

**VAN DER HORST ENERGY LIMITED**  
**(Company Registration No. 200001941G)**

**UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR  
THE YEAR ENDED 31 MAY 2008**

**PART I-INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS**

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

**CONSOLIDATED INCOME STATEMENT  
FOR THE YEAR ENDED 31 MAY 2008**

	Group		Change %
	31-May-08 \$'000	31-May-07 \$'000	
Revenue	24,480	24,085	2
Cost of sales	(16,175)	(17,355)	(7)
Gross profit	8,305	6,730	23
Financial income (a)	399	112	256
Financial expense (b)	(486)	(468)	4
Distribution costs	(134)	(94)	43
Administrative expenses	(5,199)	(4,681)	11
Other credit / (charges) (c)	(18)	369	NM
<b>Profit before tax</b>	<b>2,867</b>	<b>1,968</b>	<b>46</b>
Income tax expense	(703)	(254)	177
<b>Profit for the year</b>	<b>2,164</b>	<b>1,714</b>	<b>26</b>
Profit attributable to equity holders of the parent, net of tax	2,122	1,441	47
Profit attributable to minority interests, net of tax	42	273	(85)
	<b>2,164</b>	<b>1,714</b>	<b>26</b>

**1(a)(ii) Notes to the Income Statement  
Other disclosure items included in the above statement**

	Group	
	31-May-08 \$'000	31-May-07 \$'000
<b>(a) Financial income</b>		
Interest income – bank	60	20
Interest income – related party	153	84
Reversal of allowance for impairment on trade receivables	18	-
Trade payables written back	168	8
	<b>399</b>	<b>112</b>
<b>(b) Financial expenses</b>		
Bad debts written off	-	(3)
Foreign exchange adjustment losses	(240)	(66)
Interest expense – bank overdraft	(9)	(43)
Interest expense – hire purchase	(80)	(76)
Interest expense – term loan	(157)	(240)
Allowance for impairment on trade receivables	-	(40)
	<b>(486)</b>	<b>(468)</b>

**1(a)(ii) Notes to the Income Statement****Other disclosure items included in the above statement**

	Group	
	31-May-08	31-May-07
	\$'000	\$'000
(c) <u>Other (charges)/credits</u>		
Gain on disposal of plant and equipment	94	202
Gain on dilution of investment	-	4
Gain on partial disposal of investment	-	5
Insurance claims recovery	-	84
Plant and equipment written off	(112)	(6)
Reversal to provision for litigation claim	-	80
	(18)	369

**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-May-08 \$'000	31-May-07 \$'000	31-May-08 \$'000	31-May-07 \$'000
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash in bank and on hand	11,060	3,273	3,503	467
Trade and other receivables	7,197	8,389	11,398	521
Assets held for sale	10,566	-	-	-
<b>Total current assets</b>	<b>28,823</b>	<b>11,662</b>	<b>14,901</b>	<b>988</b>
<b>Non-current assets:</b>				
Investment in subsidiaries	-	-	32,375	13,627
Investment in associate	1,545	-	1,545	-
Property, plant and equipment	12,046	22,733	731	221
Long-term receivables	-	-	1,252	2,230
Biological assets	20	-	-	-
Goodwill	19,820	938	-	-
<b>Total non-current assets</b>	<b>33,431</b>	<b>23,671</b>	<b>35,903</b>	<b>16,078</b>
<b>Total assets</b>	<b>62,254</b>	<b>35,333</b>	<b>50,804</b>	<b>17,066</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities:</b>				
Trade and other payables	3,816	3,660	836	470
Short-term borrowings	-	166	-	-
Short-term portion of long-term borrowings – bank	-	4,020	-	-
Current portion of finance leases	641	1,460	130	30
Current tax payable	648	520	25	(3)
Liabilities held for sale	205	-	-	-
<b>Total current liabilities</b>	<b>5,310</b>	<b>9,826</b>	<b>991</b>	<b>497</b>
<b>Non-current liabilities:</b>				
Finance leases	938	370	136	95
Deferred tax liabilities	331	423	-	-
<b>Total non-current liabilities</b>	<b>1,269</b>	<b>793</b>	<b>136</b>	<b>95</b>
<b>Total liabilities</b>	<b>6,579</b>	<b>10,619</b>	<b>1,127</b>	<b>592</b>
<b>Equity attributable to equity holders of the parent:</b>				
Share capital	45,514	16,806	45,514	16,806
Other reserves	254	162	-	-
Retained earnings / (accumulated losses)	9,001	6,879	4,163	(332)
	54,769	23,847	49,677	16,474
<b>Minority interest</b>	<b>906</b>	<b>867</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>55,675</b>	<b>24,714</b>	<b>49,677</b>	<b>16,474</b>
<b>Total equity and liabilities</b>	<b>62,254</b>	<b>35,333</b>	<b>50,804</b>	<b>17,066</b>

