



Full Year Financial Statements and Dividend Announcement (Unaudited)

Part 1 - 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 Income Statement for the Group
For the Financial Year Ended 31 March 2005**

	2005 S\$'000	2004 S\$'000	Increase (Decrease) %
Sales	158,000	161,774	(2.33)
Other operating income	2,044	2,281	(10.39)
Changes in inventories of finished goods	11,608	8,380	38.52
Inventories consumed	(145,891)	(147,857)	(1.33)
Staff costs	(8,231)	(7,126)	15.51
Rental expenses - operating leases	(4,453)	(4,072)	9.36
Depreciation and impairment loss of property, plant and equipment	(1,590)	(1,088)	46.14
Other operation expenses	(5,613)	(4,101)	36.87
Profit from operations	5,874	8,191	(28.29)
Finance cost, net	(1,601)	(1,255)	27.57
Profit before share of results of associated companies and tax	4,273	6,936	(38.39)
Share of results of associated companies before tax	93	95	(2.11)
Profit before tax	4,366	7,031	(37.90)
Income tax expense	(1,192)	(959)	24.30
Profit from ordinary activities after tax	3,174	6,072	(47.73)
Minority interest	(88)	(28)	NM
Profit after tax attributable to members of the Company	3,086	6,044	(48.94)
	2005 S\$'000	2004 S\$'000	Increase (Decrease) %
Profit before tax after charging (crediting) the following :			
Other income including interest income	(1,651)	(1,793)	(7.92)
Interest on borrowings	1,601	1,256	27.47
Depreciation and impairment loss of property, plant and equipment	1,590	1,088	46.14
Amortisation of deferred income	(141)	(313)	(54.95)
Inventory written off	55	70	(21.43)
Foreign exchange (gain) loss	(153)	319	NM
Adjustments for over provision of tax in respect of prior years	(322)	(670)	(51.94)
Exceptional item - Loss on disposal of 30% equity stake in a subsidiary	372	-	NM
(Profit) loss on sale of property, plant and equipment	(99)	(177)	(44.07)

Note :-

FY 2004's comparative figures on purchase rebate of \$3,535,000 was reclassified from other operating income to inventories consumed to conform with the current year's presentation.

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

**Consolidated Balance Sheet of the Group and Balance Sheet of the Company
As at 31 March 2005**

	Group		Company	
	As At 31.03.2005 S\$'000	As At 31.03.2004 S\$'000	As At 31.03.2005 S\$'000	As At 31.03.2004 S\$'000
Current Assets				
Cash and cash equivalents	3,559	2,048	80	66
Trade and other receivables	11,532	11,397	26,393	31,013
Inventories	109,973	98,947	-	-
Other current assets	2,827	4,426	5	10
	127,891	116,818	26,478	31,089
Non-Current Assets				
Investments in associated companies	4,180	4,290	1,000	1,000
Investments in subsidiaries	-	-	10,235	8,606
Property, plant & equipment	8,930	5,219	1,391	1,657
Deferred income tax assets	689	1,387	427	735
	13,799	10,896	13,053	11,998
Total Assets	141,690	127,714	39,531	43,087
Current Liabilities				
Trade and other payables	20,072	30,862	1,138	2,950
Current income tax liabilities	1,329	2,199	-	316
Borrowings	50,007	31,048	150	199
	71,408	64,109	1,288	3,465
Non-Current Liabilities				
Borrowings	2,783	1,322	375	525
Deferred income tax liabilities	18	-	-	-
Deferred income	250	161	-	-
	3,051	1,483	375	525
Total Liabilities	74,459	65,592	1,663	3,990
Net Assets	67,231	62,122	37,868	39,097
Equity				
Share capital	30,116	30,116	30,116	30,116
Foreign currency translation reserve	(512)	(577)	-	-
Retained earnings	33,904	32,504	7,752	8,981
Shareholders' Equity	63,508	62,043	37,868	39,097
Minority interests	3,723	79	-	-
	67,231	62,122	37,868	39,097

1(b)(ii) Aggregate amount of group's borrowings and debt securities**Amount repayable in one year or less, or on demand**

As at 31.03.2005		As at 31.03.2004	
Secured	Unsecured	Secured	Unsecured
420,028	49,586,853	272,096	30,776,798

Amount repayable after one year

As at 31.03.2005		As at 31.03.2004	
Secured	Unsecured	Secured	Unsecured
2,371,745	410,972	614,364	707,770

Details of any collateral

Borrowings from financial institutions are secured on property, plant and equipment

