

Full Year Financial Statement and Dividend Announcement for the Year Ended 31 December 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.

Group	Year Ended 31 Dec 06 S\$'000	Year Ended 31 Dec 05 S\$'000	Increase/ (decrease) %
Turnover	108,945	76,742	42%
Cost of sales	(81,161)	(56,201)	44%
Gross profit	27,784	20,541	35%
Other income	1,456	890	64%
Cost and expenses			
Selling and marketing expenses	(497)	(268)	85%
Bad debts recovered (trade)	4	22	(82%)
Bad debts written off (trade)	(159)	(21)	657%
Allowance for doubtful debts (trade)	(1,142)	(436)	162%
Write-back of allowance for doubtful debts (trade)	49	2	2,350%
Depreciation of property, plant and equipment	(1,137)	(795)	43%
(Loss)/gain on disposal of property, plant and equipment	(7)	55	n/m
Property, plant and equipment written off	(57)	(8)	613%
Rental of premises	(1,948)	(1,466)	33%
Rental of equipment and vehicles	(70)	(44)	59%
Directors' remuneration and fees	(4,572)	(3,283)	39%
Staff salaries and related expenses	(10,720)	(9,185)	17%
Net exchange (loss)/gain	(192)	34	n/m
Other general and administrative expenses	(2,950)	(3,286)	(10%)
Total operating expenses	(23,398)	(18,679)	25%
Financial expenses	(81)	(65)	25%
Financial income	93	12	675%
Share of results of associates	256	184	39%
Profit before taxation	6,110	2,883	112%
Taxation – current year	(1,449)	(514)	182%
– (under)/over provision in respect of previous years	(21)	44	n/m
– deferred tax credit/(expense)	44	(49)	n/m
Profit for the financial year	4,684	2,364	98%
Attributable to:			
Equity holders of the parent	4,937	2,192	125%
Minority interests	(253)	172	n/m
	4,684	2,364	

Note: n/m = 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	
	As at 31 Dec 06 S\$000	As at 31 Dec 05 S\$000	As at 31 Dec 06 S\$000	As at 31 Dec 05 S\$000
NON-CURRENT ASSETS				
Property, plant and equipment	4,334	3,384	125	129
Goodwill on consolidation	1,689	1,689	-	-
Investments in subsidiaries	-	-	8,324	7,994
Investments in associates	2,334	1,866	1,683	1,471
Other investments	543	434	543	434
Total Non-Current Assets	8,900	7,373	10,675	10,028
CURRENT ASSETS				
Inventories	2	2	-	-
Contracts work-in-progress	2,088	1,992	-	-
Trade receivables	28,155	24,354	28	17
Other receivables, deposits and prepayments	2,021	1,187	3,878	1,963
Amounts due from related parties	3,599	1,586	591	504
Amounts due from associates	332	659	155	306
Amounts due from subsidiaries	-	-	1,134	1,220
Fixed deposits	6,581	1,193	-	-
Cash on hand and at bank	6,546	5,710	41	136
	49,324	36,683	5,827	4,146
CURRENT LIABILITIES				
Progress billings in excess of contracts work-in-progress	648	150	-	-
Trade payables	20,235	15,945	135	86
Other payables and accruals	9,937	6,727	289	330
Deferred income	2,837	1,827	-	-
Amounts due to related parties	1,016	1,439	262	272
Amounts due to subsidiaries	-	-	1,445	1,188
Amounts due to associates	560	613	-	-
Interest-bearing loans and borrowings	635	353	-	-
Provision for taxation	2,013	691	490	114
	37,881	27,745	2,621	1,990
NET CURRENT ASSETS	11,443	8,938	3,206	2,156
NON-CURRENT LIABILITIES				
Interest-bearing loans and borrowings	1,046	591	-	-
Deferred taxation	136	182	10	9
NET ASSETS	19,161	15,538	13,871	12,175
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY				
Share capital	10,982	7,582	10,982	7,582
Share premium	-	3,400	-	3,400
Revenue reserves	7,449	3,523	2,635	939
Share option reserves	254	254	254	254
Foreign currency translation reserves	(165)	(51)	-	-
	18,520	14,708	13,871	12,175
Minority interests	641	830	-	-
TOTAL EQUITY	19,161	15,538	13,871	12,175