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

31-May-08		31-May-07	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
641	-	5,646	-

**Amount repayable after one year**

31-May-08		31-May-07	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
938	-	370	-

**Details of any collateral**

- i) Finance leases are entered into for certain plants & equipment that are secured by the lessor's charge over the leased assets.
- ii) Secured by Corporate Guarantee from Van der Horst Energy Limited.

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

	Group	
	31-May-08 \$'000	31-May-07 \$'000
<b>Cash flows from operating activities:</b>		
Profit for the year	2,164	1,714
<b><u>Add / (less) adjustments for:</u></b>		
Income tax expense	703	254
Depreciation of property, plant and equipment	2,249	2,162
Gain on disposal of plant and equipment	(94)	(202)
Plant and equipment written off	112	6
Gain on dilution of investment in subsidiary	-	(4)
Gain on partial disposal of investment in subsidiary	-	(5)
Reversal of provision for litigation claim	-	(80)
Interest expense	246	359
Interest income	(213)	(104)
Operating profit before working capital changes	5,167	4,100
Decrease in fixed deposit with maturity over 3 months	-	12
Trade and other receivables	1,814	(1,869)
Trade and other payables	115	714
Cash generated from operations	7,096	2,957
Income tax paid	(557)	(447)
Net cash generated from operating activities	6,539	2,510
<b>Cash flows from investing activities:</b>		
Acquisition of remaining shares in a subsidiary company	(5)	-
Acquisition of subsidiaries net of cash acquired (Note A)	(6,337)	-
Cash balance associated with assets classified as held for sale (Note B)	(282)	-
Increase in investment in associate	(1,545)	-
Proceeds from partial disposal of investment in subsidiary	-	13
Proceeds from disposal of property, plant and equipment	403	271
Purchase of property, plant and equipment	(1,455)	(2,252)
Increase in biological assets	(20)	-
Interest received	213	104
Net cash used in investing activities	(9,028)	(1,864)
<b>Cash flows from financing activities:</b>		
Proceeds from issuing shares	15,254	-
Capital contributions from minority shareholders	-	837
Dividend paid to minority shareholders of a subsidiary	-	(285)
Repayment of bank borrowings	(4,020)	(183)
Repayment of finance leases	(641)	(619)
Interest paid	(246)	(359)
Net cash generated from / (used in) financing activities	10,347	(609)

	Group	
	31-May-08 \$'000	31-May-07 \$'000
Net effect of exchange rate changes in consolidating foreign subsidiaries	95	43
Net increase in cash and cash equivalents	7,953	80
Cash and cash equivalents at beginning of the year	3,107	3,027
<b>Cash and cash equivalents at end of year</b>	<b>11,060</b>	<b>3,107</b>

Notes to the consolidated cash flow statement :

**Cash and cash equivalents :**

Cash in bank and on hand	11,060	3,273
Bank overdrafts	-	(166)
Cash and cash equivalents at end of year	11,060	3,107

Non-cash transactions - Additions to plant and equipment during the financial year ended 31 May 2008 amounting to approximately \$390,000 (31 May 2007: \$907,000) were financed by new finance leases.

Note A : The group acquired 100% interest in Van der Horst Biodiesel Pte Ltd on 29 February 2008. The net assets acquired and the related fair values are as follows:

	Group 2008	
	Acquiree's carrying amount Before Combination \$'000	At fair value \$'000
Cash	2,825	2,825
Trade and other receivables	819	819
Property, plant and equipment	227	227
Trade and other payables	(136)	(136)
Goodwill	-	18,882
	<b>3,735</b>	<b>22,617</b>
Settled by:-		
Cash consideration (including acquisition-related cost of \$162,000)		9,162
Issue of new shares		13,455
		<b>22,617</b>
Cash consideration (including acquisition-related cost of \$162,000)		(9,162)
Less cash taken over		2,825
Net cash outflow on acquisition		<b>(6,337)</b>

Note B : Details of the disposal group classified as held for sale are as follows:

