



**Unaudited Financial Statement And Dividend Announcement for the Year Ended 30 June 2008**

**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.**

**1(a)(i) Income Statement for the year ended 30 June 2008**

	Group		
	USD'000		%
	Year ended 30 June 2008	Year ended 30 June 2007	Change
<b>Revenue</b>	25,590	15,615	63.9
Cost of sales	(7,413)	(1,237)	nm
<b>Gross profit before direct depreciation</b>	18,177	14,378	26.4
Direct depreciation and amortisation	(246)	(89)	nm
<b>Gross profit</b>	17,931	14,289	25.5
Other income	7,006	12,209	(42.6)
Indirect depreciation	(112)	(152)	26.3
General and administrative expenses	(3,423)	(2,489)	(37.5)
Other expenses	(3,295)	-	nm
<b>Profit from operations</b>	18,107	23,857	(24.1)
Finance costs	(114)	(451)	74.7
<b>Profit before income tax and results of associated companies</b>	17,993	23,406	(23.1)
Share of results of associated companies	1,847	(40)	nm
<b>Profit before income tax</b>	19,840	23,366	(15.1)
Income tax	(353)	(314)	(12.4)
<b>Profit for the year</b>	19,487	23,052	(15.5)
<b>Attributable to:</b>			
<b>Equity holders of the Company</b>	19,482	23,043	(15.5)
<b>Minority interests</b>	5	9	44.4
	19,487	23,052	(15.5)

**1(a)(ii) Profit for the year included the following items:**

	Group		
	USD'000		%
	Year ended 30 June 2008	Year ended 30 June 2007	Change
Gain on disposal of plant and equipment	137	2,432	(94.4)
Gain on disposal of available-for-sale investments(net)	1,298	9,395	(86.2)
Gain on disposal of other assets	-	104	nm
Foreign exchange adjustment gain	5,516	217	nm
Gain on liquidation of a joint venture	55	-	nm
Reversal of allowance for doubtful debts (net)	-	61	nm
Impairment in value of available-for-sale investments	(3,295)	-	nm

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.**

	<b>Group</b>		<b>Company</b>	
	<b>30/6/2008</b>	<b>30/6/2007</b>	<b>30/6/2008</b>	<b>30/6/2007</b>
	<b>USD'000</b>	<b>USD'000</b>	<b>USD'000</b>	<b>USD'000</b>
<b>Current Assets</b>				
Cash and bank balances	14,796	31,993	2,675	7,540
Trade receivables	1,119	931	-	-
Other receivables and prepayments	9,023	51,144	1,379	1,916
Held-for-trading investments	19,624	2,143	-	716
Due from subsidiary companies	-	-	72,004	82,838
Inventory-land held for development	8,573	8,573	-	-
Non-current assets classified as held for sale	1,953	-	-	-
<b>Total Current Assets</b>	<b>55,088</b>	<b>94,784</b>	<b>76,058</b>	<b>93,010</b>
<b>Non-current Assets</b>				
Property, plant and equipment	6,413	5,621	120	219
Intangible asset	5,512	5,512	-	-
Subsidiary companies	-	-	13,994	15,494
Associated companies	1,847	-	-	-
Available-for-sale investments	202,515	265,087	166,526	220,498
Other financial assets at fair value through profit and loss	32,969	6,373	19,923	4,308
<b>Total Non-current Assets</b>	<b>249,256</b>	<b>282,593</b>	<b>200,563</b>	<b>240,519</b>
<b>Total Assets</b>	<b>304,344</b>	<b>377,377</b>	<b>276,621</b>	<b>333,529</b>
<b>Current Liabilities</b>				
Bank loans	-	7,380	-	7,380
Trade payables	9,810	11,222	8,797	10,312
Other payables	1,396	1,170	371	372
Due to subsidiary companies	-	-	2,997	1,300
Income tax payable	1,144	986	1,013	905
Liabilities directly associated with non-current assets classified as held for sale	7	-	-	-
<b>Total Current Liabilities</b>	<b>12,357</b>	<b>20,758</b>	<b>13,178</b>	<b>20,269</b>
<b>Capital, Reserves and Minority Interests</b>				
Share capital	168,814	168,814	168,814	168,814
Reserves	46,634	99,398	59,886	98,359
Accumulated profits	76,214	88,079	34,743	46,087
Equity attributable to equity holders of the Company	291,662	356,291	263,443	313,260
Minority Interests	325	328	-	-
<b>Total Equity</b>	<b>291,987</b>	<b>356,619</b>	<b>263,443</b>	<b>313,260</b>
<b>Total Liabilities and Equity</b>	<b>304,344</b>	<b>377,377</b>	<b>276,621</b>	<b>333,529</b>