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 Dec 06		As at 31 Dec 05	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
635	0	353	0

Amount repayable after one year

As at 31 Dec 06		As at 31 Dec 05	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
1,046	0	591	0

Details of any collateral

The bank term loans are secured by way of a first legal mortgage on the Group's leasehold building in Malaysia, and the joint and several personal guarantees of certain directors of the Company and its subsidiaries.

The bank overdrafts are secured by fixed deposits pledged to the banks, by personal guarantees given by certain directors of the Company and its subsidiaries; and by debenture deeds which provide for first fixed and floating charges over the present and future undertakings and assets of certain subsidiaries.

The finance lease obligations of the Group are secured by the rights to the leased motor vehicles and machinery.

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	
	Year Ended 31 Dec 06 S\$'000	Year Ended 31 Dec 05 S\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	6,110	2,883
Adjustments for:		
Depreciation of property, plant and equipment	1,137	795
Loss/(gain) on disposal of property, plant and equipment	7	(55)
Property, plant and equipment written off	57	8
Bad debts recovered (trade)	(4)	(22)
Bad debts written off (trade)	159	21
Allowance for doubtful debts (trade)	1,142	436
Write-back of allowance for doubtful debts (trade)	(49)	(2)
Interest income	(93)	(12)
Interest expenses	81	65
Share of results of associates	(256)	(184)
Currency realignment	-	34
Operating profit before working capital changes	8,291	3,967
Decrease/(increase) in contracts work-in-progress (net)	402	(2,007)
Increase in trade and other receivables	(7,569)	(5,134)
Increase in trade and other payables	8,034	9,199
Cash generated from operations	9,158	6,025
Interest paid	(81)	(65)
Interest received	93	12
Tax paid	(148)	(331)
Net cash generated from operating activities	9,022	5,641
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	14	172
Purchase of property, plant and equipment	(1,172)	(1,422)
Acquisition of associates	(212)	-
Acquisition of other investments	(109)	(53)
Net cash used in investing activities	(1,479)	(1,303)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid on ordinary shares by the Company	(1,011)	(708)
Dividends paid to minority shareholders of the subsidiaries	(36)	(62)
Repayments of finance lease obligations (net)	(206)	(89)
Repayments of long-term bank borrowings (net)	(38)	(6)
Net cash used in financing activities	(1,291)	(865)
Net increase in cash and cash equivalents	6,252	3,473
Cash and cash equivalents at beginning of year	6,772	3,299
Cash and cash equivalents at end of year (Note A)	13,024	6,772

Note A: Cash and cash equivalents

Cash and cash equivalents included in the consolidated cash flow statement comprise the following:-

	Group	
	31 Dec 06	31 Dec 05
	S\$'000	S\$'000
Cash on hand and at bank	6,546	5,710
Fixed deposits	6,581	1,193
Bank overdrafts	(103)	(131)
Cash and cash equivalents	13,024	6,772

- 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.

