

**K1 VENTURES LIMITED**

REG. NO. 197000535W

**FULL YEAR FINANCIAL STATEMENT****UNAUDITED RESULTS FOR THE YEAR ENDED 30 JUNE 2007**

The Directors of **k1 Ventures Limited** advise the following unaudited results of the Group for the year ended 30 June 2007.

**1. GROUP PROFIT AND LOSS ACCOUNTS for the year ended 30 June 2007**

	Note	1 Jul 06 to 30 Jun 07 \$'000	1 Jul 05 to 30 Jun 06 \$'000	+/(-)%
<b>Continuing Operations</b>				
<b>Revenue</b>	1a	<u>473,642</u>	<u>433,143</u>	9.35
Raw materials & consumables used		(225,617)	(214,292)	5.28
Net carrying value of investments disposed		(42,018)	(15,370)	173.38
Staff costs		(19,846)	(18,821)	5.45
Depreciation and amortisation		(51,514)	(51,192)	0.63
Other operating expenses		<u>(40,871)</u>	<u>(48,062)</u>	(14.96)
<b>Operating profit</b>		<b>93,776</b>	85,406	9.80
Finance expenses		(42,634)	(47,028)	(9.34)
Foreign exchange loss		(9,523)	(390)	NM
Share of result of associated company and joint ventures		<u>7,416</u>	<u>6,525</u>	13.66
<b>Profit before tax</b>		<b>49,035</b>	44,513	10.16
Taxation		<u>(19,629)</u>	<u>(17,674)</u>	11.06
<b>Profit from continuing operations</b>		<b>29,406</b>	26,839	9.56
<b>Discontinued Operations</b>				
Profit from discontinued operations	1d	<u>-</u>	<u>152,410</u>	NM
<b>Profit for the year</b>		<u><b>29,406</b></u>	<u>179,249</u>	(83.59)
<b>Attributable to :</b>				
Shareholders of the Company		<u>26,227</u>	175,604	(85.06)
Minority interest		<u>3,179</u>	<u>3,645</u>	(12.78)
		<u><b>29,406</b></u>	<u>179,249</u>	(83.59)
<b>EBITDA *</b>		<b>143,183</b>	142,733	0.32
<b>Earnings per ordinary share :</b>				
Continuing and discontinued operations				
basic	1e	<b>1.31 cts</b>	9.29 cts	(85.90)
diluted	1e	<b>1.26 cts</b>	8.88 cts	(85.81)
Continuing operations				
basic	1e	<b>1.31 cts</b>	1.23 cts	6.50
diluted	1e	<b>1.26 cts</b>	1.18 cts	6.78

\* EBITDA is defined as profit before tax, finance expenses, depreciation and amortisation for continuing operations.

\*\* NM - Not Meaningful

**Note :**

Discontinued Operations reflected the Group's activities in The Gas Company, LLC ("GASCO"), the gas distribution business in Hawaii. The financial results in the prior year relating to GASCO, which was divested on 7 June 2006, has been reclassified as a single amount under "Profit from discontinued operations" in accordance with FRS 105 - Non Current Assets Held for Sale and Discontinued Operations. Refer to note 1d for details.

## Notes to Group Profit and Loss Accounts

### 1a. Breakdown of revenue

	Note	1 Jul 06 to 30 Jun 07 \$'000	1 Jul 05 to 30 Jun 06 \$'000	+/(-)%
<b>Continuing operations</b>				
Revenue from retail gasoline operations		246,902	230,411	7.16
Revenue from transportation leasing		145,107	148,558	(2.32)
Proceeds from sale of investments		49,217	28,915	70.21
Dividend income		4,322	4,137	4.47
Interest income from :				
Related parties		5,452	1,241	339.32
Others		8,182	835	879.88
Others		14,460	19,046	(24.08)
		<u>473,642</u>	<u>433,143</u>	9.35
<b>Discontinued operation</b>				
Revenue from utility supply		-	241,277	NM
Interest income		-	26	NM
	1d	-	241,303	NM
Consideration for sale of business	1d	-	307,454	NM
		-	548,757	NM
		<u>473,642</u>	<u>981,900</u>	(51.76)