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

(a) **Amount repayable in one year or less, or on demand**

<b>As at 30/6/08</b>		<b>As at 30/6/07</b>	
<b>USD'000</b>		<b>USD'000</b>	
Secured	Unsecured	Secured	Unsecured
-	-	3,660	3,720

(b) **Amount repayable after one year**

<b>As at 30/6/08</b>		<b>As at 30/6/07</b>	
<b>USD'000</b>		<b>USD'000</b>	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

(c) **Details of any collateral**

A short term loan of USD3,660,000 as at 30 June 2007 was secured by an available-for-sale investment.

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

	Year ended 30 June 2008	Year ended 30 June 2007
	USD'000	USD'000
<b>Cash flows from operating activities</b>		
Profit before income tax and results of associated companies	17,993	23,406
Adjustments for:		
Depreciation expense	358	241
Dividend income	(10,130)	(5,801)
Interest income	(7,729)	(7,168)
Interest expense	114	451
Gain on disposal of plant and equipment	(137)	(2,432)
Gain on disposal of available-for-sale investments(net)	(1,298)	(9,395)
Reversal of allowance for doubtful debts(net)	-	(61)
Gain on disposal of other assets	-	(104)
Impairment in value of available-for-sale investments	3,295	-
Fair value adjustment of other financial assets at fair value through profit and loss	4,959	457
<b>Operating profit(loss) before movements in working capital</b>	<b>7,425</b>	<b>(406)</b>
Held-for-trading investments	(14,945)	(398)
Receivables	41,684	(664)
Land held for development	-	7
Payables	(1,180)	(664)
<b>Cash generated from (used in) operations</b>	<b>32,984</b>	<b>(2,125)</b>
Interest paid	(114)	(451)
Interest received	7,729	5,604
Dividend received-other investments	10,130	5,801
Income tax refund(paid)(net)	47	(698)
<b>Net cash from operating activities</b>	<b>50,776</b>	<b>8,131</b>
<b>Cash flows from investing activities</b>		
Purchase of plant and equipment	(4,081)	(4,110)
Purchase of assets classified as held for sale	-	(960)
Proceeds from disposal of plant and equipment	1,777	-
Purchase of investment in associated company	-	(40)
Purchase of intangible asset	-	(5,512)
Purchase of available-for-sale investments	(37,785)	(20,632)
Purchase of other financial assets at fair value through profit and loss	(48,133)	(6,833)
Proceeds from disposal of available-for-sale investments	52,981	38,690
Proceeds from disposal of other financial assets at fair value through profit and loss	6,725	-
<b>Net cash (used in) from investing activities</b>	<b>(28,516)</b>	<b>603</b>
<b>Cash flows from financing activities</b>		
Repayment from the holding company of the former subsidiaries	-	16,057
Advance to an associated company	-	(2,700)
Share repurchase	(20,073)	(796)
Dividends paid to shareholders of the company	(11,274)	(7,050)
Dividends paid to minority shareholders of subsidiary company	(1)	-
Proceeds from bank loans	25,771	5,720
Repayment of bank loans	(33,151)	(16,402)
<b>Net cash used in financing activities</b>	<b>(38,728)</b>	<b>(5,171)</b>
<b>Net effect of exchange rate changes in consolidation</b>	<b>(49)</b>	<b>841</b>
<b>Net (decrease) increase in cash and cash equivalent</b>	<b>(16,517)</b>	<b>4,404</b>
<b>Cash and cash equivalent at beginning of year</b>	<b>31,993</b>	<b>27,589</b>
<b>Cash and cash equivalent at end of year(Note A)</b>	<b>15,476</b>	<b>31,993</b>

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

**Note A**

	Year ended 30 June 2008	Year ended 30 June 2007
	USD'000	USD'000
Cash at bank	11,178	5,413
Fixed deposits	4,298	26,577
Cash on hand	-	3
<b>Total cash and bank balances</b>	<b>15,476</b>	<b>31,993</b>
<b>Classified as held for sale</b>	<b>(680)</b>	<b>-</b>
<b>Net cash and bank balances</b>	<b>14,796</b>	<b>31,993</b>

- 1d)(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.