The Group

	Share Capital S\$000	Share Premium S\$000	Revenue Reserves S\$000	Share Option Reserves S\$000	Foreign Currency Translation Reserves S\$000	Total S\$000	Minority Interests S\$'000	Total Equity S\$'000
As at 1 January 2005	7,582	3,400	2,039	153	(66)	13,108	685	13,793
Dividends paid	-	-	(708)	-	-	(708)	-	(708)
Dividends paid to minority interests	-	-	-	-	-	-	(62)	(62)
Profit for the financial year	-	-	2,192	-	-	2,192	172	2,364
Fair value of share options granted	-	-	-	101	-	101	-	101
Capital contribution due to incorporation of a subsidiary	-	-	-	-	-	-	30	30
Net effect of exchange differences	-	-	-	-	15	15	5	20
As at 31 December 2005	7,582	3,400	3,523	254	(51)	14,708	830	15,538
As at 1 January 2006	7,582	3,400	3,523	254	(51)	14,708	830	15,538
Transfer of share premium to share capital	3,400	(3,400)	-	-	-	-	-	-
Dividends paid	-	-	(1,011)	-	-	(1,011)	-	(1,011)
Dividends paid to minority interests	-	-	-	-	-	-	(36)	(36)
Profit / (loss) for the financial year	-	-	4,937	-	-	4,937	(253)	4,684
Capital contribution due to increase in share capital of subsidiaries	-	-	-	-	-	-	154	154
Net effect of exchange differences	-	-	-	-	(114)	(114)	(54)	(168)
As at 31 December 2006	10,982	-	7,449	254	(165)	18,520	641	19,161

The Company

	Share Capital S\$000	Share Premium S\$000	Revenue Reserves S\$000	Share Option Reserves S\$000	Total S\$000
As at 1 January 2005	7,582	3,400	568	153	11,703
Dividends paid	-	-	(708)	-	(708)
Profit for the financial year	-	-	1,079	-	1,079
Fair value of share options granted	-	-	-	101	101
As at 31 December 2005	7,582	3,400	939	254	12,175
As at 1 January 2006	7,582	3,400	939	254	12,175
Transfer of share premium to share capital	3,400	(3,400)	-	-	-
Dividends paid	-	-	(1,011)	-	(1,011)
Profit for the financial year	-	-	2,707	-	2,707
As at 31 December 2006	10,982	-	2,635	254	13,871

- 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.**

On 30 January 2006, in accordance with Companies (Amendment) Act 2005, the concepts of "par value" and "authorised capital" were abolished and on that date, the shares of the Company ceased to have a par value. In addition, the amount standing in the share premium reserve had become part of the Company's share capital.

The details of the share options granted under the Kingsmen Share Option Scheme which was approved by the members of the Company at an Extraordinary General Meeting held on 26 April 2004, are as follows:

<u>Date of grant</u>	No. of shares under options <u>granted</u>	Subscription <u>price</u>	Expiry <u>Date</u>
21 May 04	200,000	S\$0.25	21 May 09
31 May 04	3,000,000	S\$0.21	31 May 09

No options were granted to employees or directors during the financial year.

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

The figures have neither 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 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 and the Company have applied the same accounting policies and methods of computation in the current year's financial statements as in the last audited annual financial statements.

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.**

None.

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	
	31 Dec 2006	31 Dec 2005
Net profit for the year attributable to ordinary shareholders for basic and diluted earnings per share (S\$000)	4,937	2,192
Weighted average number of ordinary shares of S\$0.075 each in issue ('000)	101,094	101,094
Effect of dilutive securities : Share options (Note A)	-	-
Adjusted weighted average number of ordinary shares applicable to diluted earnings per shares	101,094	101,094
Earnings per share based on weighted average number of ordinary shares in issue (cents)	4.88	2.17
Earnings per share on fully diluted basis (cents)	4.88	2.17

Basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding, after adjusting for the effects of potential dilutive ordinary shares, during the year.

Note A: The number of unissued shares for the option granted under the Kingsmen Share Option Scheme and their exercise price are set out in Para 1(d)(ii). As the exercise price of the options is higher than the market value during the financial year, therefore there is no adjustment to the weighted average number of ordinary shares outstanding arising from dilutive potential ordinary shares.

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.