### 1b. Pre-tax profit of the Group is arrived at after crediting/(charging) the following :

		1 Jul 06 to 30 Jun 07 \$'000	1 Jul 05 to 30 Jun 06 \$'000	+/(-)%
<b>Continuing operations</b>				
Profit on disposal of fixed assets		9,550	11,853	(19.43)
Profit on sale of investments		7,198	13,545	(46.86)
Provision for doubtful debts		-	(43)	NM
Write-back of provision for doubtful debts		107	-	NM
Fair value (loss)/gain - Derivatives		(243)	2,790	NM
<b>Discontinued operations</b>				
Profit on disposal of subsidiary		-	170,140	NM
Provision for stock obsolescence		-	(129)	NM
Povision for doubtful debts		-	(229)	NM

### 1c. There was no material adjustment for under or over provision of tax in respect of prior years.

1d. Profit from discontinued operations

Discontinued Operation reflects the Group's activities in The Gas Company, LLC ("GASCO"), the gas distribution business in Hawaii.

In the preceding financial year, the Group completed the sale of GASCO. An analysis of the results of discontinued operations is as follows :

	Group 1 Jul 05 to 7 Jun 06 \$'000
<u>Operations</u>	
Revenue	241,303
Expenses	<u>(209,076)</u>
Operating profit	32,227
Finance expenses	<u>(9,178)</u>
Profit before tax	<u>23,049</u>
<u>Profit from sale of business</u>	
Gross Consideration	422,894
Less : Debt	<u>(115,440)</u>
Net consideration	307,454
Net carrying value of assets disposed	<u>(137,314)</u>
Gain on disposal of discontinued operations	<u>170,140</u>
Profit before tax for the year	193,189
Taxation	<u>(40,779)</u>
Profit for the year	<u>152,410</u>

The impact of the discontinued operations on the cashflows of the group is as follows:

	Group 7 Jun 06 \$'000
Operating cashflows	7,246
Investing cashflows	(12,744)
Financing cashflows	<u>5,316</u>
Net cashflows	<u>(182)</u>

1e. Earnings per ordinary share

	GROUP		
	1 Jul 06 to 30 Jun 07	1 Jul 05 to 30 Jun 06	+/(-)%
<b>Continuing and Discontinued operations</b>			
Earnings per Ordinary Share of the Group for the period based on net profit attributable to shareholders :			
(i) Based on the weighted average number of shares	<b>1.31 cts</b>	9.29 cts	(85.90)
- Weighted average number of shares ('000)	<b>1,995,728</b>	1,890,752	5.55
(ii) On a fully diluted basis	<b>1.26 cts</b>	8.88 cts	(85.81)
- Adjusted weighted average number of shares ('000)	<b>2,088,491</b>	1,977,788	5.60
<b>Continuing operations</b>			
Earnings per Ordinary Share of the Group for the period based on net profit attributable to shareholders :			
(i) Based on the weighted average number of shares	<b>1.31 cts</b>	1.23 cts	6.50
- Weighted average number of shares ('000)	<b>1,995,728</b>	1,890,752	5.55
(ii) On a fully diluted basis	<b>1.26 cts</b>	1.18 cts	6.78
- Adjusted weighted average number of shares ('000)	<b>2,088,491</b>	1,977,788	5.60

1f. Breakdown of revenue (continuing & discontinued operations)

	<b>GROUP</b>		
	<b>1 Jul 06 to 30 Jun 07 \$'000</b>	<b>1 Jul 05 to 30 Jun 06 \$'000</b>	<b>+/(-)%</b>
<b><u>First Half</u></b>			
Revenue reported for first half year	<b>222,622</b>	319,143	(30.24)
Operating profit after tax before deducting minority interests reported for first half year	<b>12,247</b>	16,239	(24.58)
<b><u>Second Half</u></b>			
Revenue reported for second half year	<b>251,020</b>	662,757	(62.12)
Operating profit after tax before deducting minority interests reported for second half year	<b>17,159</b>	163,010	(89.47)

1f. There was no extraordinary item during the year.