**THE GROUP**

**Consolidated statement of changes in equity for the year ended 30 June 2008**

	Share capital	Exchange fluctuation reserve	Investment revaluation reserve	Accumulated profits	Attributable to equity holders of company	Minority interests	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
<b>Balance at 1 July 2007</b>	168,814	(1,905)	101,303	88,079	356,291	328	356,619
Decrease in fair value of available- for-sale investments	-	-	(53,545)	-	(53,545)	-	(53,545)
Currency translation reserve	-	208	-	-	208	(7)	201
Net income recognised directly in equity	-	208	(53,545)	-	(53,337)	(7)	(53,344)
Transfer to profit on sale of available-for-sale investments	-	-	(2,166)	-	(2,166)	-	(2,166)
Transfer to profit and loss on impairment of available-for-sale investments	-	-	2,739	-	2,739	-	2,739
Net profit for the year	-	-	-	19,482	19,482	5	19,487
Total recognised income and expense for the year	-	208	(52,972)	19,482	(33,282)	(2)	(33,284)
Payment of dividends	-	-	-	(11,274)	(11,274)	(1)	(11,275)
Repurchase of shares	-	-	-	(20,073)	(20,073)	-	(20,073)
<b>Balance at 30 June 2008</b>	<b>168,814</b>	<b>(1,697)</b>	<b>48,331</b>	<b>76,214</b>	<b>291,662</b>	<b>325</b>	<b>291,987</b>

**THE GROUP**
**Consolidated statement of changes in equity for the year ended 30 June 2007**

	Share capital	Exchange fluctuation reserve	Investment revaluation reserve	Accumulated profits	Attributable to equity holders of Company	Minority interests	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
<b>Balance at 1 July 2006</b>	168,814	(1,617)	46,036	72,530	285,763	310	286,073
Increase in fair value of available-for-sale investments	-	-	64,586	-	64,586	-	64,586
Currency translation reserve	-	(288)	-	352	64	9	73
Net income recognised directly in equity	-	(288)	64,586	352	64,650	9	64,659
Transfer to profit on sale of available-for-sale investments	-	-	(9,319)	-	(9,319)	-	(9,319)
Net profit for the year	-	-	-	23,043	23,043	9	23,052
Total recognised income and expense for the year	-	(288)	55,267	23,395	78,374	18	78,392
Payment of dividends	-	-	-	(7,050)	(7,050)	-	(7,050)
Repurchase of shares	-	-	-	(796)	(796)	-	(796)
<b>Balance at 30 June 2007</b>	168,814	(1,905)	101,303	88,079	356,291	328	356,619

**THE COMPANY**  
**Statement of changes in equity for the year ended 30 June 2008**

	Issued capital	Investment revaluation reserve	Accumulated profits	Total
	USD'000	USD'000	USD'000	USD'000
<b>Balance at 1 July 2007</b>	168,814	98,359	46,087	313,260
Decrease in fair value of available-for-sale investments	-	(38,765)	-	(38,765)
Net expense recognised directly in equity	-	(38,765)	-	(38,765)
Transfer to profit on sale of available-for-sale investments	-	292	-	292
Net profit for the year	-	-	20,003	20,003
Total recognised income and expense for the year	-	(38,473)	20,003	(18,470)
Payment of dividends	-	-	(11,274)	(11,274)
Repurchase of shares	-	-	(20,073)	(20,073)
<b>Balance at 30 June 2008</b>	168,814	59,886	34,743	263,443