	Group		Company	
	As at 31 Dec 06	As at 31 Dec 05	As at 31 Dec 06	As at 31 Dec 05
Net asset value (S\$000)	18,520	14,708	13,871	12,175
Number of ordinary shares ('000)	101,094	101,094	101,094	101,094
Net asset value per ordinary share based on issued share capital at end of the year (cents)	<u>18.32</u>	<u>14.55</u>	<u>13.72</u>	<u>12.04</u>

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**

Revenue

Revenue for FY2006 increased by \$32.21 million to \$108.95 million as compared to \$76.74 million for FY2005. The increase in revenue was mainly contributed by both the Group's Exhibition and Museums division and Interiors division. Revenue from the Research and Design division and Integrated Marketing Communication ("IMC") division has also improved.

The Exhibitions and Museums division achieved a significant growth of 54% in revenue from \$30.36 million in FY2005 to \$46.79 million in FY2006. The revenue contributor to this division includes major exhibition events such as the Asian Aerospace, Arabian Travel Mart, Cityscape, Communique Asia, Farnborough Airshow, ITB Berlin, SIBOS and TFAP. The Group has also continued to undertake the event launches for BMW in Singapore and Yamaha Motors in Vietnam, as well as the year round Sure Heboh event in Malaysia throughout FY2006.

On the museum side, FY2006 saw the completion of two major museum projects, namely, the National Museum of Singapore and the i-Space/i-Future Exhibition project. These two major projects' contract value totalled \$11.84 million.

The Interiors division also achieved a significant increase of 35% in revenue of \$14.44 million from \$41.60 million in FY2005 to \$56.04 million in FY2006. The growth in the retail sector is evident, with the opening of the new mega shopping and entertainment complex, Vivo City, which by itself has contributed approximately \$10.08 million to the Group's turnover in the fourth quarter.

The Group has continued to focus on key accounts management with an overall macro view on the needs of its customers and to offer "roll-out programmes" to cater to their regional needs. Approximately 75% of the revenue from the Interiors division was derived from key accounts, which include Addidas, Baccarat, Dickson Group, DBS/POSBank, DFS, Esprit, FJ Benjamin, GRI, The Hour Glass, Marionnaud Perfumaries, Nokia, Nuance-Watsons, Osim, P&G, Performance Motors, Philip Electronics, Samsung, Watsons and Wing Tai. Of these, about \$9.45 million were from the export of fixtures.

The Research and Design division achieved a revenue of \$3.45 million for FY2006 as compared with \$2.47 million in FY2005. The increase is due to more design jobs undertaken in FY2006, which is in tandem with the overall growth of the Group. Revenue from the IMC division increased marginally from \$2.31 million to \$2.66 million.

Gross Profit

Gross profit increased by \$7.24 million or 35% to \$27.78 million in FY2006 as compared to \$20.54 million in FY2005.

Gross profit margin for FY2006 was 25.5% as compared to 26.8% for FY2005. The slightly lower GP margin in FY2006 is mainly due to the Asian Aerospace event as well as the i-Space/i-Future Exhibition project, both of which contributed positive absolute margins but at a lower gross profit in terms of percentage (%).

Other Income

Other income, which comprises mainly rental income, corporate fees and miscellaneous income, increased from \$890,000 in FY2005 to \$1.46 million in FY2006 due to:-

- a) Higher rental income from the sublet of premises/factory of \$770,000 (FY2005: \$351,000). This increase is due to the rental income derived from the new production facility in the Johore Bahru, which was set up only at the beginning of FY2006.
- b) higher corporate fee income from affiliated companies of \$377,000 (FY2005: \$298,000)
- c) higher miscellaneous income of \$113,000 (FY2005: \$54,000)

Operating Expenses

Operating expenses increased from \$18.68 million for FY2005 to \$23.40 million for FY2006 due to the following: -

- a) Expenses due to the operations of the newly set up production facilities in Johore Bahru, amounting to \$502,000 comprising mainly:-
 - i) Rental of premises expenses amounting to \$373,000;
 - ii) Depreciation expenses of \$37,000
 - iii) Additional staff cost of \$8,000
 - iv) Other general and administrative expenses of \$84,000

The factory/workshop occupies a premise of 200,000 sq ft and is located next to Senai Airport in Johore Bahru. It was set up in April 06 and its main activities are to manufacture interior and exhibition furniture, as well as retail display fixtures.