1(c)(i) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**Consolidated Cash Flow Statement****For the financial year ended 31 March 2005**

	2005 S\$'000	2004 S\$'000
Cash flows from operating activities		
Profit before tax and after share of results of associated companies	4,366	7,031
Adjustments for :		
Depreciation and impairment loss of property, plant and equipment	1,590	1,088
Property, plant and equipment written off	5	18
Interest income	-	(1)
Interest expense	1,601	1,256
Loss on disposal of 30% equity stake of a subsidiary	372	-
Gain on disposal of property, plant & equipment	(99)	(177)
Amortisation of deferred income	(141)	(313)
Share of results of associated companies	(93)	(95)
Unrealised foreign exchange gains - net	(143)	(1,004)
Operating cash flow before working capital change	7,458	7,803
Change in operating assets and liabilities		
Trade and other receivables	(124)	(438)
Inventories	(11,026)	(6,872)
Other current assets	1,977	(2,326)
Trade & other payables	(10,561)	6,157
Cash (used in) generated from operations	(12,276)	4,324
Income tax paid	(1,344)	(912)
Interest paid on overdrafts and trust receipts	(1,285)	(1,101)
Net cash (outflow) / inflow from operating activities (A)	(14,905)	2,311
Cash flows from investing activities		
Acquisition of subsidiary, net of cash acquired	(218)	-
Purchase of property, plant and equipment	(5,084)	(2,157)
Interest received	-	1
Proceeds from disposal of 30% equity stake in a subsidiary	1,601	-

Proceeds from disposal of property, plant & equipment	191	296
Net cash outflow from investing activities (B)	(3,510)	(1,860)
Cash flows from financing activities		
Proceeds on issuance of subsidiary's shares to minority shareholder	1,735	-
Proceeds from trust receipts	21,703	6,558
Proceeds from short term credit	-	5,004
Proceeds from term loan	-	751
Repayments of term loan	(370)	(221)
Repayments of finance lease liabilities	(347)	(541)
Other interest paid	(316)	(155)
Dividends paid	(1,686)	(1,506)
Net cash inflow from financing activities [C]	20,719	9,890
Net increase in cash & cash equivalents held (A) + (B) + [C]	2,304	10,341
Cash & cash equivalents at beginning of the financial year	(2,432)	(12,996)
Effects of exchange rate changes on cash and cash equivalents	52	223
Cash & cash equivalents at end of the financial year	(76)	(2,432)

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 capitalising issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Statements of changes in equity

	Share Capital S\$'000	Foreign Currency Translation Reserve S\$'000	Retained Earnings S\$'000	Total S\$'000
The Group				
Balance at 1 April 2003	30,116	252	27,966	58,334
Currency translation difference	-	(829)	-	(829)
Net loss recognised directly in equity	-	(829)	-	(829)
Net profit for the financial year	-	-	6,044	6,044
Total recognised gains and losses for the financial year	-	(829)	6,044	5,215
Dividends	-	-	(1,506)	(1,506)
Balance at 31 March 2004	30,116	(577)	32,504	62,043
Balance at 1 April 2004	30,116	(577)	32,504	62,043
Currency translation difference	-	388	-	388
Translation reserve realised upon partial disposal of a subsidiary	-	(323)	-	(323)
Net gain recognised directly in equity	-	65	-	65
Net profit for the financial year	-	-	3,086	3,086
Total recognised gains for the financial year	-	65	3,086	3,151

Dividends	-	-	(1,686)	(1,686)
Balance at 31 March 2005	30,116	(512)	33,904	63,508

The Company

Balance at 1 April 2003	30,116	-	10,434	40,550
Total recognised gains for the financial year - Net Profit for the year	-	-	53	53
Dividends	-	-	(1,506)	(1,506)
Balance at 31 March 2004	30,116	-	8,981	39,097
Balance at 1 April 2004	30,116	-	8,981	39,097
Total recognised gains for the financial year - Net Profit for the year	-	-	457	457
Dividends	-	-	(1,686)	(1,686)
Balance at 31 March 2005	30,116	-	7,752	37,868

1(d)(ii) Details of any changes in the company's share capital arising from the right issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or 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

There was no movement on the share capital during the period under review and the Company has not issued any options or warrants

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

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The Group has adopted the same accounting policies and methods of computation in these financial statements as those used in preparing the audited annual financial statements for the financial year ended 31 March 2004

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 period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

Profit per share (cents)	31.03.2005	31.03.2004
- Based on weighted average number of ordinary shares in issue	2.0	4.0
- On fully diluted basis (detailing and adjustments made to the earnings)	2.0	4.0
Weighted average number of ordinary shares in issue	150,578,415	150,578,415