**THE COMPANY**  
**Statement of changes in equity for the year ended 30 June 2007**

	Issued capital	Investment revaluation reserve	Accumulated profits	Total
	USD'000	USD'000	USD'000	USD'000
<b>Balance at 1 July 2006</b>	168,814	47,117	38,577	254,508
Increase in fair value of available-for-sale investments	-	52,234	-	52,234
Net income recognised directly in equity	-	52,234	-	52,234
Transfer to profit on sale of available-for-sale investments	-	(992)	-	(992)
Net profit for the year	-	-	15,356	15,356
Total recognised income and expense for the year	-	51,242	15,356	66,598
Payment of dividends	-	-	(7,050)	(7,050)
Repurchase of shares	-	-	(796)	(796)
<b>Balance at 30 June 2007</b>	168,814	98,359	46,087	313,260

- 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 immediate preceding financial year.**

During the fourth quarter ended 30 June 2008, the Company repurchased a total of 19,996,000 ordinary shares, pursuant to the Share Repurchase Mandate approved at the Extraordinary General Meeting on 29 October 2007. The shares were repurchased by way of market acquisitions at prices ranging from S\$0.355 to S\$0.385 per share and the total consideration paid was S\$7,449,661.70 (including transaction costs). The share repurchases were made out of the Company's profits and cancelled.

As at 30 June 2008, the Company's issued and paid up capital comprised 1,009,107,450 ordinary shares.

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

The figures have not been audited nor reviewed by the auditors.

- 3 **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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 Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the year ended 30 June 2007.

- 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.**

Not applicable.

- 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 Figures	
			Year ended 30 June 2008	Year ended 30 June 2007
Earnings per ordinary share for the year based on profit attributable to shareholders after deducting any provision for preference dividends:-				
(i)	Based on weighted average number of ordinary shares on issue	USD cents	1.85 cents	2.12 cents
(ii)	On a fully diluted basis	USD cents	1.85 cents	2.12 cents

Group basic and fully diluted earnings per ordinary share for the year ended 30 June 2008 are calculated based on the weighted average number of ordinary shares in issue during the period of 1,053,942,000 shares (2007: 1,085,666,000) after accounting for shares repurchased during the periods.

Note: Group basic earnings per share is the same as the fully diluted earnings per share as the Group did not have any potential dilutive ordinary shares outstanding as at 30 June 2008 and 2007.

7 **Net asset value (for the issuer and the 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 existing issued share capital as at the end of the year reported on

		30 June 2008	30 June 2007
The Group	USD cents	28.90	32.84
The Company	USD cents	26.11	28.88

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.

For the financial year ended 30 June 2008 ("FY2008"), the group recorded revenue of USD25.590 million and net profit attributable to shareholders of USD19.482 million. When compared to the previous year ended 30 June 2007 ("FY2007"), revenue was higher by 63.9% but net profit was lower by 15.5%. This decrease in net profit was mainly due to lower other income recorded in FY2008 as compared to FY2007. The other contributing factors were higher cost of sales and other expenses as a result of vessel expenses, fair value adjustment and impairment in value of investments in FY2008.

**Revenue and Gross Profit**

Group revenue and gross profit were higher in FY2008 as compared to FY2007. Revenue rose to USD25.590 million from USD15.615 million, while gross profit increased to USD17.931 million from USD14.289 million for the previous year. The main reason for the improvement in revenue and gross profit were higher dividend income from available-for-sale investments and better results from vessel management activities.

**Other income**

Other income decreased to USD7.006 million in FY2008 from USD12.209 million in FY2007, mainly due to lower one-off divestment gains of available-for-sale investments and the absence of gain from vessel sales. In FY2008, foreign exchange gains accounted for USD5.516 million as a result of the group's cash holdings in Singapore dollars during the year. The disposal of available-for-sale investments and other gains contributed USD1.298 million and USD0.192 million respectively.

In FY2007, other income derived from gains from disposal of available-for-sale investments, gains from sale of vessels, foreign exchange gains and other gains were USD9.395 million, USD2.432 million, USD0.217 million and USD0.165 million respectively.

**Other expenses**

Other expenses are represented by impairment in value of available-for-sale investments. Directors have made an impairment charge of USD3.295 million to profit and loss as a result of lower fair value of some available-for-sale investments.