	Group 2008 \$'000
Cash and cash equivalents	282
Trade and other receivables	196
Property, plant and equipment	10,088
	<b>10,566</b>
Liabilities associated with assets classified as held for sale:	
Deferred tax liabilities	110
Trade and other payables	95
	<b>205</b>
Net assets held for sale	<b>10,361</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.**

<b>Group</b>	Share capital \$'000	(a) Asset revaluation reserves \$'000	Retained earnings \$'000	(a) Foreign currency translation reserves \$'000	Attributable to equity holders of the company \$'000	Minority interests \$'000	Total equity \$'000
<b>Balance at 1 June 2006</b>	15,486	-	5,438	(194)	20,730	416	21,146
Foreign currency translation differences	-	-	-	100	100	-	100
Surplus on revaluation of property	-	365	-	-	365	-	365
Deferred tax on above amount	-	(109)	-	-	(109)	-	(109)
Net income recognised directly in equity	-	256	-	100	356	-	356
Profit for the year	-	-	1,441	-	1,441	273	1,714
<b>Total recognized income for the year</b>	-	256	1,441	100	1,797	273	2,070
Issue of share capital	1,320	-	-	-	1,320	(382)	938
Capital contribution by minority shareholders	-	-	-	-	-	845	845
Dividends paid to minority shareholders	-	-	-	-	-	(285)	(285)
<b>Balance at 31 May 2007</b>	<b>16,806</b>	<b>256</b>	<b>6,879</b>	<b>(94)</b>	<b>23,847</b>	<b>867</b>	<b>24,714</b>
<b>Balance at 1 June 2007</b>	16,806	256	6,879	(94)	23,847	867	24,714
Foreign currency translation differences	-	-	-	92	92	2	94
Net income recognised directly in equity	-	-	-	92	92	2	94
Profit for the year	-	-	2,122	-	2,122	42	2,164
<b>Total recognized income for the year</b>	-	-	2,122	92	2,214	44	2,258
Acquisition of remaining shares in a subsidiary company	-	-	-	-	-	(5)	(5)
Issue of share capital	28,855	-	-	-	28,855	-	28,855
Share issue expenses	(147)	-	-	-	(147)	-	(147)
<b>Balance at 31 May 2008</b>	<b>45,514</b>	<b>256</b>	<b>9,001</b>	<b>(2)</b>	<b>54,769</b>	<b>906</b>	<b>55,675</b>

<b>Company</b>	Share Capital \$'000	Retained earnings / (accumulated losses) \$'000	Total Equity \$'000
<b>Balance at 1 June 2006</b>	15,486	(91)	15,395
Loss for the year	-	(241)	(241)
Issue of share capital	1,320	-	1,320
<b>Balance at 31 May 2007</b>	<u>16,806</u>	<u>(332)</u>	<u>16,474</u>
<b>Balance at 1 June 2007</b>	16,806	(332)	16,474
Profit for the year	-	4,495	4,495
Issue of share capital	28,855	-	28,855
Share issue expenses	(147)	-	(147)
<b>Balance at 31 May 2008</b>	<u>45,514</u>	<u>4,163</u>	<u>49,677</u>

(a) Unrealised and not available for distribution as cash dividends.



- 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**

In addition to the disclosure in Note 1(d)(i) above, the changes to the company's share capital during the year were as follows:-

<b><u>Issued Share Capital</u></b>	<b>Number of issued shares</b>	<b>Amount \$'000</b>
Balance as at 1 June 2006	176,000,000	15,486
Issue of new shares at \$0.12 each (*)	11,000,000	1,320
	<hr/>	<hr/>
<b>Balance at 31 May 2007</b>	<b>187,000,000</b>	<b>16,806</b>
	<hr/>	<hr/>
Balance as at 1 June 2007	187,000,000	16,806
Issue of new shares at \$0.11 each	140,000,000	15,400
Issue of new shares at \$0.37 each (+)	36,363,636	13,455
Share issue expenses	-	(147)
	<hr/>	<hr/>
<b>Balance at 31 May 2008</b>	<b>363,363,636</b>	<b>45,514</b>

(\*) As consideration to acquire remaining 30% total issued share capital of GKE Freight Pte Ltd on 18 May 2007.

(+) As consideration to acquire 30.77% total issued share capital of Van der Horst Biodiesel Pte Ltd on 29 February 2008.

As at 31 May 2008, there was a call option for allotment and issue of up to 100,000,000 ordinary shares at an issue price of \$0.11 each in the capital of the company to Kwan Chee Seng and/or his nominees (31 May 2007: Nil).