Diluted earnings per share is the same as basic earnings per share as the Company has not issued any options and / or warrants which would have a dilutive effect on earnings per share when exercised

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

	31.03.2005	31.03.2004
Net asset value per ordinary share - group (cents)	42.2	41.2
Net asset value per ordinary share - company (cents)	25.1	26.0

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

Income Statement

The Group's sales revenue of FY 2005 was S\$3.7 million lower than FY 2004 mainly due to the following:

- The Group's retail sales sector recorded an increase of S\$15.5 million in sales revenue in FY 2005 over FY 2004. The growth was attributed to the increase in demand of our products as a result of improved regional economic environment. The Group's newly acquired subsidiary Cortina Thailand contributed positive sales revenue and profit to the Group. Marketing activities and sales promotions launched by the Group and growth in tourists' arrival rate contributed to the increase.

- The demand of distribution sector was generally weak during FY 2005. The Group nevertheless managed to record higher sales revenue from this sector in the second half, which is a peak season traditionally with celebration of festivals like Christmas, New Year and Lunar New Year, as compared to the first half of FY 2005. However, the Group's total sales revenue for this sector in FY 2005 was S\$18.7 million lower than FY 2004 as a result of overall weak demand from this sector.

Other sales revenue recognized in FY 2005 was S\$0.5 million lower than FY 2004 as a result of change of business nature from watch commission agent to distributor by a subsidiary and lower income generated by the repair and services sector.

Notwithstanding the decline in sales revenue, the Group achieved higher gross profit of S\$1.4 million in FY 2005 over FY 2004.

Other operating income declined mainly due to lower cash discount rate granted by suppliers and lower gain from disposal of fixed assets.

The Group's total operating expenses increased by S\$3.8 million. The increase is in line with the Group's business expansion within the region and launch of numbers of marketing activities for brand promotion and awareness.

Staff cost increased mainly due to higher headcounts and increase in other staff related costs. Rental expenses increased mainly due two new boutiques opened and higher rental rate.

Depreciation increased as a result of additional assets acquired for expansion purposes. Additional impairment charge was provided for a leasehold property.

Other operating expenses increased mainly due to more advertising and promotional activities including the Group's prestigious exhibition event 'Jewellery Time', launch of Concord brand of luxury watches, overseas traveling for business development and loss on disposal of 30% equity stake in a Malaysian subsidiary.

Finance costs increased mainly due to increase in inventory financing cost and rising interest rate.

Having accounted for the increase in total operating expenses and contribution from associated companies, the Group achieved a net profit before tax of S\$4.4 million for FY 2005.

Balance Sheet

As of 31 March 2005, the Group's total assets were recorded at S\$141.7 million which represented an increase of S\$14 million. It is largely due to business expansion with increase in inventories and operating assets.

The Group's total liabilities increased S\$8.9 million mainly due to increase in bank borrowings because more inventories were procured for expansion purposes, trade creditors' settlement and acquisition of a freehold property.

The increase in minority interest is due to the disposal of 30% equity stake in a Malaysian subsidiary and the 40% minority interest in the newly acquired Thailand incorporated company.

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

The Group's second half year results are consistent with the commentary issued in the announcement of its first half results of the financial year

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

Outlook for the local and regional economic growth remains positive for the next 12 months despite certain external uncontrollable factors, for instance, high and volatile crude oil prices, rising trend of world interest rates and threat of terrorism attack. The purchasing power of the domestic market in the region is expected to remain good.

Singapore's tourism board has been launching various marketing campaigns and programs to attract more foreign visitors to the island. Similarly, the continual roll out of promotional campaigns by the tourist promotional boards in the region, where the Group has established its presence, will continue to attract more tourists into the region.

Due to unforeseen delay beyond our control, the expansion plan of our StarHill boutique in Kuala Lumpur has been delayed. We target to complete the expansion by the second quarter of the current financial year.

The Group will continue to enhance the existing supply network for the distribution sector with latest models of timepieces and competitive pricing to expand customers' base.

Due to keen competition in the luxury watch industry, the Group will continue to launch aggressive marketing and sales activities to generate higher sales revenue. The Group will continue to control and monitor the cost and operating expenses so as to maximise the Group's profitability.