## 2. BALANCE SHEETS as at 30 June 2007

	Note	GROUP		COMPANY	
		As at 30 Jun 07 \$'000	As at 30 Jun 06 \$'000	As at 30 Jun 07 \$'000	As at 30 Jun 06 \$'000
<b>Share capital</b>		<b>318,774</b>	393,213	<b>318,774</b>	393,213
<b>Reserves</b>		<b>360,554</b>	362,889	<b>263,427</b>	259,474
<b>Share capital &amp; reserves</b>		<b>679,328</b>	756,102	<b>582,201</b>	652,687
<b>Minority interests</b>		<b>48,414</b>	46,618	-	-
<b>Capital employed</b>		<b>727,742</b>	802,720	<b>582,201</b>	652,687
<b>Represented by :</b>					
<b>Fixed assets</b>		<b>540,827</b>	540,944	<b>19</b>	241
<b>Subsidiaries</b>		-	-	<b>304,155</b>	203,855
<b>Associated company and joint ventures</b>		<b>83,796</b>	79,276	-	-
<b>Available-for-sale investments</b>		<b>231,083</b>	288,495	<b>15,417</b>	42,981
<b>Other assets</b>		<b>7,261</b>	11,535	-	-
<b>Intangibles</b>		<b>237,719</b>	248,865	-	-
		<b>1,100,686</b>	1,169,115	<b>319,591</b>	247,077
<b>Current assets</b>					
Stocks		<b>18,090</b>	14,684	-	-
Amounts due from:					
- subsidiaries		-	-	<b>46,861</b>	137,762
- associated company and joint ventures		<b>484</b>	772	-	-
Debtors		<b>21,376</b>	23,710	<b>2,511</b>	2,590
Available-for-sale investments		-	6,850	-	-
Bank balances, deposits and cash	3c	<b>310,481</b>	385,246	<b>263,905</b>	334,881
		<b>350,431</b>	431,262	<b>313,277</b>	475,233
<b>Current liabilities</b>					
Creditors		<b>28,522</b>	55,479	<b>38,681</b>	54,613
Amount owing to minority shareholders		-	24,510	-	-
Amounts due to:					
- subsidiaries		-	-	<b>3,962</b>	11,662
- associated company and joint ventures		<b>184</b>	120	-	-
Term loans		<b>4,657</b>	3,720	-	-
Provision for taxation		<b>37,082</b>	39,263	<b>2,055</b>	2,055
		<b>70,445</b>	123,092	<b>44,698</b>	68,330
<b>Net current assets</b>		<b>279,986</b>	308,170	<b>268,579</b>	406,903
<b>Non-current liabilities</b>					
Term loans		<b>450,836</b>	473,080	-	-
Deferred liabilities		<b>4,396</b>	3,713	-	-
Deferred taxation		<b>197,698</b>	197,772	<b>5,969</b>	1,293
		<b>652,930</b>	674,565	<b>5,969</b>	1,293
<b>Net assets</b>		<b>727,742</b>	802,720	<b>582,201</b>	652,687

## Notes to Balance Sheets

### 2a. Group's borrowings and debt securities

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

As at 30 Jun 07		As at 30 Jun 06	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
4,657	-	3,720	-

(ii) Amount repayable after one year

As at 30 Jun 07		As at 30 Jun 06	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
450,836	-	473,080	-

(iii) Details of any collateral

The term loans pertained to debt financing taken up by Helm and are pledged against the assets of Helm. The net book value of the fixed assets and other assets pledged to financial institutions amounted to \$886 million (June 2006 : \$901 million).

### 2b. Net asset value

	GROUP			COMPANY		
	As at 30 Jun 07	As at 30 Jun 06	+/(-)%	As at 30 Jun 07	As at 30 Jun 06	+/(-)%
Net asset value per Ordinary Share #	\$0.32	\$0.40	(20.00)	\$0.27	\$0.34	(20.59)
Net tangible asset value per Ordinary Share #	\$0.21	\$0.27	(22.22)	\$0.27	\$0.34	(20.59)

# Based on issued share capital of 2,127,603,003 ordinary shares as at the end of the financial year (June 2006 : 1,897,528,003).