- 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 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 year as those for the audited financial statements for the year ended 31 May 2007, as disclosed in paragraph 5 below.

**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.**

The Group has adopted all the new Singapore Financial Reporting Standards that are mandatory for the financial year beginning on or after 1 June 2007. The new standards did not require any material modification of the measurement method or the presentation of the financial statements.

**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**

	Group	
	31-May-08	31-May-07
Basic earnings per share based on the weighted average number of ordinary shares on issue (cents) (a)	0.92	0.81
On a fully diluted basis (cents) (b)	0.86	0.81

(a) The calculation of basic earnings per share is based on the profit for the year of S\$2,122,000 (2007: S\$1,441,000) divided by the weighted average number of ordinary shares in issue during the year of 231,090,909 (2007: 176,916,667).

(b) The calculation of fully diluted earnings per share is based on the profit for the year of S\$2,122,000 (2007: S\$1,441,000) divided by the weighted average number of ordinary shares in issue during the year of 247,360,750 (2007: 176,916,667).

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year**

	Group		Company	
	31-May-08	31-May-07	31-May-08	31-May-07
Net asset value per ordinary share based on issued share capital at the end of the financial year (cents)	15.07	12.75	13.67	8.81

The net asset value per ordinary share is computed based on the issued and paid-up capital of 363,363,636 ordinary shares as at 31 May 2008 (187,000,000 ordinary shares as at 31 May 2007).

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss 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 generated a higher revenue of \$24.5 million in the current year, a 2% increase of \$0.4 million as compared to \$24.1 million in the previous year. This improvement was mainly led by our general logistics business, which registered an increase in revenue of \$1.7 million, namely, the freight division, general warehousing division, transportation and contributions from overseas subsidiaries. Our metal logistics business recorded a decline of \$1.3 million, having been affected by an overall lower volume of metal storage and related metal transportation charges.

The Group's gross profit margin improved due to improved gross profit contribution and higher proportion of overall revenue derived from the general logistics business. The general logistics business enjoyed a higher gross profit margin as a result of moderate upward revision in rental and transportation rates and better economies of scale from a higher turnover. It was moderated by an overall decline in gross profit margin contribution from the metal logistics business mainly owing to a lower volume of metal storage and related service charges.

General and administrative expenses have increased from \$4.7 million to \$5.2 million due to incurrance of additional operating costs after the acquisition of Van der Horst Biodiesel Pte Ltd as at end-February 2008 and an expansion in Tianjin-based business operations.

The profit increase was partly attributed to a gain from write-back of trade payables, higher interest income and lower interest expense during the year. It was however, offset by higher foreign exchange loss resulting from the weakening of United States Dollars, higher plant and equipment write-off and a decline in gain derived from the disposal of plant and equipment.

The effective tax rate is higher than the statutory tax rate due to disallowed offset of losses incurred by our overseas entities against profit generated by our local entities, as well as non-tax deductible items and expenses incurred by the Group. In the previous year, the effective tax rate was lower than the statutory tax rate mainly due to an overprovision of income tax made in the prior years.

The Group's cash and cash equivalent holdings increased mainly due to improved cash flows generated from operations, improved working capital and net proceeds of approximately \$15.3 million from the issuance of shares. It was partially reduced by a net cash outflow due to an investment in subsidiaries and associate by \$7.9 million and full repayment of our overseas bank loan amounting to \$4.0 million.

Goodwill has increased by \$18.9 million as a result of the acquisition in Van der Horst Biodiesel Pte Ltd, which was completed as at end-February 2008.

Trade and other receivables decreased by \$1.2 million mainly due to a substantially lower volume of metal segment storage receivables in the current year.

Property, plant and equipment decreased by \$10.7 million as a result of reclassification of assets of a disposal group held for sale under FRS 105 amounting to \$10.1 million.

**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.**

The Group expects market conditions to remain competitive for the next 12 months. The Group will continue to strengthen and develop its core metal logistics and general logistics business, which comprises warehousing and distribution, international freight forwarding, local transportation and supporting logistics services. The Group will dispose and/or cease its operations in overseas logistics subsidiaries and focus its financial and management resources on its existing core warehousing and logistics businesses in Singapore.

The management will also develop its new business in the energy sector through the acquisition of a wholly-owned subsidiary, Van der Horst Biodiesel Pte Ltd, which was completed during the first quarter 2008. We have been offered an 8 hectares size land in Tanjong Langsat Biofuel Park in Johore, Malaysia for the construction of a 200,000 tonnes per annum Biodiesel Refinery, which is expected to be in operation in year 2010.