11. Dividend

(a) Current Financial Period Reported On

Any dividend **recommended** for the current financial period Yes

Name of Dividend	First & Final
Dividend Type	Cash
Dividend Rate	6.25% gross per ordinary share less tax at 20%
Par value of shares	S\$0.20
Tax Rate	20.0%

(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
Dividend Type	Cash
Dividend Rate	7% gross per ordinary share less tax at 20%

Par value of shares	S\$0.20
Tax Rate	20.0%

(c). Date payable

The proposed dividend, if approved by shareholders of the Company at the Annual General Meeting to be held on 15 July 2005, will be payable on 12 August 2005

(d) Books closure date

Subject to the approval being obtained at the forthcoming Annual General Meeting, the Share Transfer books and Register of Members of the Company, will be closed on 29 July 2005, for the preparation of dividend vouchers. Shareholders, being depositors, whose securities accounts with The Central Depository (Pte) Limited are credited with shares as at 5.00 p.m. on 28 July 2005 will be entitled to the payment of dividends.

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

Not applicable

Part II - Additional information required for the 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

	SE Asia S\$'000	NE Asia S\$'000	Elimination S\$'000	Group S\$'000
Year Ended 31 March 2005				
Revenue				
- External sales	141,205	16,795	-	158,000
- Inter-segment sales	2,608	246	(2,854)	-
	<u>143,813</u>	<u>17,041</u>	<u>(2,854)</u>	<u>158,000</u>
Segment results	6,852	384	(92)	7,144
Unallocated costs				<u>(1,270)</u>
Profit from operations				5,874
Finance costs, net				(1,601)
Share of results of associated companies	11	82	-	<u>93</u>
Profit before tax				4,366
Tax				<u>(1,192)</u>
Profit after tax				3,174
Minority interest				<u>(88)</u>
Net profit attributable to members of the Company				<u>3,086</u>
Segment assets	123,332	15,018	(1,529)	136,821
Associated companies	3,752	428	-	4,180
Unallocated assets				689
Consolidated total assets				<u>141,690</u>
Segment liabilities	19,317	2,316	(1,311)	20,322
Unallocated liabilities				54,137
Consolidated total liabilities				<u>74,459</u>
Capital expenditure	5,429	22	-	5,451

Depreciation	1,313	124	-	1,437
Impairment loss of property	153	-	-	153

	<u>SE Asia</u> <u>S\$'000</u>	<u>NE Asia</u> <u>S\$'000</u>	<u>Elimination</u> <u>S\$'000</u>	<u>Group</u> <u>S\$'000</u>
Year Ended 31 March 2004				
Revenue				
- External sales	137,948	23,826	-	161,774
- Inter-segment sales	3,331	320	(3,651)	-
	<u>141,279</u>	<u>24,146</u>	<u>(3,651)</u>	<u>161,774</u>
Segment results	8,961	403	52	9,416
Unallocated costs				<u>(1,225)</u>
Profit from operations				8,191
Finance costs, net				(1,255)
Share of results of associated companies	(74)	169	-	<u>95</u>
Profit before tax				7,031
Tax				<u>(959)</u>
Profit after tax				6,072
Minority interest				<u>(28)</u>
Net profit attributable to members of the Company				<u>6,044</u>
Segment assets	107,266	16,002	(1,231)	122,037
Associated companies	3,750	540	-	4,290
Unallocated assets				1,387
Consolidated total assets				<u>127,714</u>
Segment liabilities	29,920	2,105	(1,107)	30,918
Unallocated liabilities				34,674
Consolidated total liabilities				<u>65,592</u>
Capital expenditure	2,622	25	-	2,647
Depreciation	961	127	-	1,088

The geographical segments have been determined by reference to the location of assets

Inter-segment transactions are determined on an arm's length basis. Unallocated costs represent corporate expenses. Segment assets consist primarily of property, plant and equipment, inventories, receivables and operating cash, and exclude investments and taxation. Segment liabilities comprise operating liabilities and exclude items such as taxation and borrowings. Capital expenditure comprises additions to property, plant and equipment.

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

The factors leading to the changes in contributions to turnover and earnings by the business of geographical segments are consistent with those factors described under item 8.

15. A breakdown of sales

Group	31.03.2005 S\$'000	31.03.2004 S\$'000	% + / -
Sales reported for first half year	64,263	70,275	-8.55%
Operating profit after tax before deducting minority interest reported	1,107	1,119	-1.07%
Sales reported for second half year	93,737	91,499	2.45%
Operating profit after tax before deducting minority interest reported	2,067	4,953	-58.27%

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	1,506	1,686
Preference	0	0
Total	1,506	1,686

BY ORDER OF THE BOARD

LIM KEEN BAN
DIRECTOR
24 May 2005