- b) Increase in operating expenses of the Group's other existing Singapore, Vietnam and Malaysia subsidiaries of \$4.22 million (FY2006: \$22.90 million; FY2005: \$18.68 million) comprising:-
 - i) Increase in staff salaries and related expenses from \$9.19 million to \$10.71 million
 - ii) Increase in directors' remuneration from \$2.88 million to \$3.35 million
 - iii) Increase in directors' incentive payment from \$407,000 to \$1.22 million
 - iv) Increase in bad and doubtful debts expenses from \$433,000 to \$1.25 million
 - v) Increase in depreciation expenses from \$795,000 to \$1.10 million
 - vi) Increase in premises rental expenses from \$1.47 million to \$1.58 million
 - vii) Increase in selling and marketing expenses from \$268,000 to \$497,000
 - viii) Exchange loss of \$192,000 for FY2006 as compared with an exchange gain of \$34,000Offset by:-
 - ix) Decrease in other G&A expenses from \$3.29 million to \$2.87 million

Share of Results of Associates before taxation

This relates to the share of results before taxation of the associated companies, namely Ascend Computer Rental Pte Ltd (40%), Kingsmen (Korea) Limited (30%), and Kingsmen Nikko Limited (30%).

Profit before taxation

Profit before taxation increased by \$3.23 million or 112% to \$6.11 million for FY2006 as compared to \$2.88 million for FY2005.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Other receivables, deposits and prepayments

The increase in other receivables, deposits and prepayments is mainly due to higher tax recoverable on dividend income received by the Company from the subsidiaries within the Group.

Amounts due from related parties

The amounts due from related parties are trade in nature and arose from normal trading activities of the Group, as well as from corporate fee income earned.

Related parties include the categories of interested persons listed in the IPT Madate section of our Annual Report for FY2005 ("the Kingsmen Affiliates"), as well as Kingsmen C.M.T.I. Co. Ltd, which the Group has a 19.98% interest in.

The increase in the amounts due from related parties is due to more subcontracting arrangements between the Group and the Kingsmen Affiliates, namely, Kingsmen Middle East (L.L.C.), Kingsmen Fairtech International Private Limited, and Kingsmen Hong Kong Ltd towards the end of 2006.

Other payables and accruals

The increase in other payables and accruals is mainly due to higher accruals for costs for completed projects.

Deferred income

This relates to advanced billings to customers for projects to be commenced within the next 12 months.

- 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.

With the successful completion of the two museum projects in FY2006, we have further strengthened our reputation in the building and construction of large scale projects. For 2007, we have already been awarded two museum projects in Singapore worth a total of \$3.7 million, which are scheduled for completion in 2007.

For FY2007, we will continue to market our retail fixtures capabilities/services to Europe and the United States. With the new factory set-up in Johore Bahru, we are fully prepared to meet the demands for this new business segment.

We will also be carrying out a number of major roll-out projects in the region for our key accounts. With the upgrading of existing shopping, F&B and leisure centers and opening of new shopping malls and Terminal 3 at the Changi Airport expected towards the end of 2007, the Interiors division is also expected to do well in FY2007.

FY2006 marked the first full year of operation for our subsidiary in Indonesia, which has already turned in a reasonable profit. Going forward, continuous growth and improved margins are expected from this subsidiary in the short to medium term.

Our Malaysian subsidiaries in Kuala Lumpur has not performed well in FY2006 and was further hit by a bad debt of \$868,000 due from a customer. However, we are expecting to see positive contributions from this segment in FY2007, with the opening of new shopping centres such as Mid Valley and Pavilion, continuation of the roll-out for Nokia shops, and new interior projects undertaken for BMW.