### 2c. Balance Sheet review

Group shareholders' funds decreased by \$76.8 million from \$756.1 million as at 30 June 2006 to \$679.3 million as at 30 June 2007. The decrease was primarily due to the capital distribution of \$113.9 million made in December 2006 and decreases in the capital and translation reserves of \$28.6 million attributable to the revaluation of McMoRan Exploration and currency fluctuations in the US dollar. The decrease was partially offset by the issuance of shares in the amount of \$39.4 million resulting mostly from the exercise of the 2002 Warrants and net profit attributable to shareholders of \$26.2 million for the year.

Group total assets of \$1.5 billion at 30 June 2007 were \$149.3 million lower than that at 30 June 2006. The decrease was primarily due to the above mentioned capital distribution, the release of escrow funds to the minority shareholders of Helm Holding Corporation ("Helm"), the payment of escrow funds from the sale of the Group's interests in The Gas Company, LLC, as well as the revaluation and sale of investments.

Group total liabilities decreased by \$74.3 million from \$797.7 million at 30 June 2006 to \$723.4 million at 30 June 2007 primarily due to a reduction in term loans, the release of escrow funds and a decrease in amounts due to creditors.

### 3. CONSOLIDATED CASH FLOW STATEMENTS for year ended 30 June 2007

	Note	1 Jul 06 to 30 Jun 07 \$'000	1 Jul 05 to 30 Jun 06 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating profit			
Continuing operations		93,776	85,406
Discontinued operations		-	202,367
		<u>93,776</u>	<u>287,773</u>
Adjustments for:			
Depreciation and amortisation		51,514	52,684
Dividend income (non cash)		(3,548)	(3,316)
Profit on disposal of subsidiary		-	(170,140)
Profit on disposal of fixed assets		(9,550)	(11,853)
Profit on sale of investments		(7,198)	(13,545)
		<u>124,994</u>	<u>141,603</u>
<b>Cash flow from operations before changes in working capital</b>			
Working capital changes :			
Stocks		(3,893)	(9,628)
Debtors		2,505	(19,426)
Creditors		(15,932)	42,098
Translation of foreign subsidiaries and others		(1,564)	20,599
		<u>106,110</u>	<u>175,246</u>
<b>Cash from operations</b>			
Interest paid		(40,740)	(50,558)
Income tax paid (net of refunds received)		(8,470)	(1,913)
		<u>56,900</u>	<u>122,775</u>
<b>Net cash from operating activities</b>			
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of subsidiaries	3a	-	(726,531)
Disposal of subsidiary	3b	-	279,560
Adjustment to acquisition value for an investment in a subsidiary		(2,452)	-
Purchase of fixed assets		(83,802)	(98,372)
Proceeds from disposal of fixed assets		30,048	67,941
Net proceeds from disposal and capital distribution of investments		52,454	35,206
Purchase of investments		(7,316)	(3,430)
		<u>(11,068)</u>	<u>(445,626)</u>
<b>Net cash used in investing activities</b>			
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from share issue		39,416	3,461
Proceeds from term loans		101,629	522,324
Acquisition of additional interest in subsidiary		-	(127)
Distribution to minority shareholder of subsidiary		-	(5)
Repayment of amount due to minority shareholders		-	(8,752)
Increased share capital in a subsidiary		235	-
Repayment of term loans		(107,121)	(45,524)
Capital distribution		(113,855)	-
		<u>(79,696)</u>	<u>471,377</u>
<b>Net cash (used in)/from financing activities</b>			
<b>(Decrease)/increase in cash and cash equivalents</b>		<b>(33,864)</b>	<b>148,526</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>349,182</b>	<b>201,046</b>
<b>Effects of exchange rate changes on cash and cash equivalents</b>		<b>(9,523)</b>	<b>(390)</b>
<b>Cash and cash equivalents at end of year</b>	3c	<b>305,795</b>	<b>349,182</b>
<b>Restricted cash</b>	3c	<b>4,686</b>	<b>36,064</b>
		<u>310,481</u>	<u>385,246</u>

## Notes to Consolidated Cashflow Statements

### 3a. Acquisition of Subsidiary

The fair values of net assets and liabilities of a subsidiary acquired were as follows :