**Share of results of associated companies**

In FY2008, share of results from associated companies was a profit of USD1.847 million as compared to a loss of USD0.040 million in FY2007. These amounts were contributed by a marine logistics associate in the Middle East.



## **Financial and cash flow position**

The group's financial position remained strong with healthy operating cashflow and had no borrowings as at reporting date. Cash generated from operations during the year remained positive with consolidated cash and bank balance standing at USD14.796 million at the end of the reporting period. The main cash inflows were proceeds from the previous sale of vessels to Scomi Marine Berhad's group and dividend income from available-for-sale investments of USD49.654 million and USD10.130 million respectively. The cash outflow were net purchase of investments of USD26.212 million, share repurchase of USD20.073 million and payment of dividends of USD11.274 million. As a result of these cash outflows together with a decrease of USD53.545 million in the fair value of certain available-for-sale investments held by the group, the net asset value (NAV) per share decreased to USD28.90 cents from USD32.84 cents during FY2008. As at 30 June 2008, the NAV of the group stood at USD291.662 million.

## **Review of Balance Sheet**

Other receivable and prepayments – the amount decreased significantly due to the collection of an amount owing by the Scomi Marine Berhad's group in relation to previous sale of vessels during the current financial year.

Held-for-trading investments and Other financial assets at fair value through profit and loss – the amounts increased mainly by purchase of investment during the year.

Available-for-sale investments – the amount decreased mainly by fair value adjustment taken into reserves as at reporting date.

## **Dividend**

An interim dividend of 0.5 cents had been declared and paid to shareholders during FY2008. The directors are now proposing a final tax-exempt dividend of 0.5 cents in respect of financial year ended 30 June 2008 for shareholders' approval at the forthcoming Annual General Meeting.

- 9 **Where a forecast, or a prospect statement, has been previously disclosed to 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.**

FY2008 saw the continued rise in energy cost and commodity prices which has partly been responsible for a sharp rise in global inflation. The known problems of the sub prime crisis and resultant financial sector issues coupled with new problems of high inflation and rising unemployment continue to plague the investment climate. The outlook for the next reporting period and the next 12 months remain challenging to the group. Directors and management will continue to exercise caution in their approach when making new investment decisions.

Saved as disclosed herein, there are no material factors or events which may affect the earnings of the group between this date up to which the report refers and the date on which the report was issued.

- 11 **Dividend**

### **(a) Period ended 30 June 2008**

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

Name of Dividend	Interim	Final
Dividend Type	Cash	Cash
Dividend Amount per Share(SGD cents)	0.5 cents	0.5 cents
Tax rate	Tax-exempt(one-tier)	Tax-exempt(one-tier)

**(b) Period ended 30 June 2007**

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

Name of Dividend	Interim	Final
Dividend Type	Cash	Cash
Dividend Amount per Share(SGD cents)	0.5 cents	1.0 cents
Tax rate	Tax-exempt(one-tier)	Tax-exempt(one-tier)

**(c) Date payable**

To be advised at a later date

**(d) Books closure date**

The notice of books closure for the purpose of determining shareholders' entitlement to the proposed dividend will be announced at a later date.

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

No applicable.

**PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

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.**

The group currently has only one business segment – Investment Holding. This division is the basis on which the group reports its primary segment information. Please refer to item 8.

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.**

Please refer to item 8.

15 **A breakdown of sales**

	Group		
	USD'000		%
	Year ended 30 June 2008	Year ended 30 June 2007	Change
(a) Sales reported for first half year	14,513	7,816	85.68
(b) Operating profit after tax before deducting minority interests reported for first half year	11,878	18,109	(34.41)
(c) Sales reported for second half year	11,077	7,799	42.03
(d) Operating profit after tax before deducting minority interests reported for the second half year	7,609	4,943	53.93

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

	Latest Year(USD'000)	Previous Year(USD'000)
Ordinary	7,478	10,660
Preference	-	-
Total	7,478	10,660

**BY ORDER OF THE BOARD**

Valerie Tan  
Company Secretary  
15 August 2008