We are confident that our Vietnam operations will continue to contribute positive results, with several roll-out projects for the telecommunications, auto and motor industries in the pipeline.

We have already achieved confirmed sales order for FY2007 of approximately \$30.36 million as at 23 Feb 2007.

Barring unforeseen circumstances, the Group expects to do well for FY2007.

Potential acquisition of the Kingsmen Affiliated companies in 2007

The Company has existing Call Option Agreements with Kingsmen International Limited (which is owned by the Controlling Shareholders and Executive Directors of the Company, Mr Benedict Soh and Mr Simon Ong) to acquire the respective interest of Kingsmen International in the share capital of Kingsmen North Asia Limited (with operations in Hong Kong, China and Taiwan), Kingsmen Middle East LLC (with operations in Dubai) and Kingsmen Fairtech Int (P) Ltd (with operations in India), collectively known as the "Kingsmen Affiliates", when any of them achieves a profit after tax of at least \$500,000 and positive NTA, or earlier if the Audit Committee and the Board of Directors (and where necessary, the Shareholders) so approve.

In FY2006, these Kingsmen affiliates have already reached a certain level of profitability, and will most likely be acquired in the current year.

11. Dividend

(a) Current Financial Period Reported On

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

Name of Dividend	First & Final	Special
Dividend Type	Cash	Cash
Dividend Amount per Share (in cents)	1.50 cent (tax exempt) (1-tier)	0.50 cent (tax exempt) (1-tier)
Optional:- Dividend Rate (in %)		
Tax Rate	N/A	N/A

(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
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.00 cent (tax exempt) (1-tier)
Optional:- Dividend Rate (in %)	
Tax Rate	N/A

(c) Date payable

The date payable is to be determined.

(d) Books closure date

The books closure date is to be 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.

Business segments 2006	Exhibitions and		Research and	Integrated Marketing	Corporate and	Elimination	Consolidated
	Museums	Interiors	Design	Communication	Others		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Segment revenue							
Sales to external customers	46,794	56,039	3,453	2,659	-	-	108,945
Inter-segment sales	1,711	4,060	-	-	-	(5,771)	-
	48,505	60,099	3,453	2,659	-	(5,771)	108,945
Segment results	1,825	3,746	740	59	(528)	-	5,842
Financial expenses							(81)
Financial income							93
Share of results of associates	201	55	-	-	-	-	256
Profit before taxation							6,110
Taxation							(1,426)
Profit for the financial year							4,684
Assets and liabilities:							
Segment assets	11,949	24,680	577	883	-	-	38,089
Investments in associates	1,442	892	-	-	-	-	2,334
Unallocated assets							17,801
Total assets							58,224
Segment liabilities	8,726	14,503	9	550	-	-	23,788
Unallocated liabilities							15,275
Total liabilities							39,063
Other segment information							
Capital expenditure	282	1,822	12	11	54	-	2,181
Depreciation of property, plant and equipment	502	467	78	37	53	-	1,137
Bad debts recovered (trade)	(4)	-	-	-	-	-	(4)
Bad debts written off (trade)	111	48	-	-	-	-	159
Loss on disposal of property, plant and equipment	7	-	-	-	-	-	7
Write-back of allowance for doubtful debts (trade)	(1)	(48)	-	-	-	-	(49)
Allowance for doubtful debts (trade)	935	207	-	-	-	-	1,142
Property, plant and equipment written off	37	14	4	-	-	2	57