	1 Jul 05 to 30 Jun 06 \$'000
Fixed assets	539,975
Associated company and joint ventures	76,439
Available-for-sale investments	43,019
Debtors	57,926
Stocks	4,420
Intangibles	55,881
Other assets	13,731
Cash and cash equivalents	6,080
Creditors	(21,152)
Amount due to minority shareholder	(33,262)
Provision for taxation	(15,121)
Deferred taxation	(143,667)
Deferred liabilities	(597)
Minority Interest	(45,660)
Net assets acquired	<u>538,012</u>
Goodwill	194,599
Purchase consideration	<u>732,611</u>
Less : cash and cash equivalents acquired	(6,080)
Cash flow on acquisition, net of cash acquired	<u><u>726,531</u></u>

### 3b. Disposal of subsidiary

The fair values of net assets and liabilities of a subsidiary disposed were as follows :

	1 Jul 05 to 30 Jun 06 \$'000
Fixed assets	(200,185)
Other assets	(18,261)
Debtors	(31,809)
Stock	(13,803)
Bank balances, deposits & cash	(27,894)
Creditors	31,847
Term loan	114,682
Deferred taxation	14,349
Deferred liabilities	6,578
Foreign exchange translation account	(12,818)
	<u>(137,314)</u>
Net profit on disposal	<u>(170,140)</u>
Sales Proceeds	(307,454)
Add : Bank balance and cash disposed	27,894
Cash flow on disposed, net of cash disposed	<u><u>(279,560)</u></u>



3c. Bank balances, deposits and cash

	Continuing operations		Discontinued operations		Total operations	
	1 Jul 06 to 30 Jun 07 \$'000	1 Jul 05 to 30 Jun 06 \$'000	1 Jul 06 to 30 Jun 07 \$'000	1 Jul 05 to 30 Jun 06 \$'000	1 Jul 06 to 30 Jun 07 \$'000	1 Jul 05 to 30 Jun 06 \$'000
Bank balances, deposits and cash	289,896	335,784	-	-	289,896	335,784
Deposits with related parties	15,899	13,398	-	-	15,899	13,398
Cash and cash equivalents	305,795	349,182	-	-	305,795	349,182
Restricted cash held under escrow	4,686	36,064	-	-	4,686	36,064
	<b>310,481</b>	<b>385,246</b>	<b>-</b>	<b>-</b>	<b>310,481</b>	<b>385,246</b>

Restricted cash held under escrow for \$4.7 million (June 2006: \$11.6 million) relates to an amount payable to a former subsidiary on certain obligations arising out of the settlement conditions with respect to the regulatory approval obtained on the sale of a subsidiary.

Included in restricted cash held under escrow as at 30 June 2006 related to a payable of \$24.5 million to the former shareholders of a subsidiary, which represented the minority interests of a subsidiary, as collateral for representations and warranties provided at the time of the acquisition.

#### 4. STATEMENTS OF CHANGES IN EQUITY

##### 4a. Group Statement of Changes in Equity for the year ended 30 June

	Attributable to equity holders of the Company						
	Share capital S\$'000	Capital reserves S\$'000	Foreign exchange translation account S\$'000	Revenue reserves S\$'000	Share capital & reserves S\$'000	Minority interests S\$'000	Capital employed S\$'000
<b>2007</b>							
As at 1 July 2006	393,213	58,799	(24,706)	328,796	756,102	46,618	802,720
Fair value changes on available-for-sale investments	-	(10,487)	-	-	(10,487)	-	(10,487)
Fair value gain realised and transferred to profit and loss account upon disposal of investments	-	(4,459)	-	-	(4,459)	-	(4,459)
Fair value change on cashflow hedges	-	(769)	-	-	(769)	-	(769)
Exchange differences arising on consolidation	-	-	(12,460)	-	(12,460)	(1,598)	(14,058)
Currency translation loss realised and transferred to profit and loss account	-	-	(387)	-	(387)	-	(387)
Net loss not recognised in the profit and loss account	-	(15,715)	(12,847)	-	(28,562)	(1,598)	(30,160)
Profit for the year	-	-	-	26,227	26,227	3,179	29,406
Capital distribution	(113,855)	-	-	-	(113,855)	-	(113,855)
Shares issued	39,416	-	-	-	39,416	-	39,416
Increased share capital in a subsidiary	-	-	-	-	-	235	235
Other adjustments	-	-	-	-	-	(20)	(20)
<b>As at 30 June 2007</b>	<b>318,774</b>	<b>43,084</b>	<b>(37,553)</b>	<b>355,023</b>	<b>679,328</b>	<b>48,414</b>	<b>727,742</b>