We have purchased a 24% stake in Shenyang China Starzyme Company Limited (“SCS”) in April ’08, a company incorporated in People’s Republic of China. This factory is equipped with 480,000 litres of Fermentation Tank capacity for the production of enzymes. It will initially produce enzymes for the animal feed and animal health industry as an on-going business, and will produce enzymes for the Biofuel Industries later.

Barring any unforeseen circumstances, the logistics segment is expected to remain profitable. The energy segment is not expected to generate any revenue in the next 12 months.

**11. Dividend**

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

Any dividend declared for the current financial period reported on?

No.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

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

No.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No dividend has been declared or recommended for the year ended 31 May 2008.

**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**

<b>Revenue and expenses</b>	<b>Metal Logistics</b>	<b>General Logistics</b>	<b>Energy</b>	<b>Elimination</b>	<b>Consolidation</b>
<b>2008</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Total revenue from external customers	6,552	17,921	7	-	24,480
Inter-segment revenue	-	10,542	-	(10,542)	-
<b>Total revenue</b>	<b>6,552</b>	<b>28,463</b>	<b>7</b>	<b>(10,542)</b>	<b>24,480</b>
Segment results	1,119	4,275	(379)	-	5,015
Unallocated corporate expenses					(2,115)
Interest expense					(246)
Interest income					213
Income tax expense					(703)
<b>Profit for the year</b>					<b>2,164</b>

<b>Revenue and expenses</b>	<b>Metal Logistics</b>	<b>General Logistics</b>	<b>Energy</b>	<b>Elimination</b>	<b>Consolidation</b>
<b>2007</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Total revenue from external customers	7,857	16,228	-	-	24,085
Inter-segment revenue	-	4,060	-	(4,060)	-
<b>Total revenue</b>	<b>7,857</b>	<b>20,288</b>	<b>-</b>	<b>(4,060)</b>	<b>24,085</b>
Segment results	1,764	1,833	-	-	3,597
Unallocated corporate expenses					(1,374)
Interest expense					(359)
Interest income					104
Income tax expense					(254)
<b>Profit for the year</b>					<b>1,714</b>

<b>Assets and liabilities 2008</b>	Metal Logistics \$'000	General Logistics \$'000	Energy \$'000	Elimination \$'000	Consolidation \$'000
Segment assets	3,750	24,513	1,275	(777)	28,761
Unallocated assets					<u>33,493</u>
					<u>62,254</u>
Segment liabilities	1,695	2,916	374	(1,754)	3,231
Unallocated liabilities					<u>3,348</u>
					<u>6,579</u>

<b>Assets and liabilities 2007</b>	Metal Logistics \$'000	General Logistics \$'000	Energy \$'000	Elimination \$'000	Consolidation \$'000
Segment assets	4,752	26,155	-	(420)	30,487
Unallocated assets					<u>4,846</u>
					<u>35,333</u>
Segment liabilities	289	3,407	-	(506)	3,190
Unallocated liabilities					<u>7,429</u>
					<u>10,619</u>

<b>Other segmental information 2008</b>	Metal Logistics \$'000	General Logistics \$'000	Energy \$'000	Elimination \$'000	Consolidation \$'000
Capital expenditure	5	1,755	354	-	2,114
Depreciation	621	1,612	16	-	2,249
Gain on disposal of plant and equipment	(34)	(60)	-	-	(94)
Plant and equipment written off	-	112	-	-	112
<b>2007</b>					
Capital expenditure	23	3,136	-	-	3,159
Depreciation	644	1,518	-	-	2,162
Gain on disposal of plant and equipment	(25)	(177)	-	-	(202)
Plant and equipment written off	4	2	-	-	6
Reversal to provision for litigation claim	-	(80)	-	-	(80)

**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 Paragraph 8.

**15. A breakdown of sales**

	Group		
	31-May-08 \$'000	31-May-07 \$'000	Change %
Revenue reported for first half year	13,420	11,199	20
Net profit after tax for first half year	1,970	411	379
Revenue reported for second half year	11,060	12,886	(14)
Net profit after tax for second half year	194	1,303	(85)

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

Not applicable.

**17. Interested Person Transactions.**

	Sales \$'000
Chip Hup Timber Private Limited	60
Chippel Overseas Supplies Pte Ltd	156

**BY ORDER OF THE BOARD**

**CHENG LIM KONG**  
Chief Executive Officer