher level of purchases of S\$74.6 million in Q4 saw inventories increased to S\$198.7 million, up by S\$57.2 million from the previous financial year end. The higher Q4 purchases were in anticipation of the Group's expansion plans in the new financial year. (Refer note 10).

Earnings per share (EPS) for the year grew to 17.36 cents from 9.75 cents recorded in the previous year. Net Asset Value (NAV) was 62.02 cents, up 32.3% from FY05's 46.88 cents.

## Dividends

The Directors are recommending a total dividend of 2.65 cents per share less tax for the year. This comprised a First and Final Dividend of 1 cent per share together with a Special Dividend of 1.65 cents per share less tax for the year.

Going forward, the Directors will review the financial needs and performance of the Company after the next 6 months with a view of recommending additional dividends for the purpose of discharging the Section 44 tax credit balance of approximately S\$5 million.

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

The Group's fourth quarter results are consistent with the Commentary issued in the announcement of its results for the previous quarter.

**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 demand for luxury timepieces in the region will continue to grow. The rising affluence and sophistication of locals as well as increased tourists arrivals in Singapore, Hong Kong and its respective neighbouring countries will continue to fuel the demand for luxury goods.

In order to capitalise on its market leadership, the Group will continue to work closely with principals, landlords and other strategic partners to gain access to new customers and markets. As part of its expansion plans, new shops will be opened in the new financial year. In Singapore, new Emotus Time Culture shops have been opened in Tampines Mall and Marina Square. In addition, 2 new Sincere Fine Watches shops have been planned.

In North Asia, in addition to its 3 boutiques in Hong Kong and the PRC, the Group currently has 24 retail outlets owned and operated by 10 independent watch dealers. In the new financial year, a Franck Muller boutique will be opened in Macau to support the new independent dealers that will be appointed there.

The Group will be profitable for the year.

## 11. Dividend

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

Any dividend recommended for the current financial period reported on? **Yes**

Name of Dividend	First & Final	Special
Dividend Type	Cash	Cash
Dividend Amount per Share (in cents)	1 cent per ordinary share (less tax)	1.65 cents per ordinary share (less tax)
Optional:- Dividend Rate (in %)	10 % per ordinary share	16.5 % per ordinary share
Tax Rate	20%	20%

### **(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	Special
Dividend Type	Cash	Cash
Dividend Amount per Share (in cents)	1 cent per ordinary share (less tax)	1.5 cents per ordinary share (less tax)
Optional:- Dividend Rate (in %)	10 % per ordinary share	15 % per ordinary share
Tax Rate	20%	20%

### **(c) Date payable**

The proposed dividend, if approved by shareholders of the Company at the Annual General Meeting to be held on 21 July 2006, will be payable on 22 August 2006.

### **(d) Books closure date**

Notice is hereby given that Transfers and Register of Members will be closed on 3 August 2006 for the preparation of dividend warrants. Duly completed transfers received by the Company Registrar, B.A.C.S Private Limited at 63 Cantonment Road, Singapore 089758, up to 5.00 pm on 2 August 2006 will be registered before entitlements to the proposed dividend are determined.

## 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. 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.**

	South East Asia		North East Asia		Elimination		Group	
	2006 S\$'000	2005 S\$'000	2006 S\$'000	2005 S\$'000	2006 S\$'000	2005 S\$'000	2006 S\$'000	2005 S\$'000
Revenue								
External sales	230,871	218,793	87,307	105,468			318,178	324,261
Inter-segment sales	68,531	51,851	6,470	13,683	(75,001)	(65,534)	-	-
Total revenue	<b>299,402</b>	<b>270,644</b>	<b>93,777</b>	<b>119,151</b>	<b>(75,001)</b>	<b>(65,534)</b>	<b>318,178</b>	<b>324,261</b>
Result								
Segment result	28,250	32,341	16,559	13,385	(12,450)	(21,325)	32,359	24,401
Gain on dilution of interest in subsidiary							10,608	-
Finance costs							(1,172)	(973)
Profit before share of results of associates							41,795	23,428
Profit from associates							457	275
Profit before income tax, minority interests							42,252	23,703
Income tax expense							(7,156)	(4,941)
Profit before minority interests							<b>35,096</b>	<b>18,762</b>
Other information								
Segment assets	177,105	157,111	129,971	90,116			307,076	247,227
Investment in associates	5,747	5,335	-	-			5,747	5,335
Unallocated corporate assets							4,678	4,367
Consolidated total assets							<b>317,501</b>	<b>256,929</b>
Segment liabilities	73,041	57,499	81,643	75,244			154,684	132,743
Unallocated corporate liabilities							31,125	32,157
Consolidated total liabilities							<b>185,809</b>	<b>164,900</b>
Capital expenditure	2,825	2,840	387	110			3,212	2,950
Acquisition of goodwill and intangibles	2,528	-	-	-			2,528	-
Depreciation and amortisation	2,382	2,994	349	542			2,731	3,536
Other non-cash expenses	4,527	3,778	1,183	4,822			5,710	8,600

The Group is substantially in one business segment, namely the retailing and distribution of quality watches and clocks.

**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.**

Revenue and segment results percentage contribution for the region excluding, and after eliminating, intra-group sales are as follows:

	Percentage Contribution	
	2006 %	2005 %
<b>Revenue</b>		
South East Asia	73	67
North East Asia	27	33
	<b>100</b>	<b>100</b>
<b>Segment results</b>		
South East Asia	44	43
North East Asia	56	57
	<b>100</b>	<b>100</b>

As in the previous year, both segments registered increased sales with Singapore and Hong Kong being the key contributors to the Group's overall profitability.

**15. A breakdown of sales.**

	Group		
	2006 S\$'000	2005 S\$'000	Increase / (Decrease) %
Sales reported for the first half year	140,356	148,399	(5.42)
Operating profit after tax before deducting minority interests reported for the first half year	8,885	6,835	29.99
Sales reported for the second half year	177,822	175,862	1.11
Operating profit after tax before deducting minority interests reported for the second half year	26,211	11,927	119.76

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

Total Annual Dividend (*Refer to Para 16 of Appendix 7.2 for the required details*)

	Latest Full Year (S\$'000)	Previous Full Year (S\$'000)
Ordinary	4,159	3,924
Preference	0	0
Total:	4,159	3,924

The dividend of S\$3,924,000 in respect of the financial year ended 31 March 2005 comprises a first and final dividend of 1 cent per ordinary share less tax totaling S\$1,569,600 and a special dividend of 1.5 cents per ordinary share less tax totaling S\$2,354,400 that was paid on 17 August 2005.

For the financial year ended 31 March 2006, the directors of the Company recommend a first and final dividend of 1 cent per ordinary share less tax totaling S\$1,569,600 and a special dividend of 1.65 cents per ordinary share less tax totaling S\$2,589,840. The annual dividends proposed are subject to approval by shareholders at the forthcoming Annual General Meeting.

**BY ORDER OF THE BOARD**

Soh Gim Teik  
Company Secretary  
10/05/2006