Attributable to equity holders of the Company

	Share capital S\$'000	Share premium S\$'000	Capital reserves S\$'000	Foreign exchange translation account S\$'000	Revenue reserves S\$'000	Share capital & reserves S\$'000	Minority interests S\$'000	Capital employed S\$'000
2006								
As at 1 July 2005	187,741	202,011	85,584	(7,919)	153,192	620,609	151	620,760
Fair value changes on available-for-sale investments	-	-	(23,646)	-	-	(23,646)	-	(23,646)
Fair value gain realised and transferred to profit and loss account upon disposal of investments	-	-	(4,165)	-	-	(4,165)	-	(4,165)
Fair value change on cashflow hedges	-	-	1,026	-	-	1,026	-	1,026
Exchange differences arising on consolidation	-	-	-	(28,902)	-	(28,902)	(2,706)	(31,608)
Currency translation loss realised and transferred to profit and loss account	-	-	-	12,115	-	12,115	-	12,115
Net loss not recognised in the profit and loss account	-	-	(26,785)	(16,787)	-	(43,572)	(2,706)	(46,278)
Profit for the year	-	-	-	-	175,604	175,604	3,645	179,249
Acquisition of subsidiary	-	-	-	-	-	-	45,660	45,660
Acquisition of additional interest in subsidiary	-	-	-	-	-	-	(127)	(127)
Distribution from subsidiaries	-	-	-	-	-	-	(5)	(5)
Shares issued	2,602	859	-	-	-	3,461	-	3,461
Adjustment arising from abolition of par value of shares	202,870	(202,870)	-	-	-	-	-	-
As at 30 June 2006	393,213	-	58,799	(24,706)	328,796	756,102	46,618	802,720

4b. Company Statement of Changes in Equity for the year ended 30 June

	Share capital S\$'000	Share premium S\$'000	Capital reserves S\$'000	Revenue reserves S\$'000	Total S\$'000
<b>2007</b>					
As at 1 July 2006	393,213	-	1,897	257,577	652,687
Fair value changes on available-for-sale investments	-	-	6,591	-	6,591
Fair value gain realised and transferred to profit and loss account upon disposal of investments	-	-	(2,277)	-	(2,277)
Net gain not recognised in the profit and loss account	-	-	4,314	-	4,314
Loss for the year	-	-	-	(361)	(361)
Capital distribution	(113,855)	-	-	-	(113,855)
Shares issued	39,416	-	-	-	39,416
As at 30 June 2007	318,774	-	6,211	257,216	582,201
<b>2006</b>					
As at 1 July 2005	187,741	202,011	753	69,683	460,188
Fair value changes on available-for- -sale investments	-	-	5,309	-	5,309
Fair value gain realised and transferred to profit and loss account upon disposal of investments	-	-	(4,165)	-	(4,165)
Net gain not recognised in the profit and loss account	-	-	1,144	-	1,144
Profit for the year	-	-	-	187,894	187,894
Shares issued	2,602	859	-	-	3,461
Adjustment arising from abolition of par value of shares	202,870	(202,870)	-	-	-
As at 30 June 2006	393,213	-	1,897	257,577	652,687

#### 4c. Share capital

Since 30 June 2006, the Company issued 75,000 ordinary shares upon the exercise of options granted to employees under the Keppel Marine Share Option Scheme 1990 and 230 million ordinary shares upon the exercise of warrants issued in 2002. As at 30 June 2007, there were unexercised options for 240,000 (June 2006: 330,000) of unissued ordinary shares under the Keppel Marine Share Option Scheme 1990 and 38 million warrants (June 2006: 268 million) to subscribe for 38 million ordinary shares.

The issued share capital of the Company as at 30 June 2007 was 2,127,603,003 ordinary shares.

#### 5. AUDIT

The financial statements have not been audited nor reviewed by our auditors.