Business segments 2005	Exhibitions and Museums	Interiors	Research and Design	Integrated Marketing Communication	Corporate and Others	Elimination	Consolidated
	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000
Segment revenue							
Sales to external customers	30,362	41,603	2,467	2,310	-	-	76,742
Inter-segment sales	1,527	3,293	-	-	-	(4,820)	-
	31,889	44,896	2,467	2,310	-	(4,820)	76,742
Segment results	1,622	1,440	114	72	(496)	-	2,752
Financial expenses							(65)
Financial income							12
Share of results of associates	97	87	-	-	-	-	184
Profit before taxation							2,883
Taxation							(519)
Profit for the financial year							2,364
Assets and liabilities:							
Segment assets	11,158	18,746	503	484	673	-	31,564
Investments in associates	1,135	731	-	-	-	-	1,866
Unallocated assets							10,626
Total assets							44,056
Segment liabilities	8,017	11,203	76	244	309	-	19,849
Unallocated liabilities							8,669
Total liabilities							28,518
Other segment information							
Capital expenditure	771	966	106	40	55	-	1,938
Depreciation of property, plant and equipment	488	168	74	21	44	-	795
Bad debts recovered (trade)	(22)	-	-	-	-	-	(22)
Bad debts written off (trade)	3	-	3	15	-	-	21
Gain on disposal of property, plant and equipment	(30)	(25)	-	-	-	-	(55)
Write-back of allowance for doubtful debts (trade)	(2)	-	-	-	-	-	(2)
Allowance for doubtful debts (trade)	359	77	-	-	-	-	436
Property, plant and equipment written off	2	2	4	-	-	-	8

Segment revenue by geographical regions

We have segmented our segment revenue by geographical regions based on the location of our customers except for site orders of booth accessories placed by customers for official trade shows, which are based on locations of the shows.

Revenue	Year ended 31 Dec 06		Year ended 31 Dec 05	
	S\$'000	%	S\$'000	%
Singapore	59,109	54.2	40,198	52.4
Malaysia	12,323	11.3	9,582	12.5
Vietnam	5,181	4.8	5,636	7.3
Rest of Asia	17,813	16.4	7,997	10.4
Europe	7,113	6.5	5,211	6.8
United States & Canada	6,998	6.4	7,990	10.4
Others	408	0.4	128	0.2
	108,945	100.0	76,742	100.0

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.

Segment revenue

Revenue for FY2006 increased by \$32.21 million to \$108.95 million as compared to \$76.74 million for FY2005. The increase in revenue was mainly contributed by both the Group's Exhibitions and Museums division and Interiors division. Revenue from the Research and Design division and IMC division has also improved.

Segment results

Segment results have improved for all the four divisions.

Although the revenue for Exhibitions and Museums division has increased by 54%, the segment results have only improved marginally by 13%. This is mainly due to the bad debt provisions which were made for the Malaysian subsidiary (as explained in notes 8 and 10).

For Interiors division, the segment revenue has increased by 35%, the segment results have improved by 160%. This is mainly due to higher revenue and margins achieved by the Singapore operations.

For Research and Design division, the increase in segment results is due to higher revenue achieved for FY2006.

For IMC division, the decrease in segment results is due to lower revenue and contributions from the Vietnam operations relating to this division.

15. A breakdown of sales.

	Year ended 31 Dec 06	Year ended 31 Dec 05	Change
	S\$'000	S\$'000	%
Sales reported for first half year	40,940	28,104	45.7
Operating profit after taxation for first half year	1,612	708	127.7
Sales reported for second half year	68,005	48,638	39.8
Operating profit after taxation for second half year	3,072	1,656	85.5

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	1,011	708
Special	0	0
Total:	1,011	708

17. Pursuant to Rule 1207(16), please provide the information required by Rule 907 in respect of any interested person transactions entered into during the financial period.

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transaction less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transaction less than S\$100,000)
Kingsmen International Pte Ltd *	1,260,842	-
Kingsmen Fairtech Int'l (P) Ltd	-	2,143,702
Kingsmen Hong Kong Ltd	-	1,268,413
Kingsmen Middle East LLC	-	2,064,998

* in respect of the lease of office and workshop premises

BY ORDER OF THE BOARD

Soh Siak Poh Benedict
Group Managing Director
27/02/2007