#### 6. AUDITORS' REPORT

Not applicable

#### 7. ACCOUNTING POLICIES

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year compared with those of the audited financial statements as at 30 June 2006.

#### 8. CHANGES IN THE ACCOUNTING POLICIES

Not applicable

#### 9. REVIEW OF GROUP PERFORMANCE

The Group recorded total revenue of \$473.6 million for continuing operations for the year, representing an increase of 9% over the last year.

The Group's pre-tax profit was impacted by a foreign exchange loss associated with the remaining proceeds from the sale of GASCO of \$9.5 million for the year. Nevertheless, the Group achieved a pre-tax profit from continuing operations of \$49 million for the year, which represents a 10% increase over the prior year. Excluding the foreign exchange loss and discontinued operations of GASCO, the Group's pre-tax profit for the year increased by 30% over the prior year.

The improved revenue and profit from continuing operations were mainly attributable to increased contributions from Mid Pac Petroleum, LLC ("Mid Pac"), gains from disposal of investments and fixed assets as well as higher interest income earned from fixed deposits.

Profit attributable to shareholders (PATMI) was \$26.2 million for the year, representing a decrease of 85% over the prior year. However, the prior year results included the operating results of GASCO as well as the gain recognized on the sale of GASCO which was accounted for as discontinued operations. Excluding the results from GASCO and the effect of foreign exchange loss, PATMI for continuing operations increased by 52% for the year, reflecting the improved operating results of the Group. Earnings per share (EPS) for continuing operations increased by 6.5% over the prior year notwithstanding the increase in the number of shares issued during the financial year.

The Group's share of results of associated companies for the year represented earnings from Helm's joint ventures and associated company.

In the opinion of the Directors, no factor has arisen between 30 June 2007 and the date of this report which would materially affect the results of the Group and the Company for the year just ended.

## 10. VARIANCE FROM PROSPECT STATEMENT

No material variance from previous statement.

## 11. PROSPECTS

Subsequent to the financial year end, an agreement was entered into for the sale of Mid Pac Petroleum, LLC, our operating subsidiary in retail gasoline operations, for a cash consideration of US\$44 million, plus adjustments amounting to approximately US\$10 million. The transaction is expected to be completed in September 2007.

The Group's operating subsidiary, Helm Holding Corporation, is anticipated to continue to contribute positively to the results of the Group. However, we expect that its operations may continue to be affected by the slowdown in US homebuilding.

Management will continue to be pro-active with the current investments and seek to enhance shareholder value.

## 12. DIVIDENDS

### 12a. Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? No

#### Capital Distribution

The Board of Directors is pleased to propose a capital distribution of 6 cents per share (June 2006: 6 cents), without deduction for tax, out of the Company's share capital account. The capital distribution will be subject to the approval of shareholders at a meeting to be convened and made pursuant to relevant sections of the Companies Act (Chapter 50).

### 12b. Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

A capital distribution of 6 cents per share in respect of the year ended 30 June 2006 was paid on 22 December 2006.

### 12c. Date Payable

To be announced later.

### 12d. Books Closure Date

To be announced later.

### 12e. Total Annual Dividend / Capital distribution

	<b>1 Jul 06 to 30 Jun 07 \$'000</b>	<b>1 Jul 05 to 30 Jun 06 \$'000</b>
Capital distribution *	<u>127,656</u>	<u>113,855</u>
	<b>127,656</b>	<b>113,855</b>

\* 2007 capital distribution is estimated based on share capital of 2,127,603,003 ordinary shares at the end of the financial year.

### 13. SEGMENT ANALYSIS

#### BUSINESS SEGMENT

The Group has segmented its continuing operations into Energy, Transportation Leasing and Investments. The Group's Energy segment reflects Mid Pac's retail gasoline operations in Hawaii and other energy-related investments. The Transportation Leasing segment represents Helm's locomotive and railcar leasing business in North America. The Group's Investment activities consist mainly of the Group's education and technology investments.

	Continuing Operations				Total	Discontinued Operations	Total Operations
	Energy	Transportation leasing	Investments	Elimination			
2007	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenue</b>	<b>250,024</b>	<b>160,767</b>	<b>66,865</b>	<b>(4,014)</b>	<b>473,642</b>	<b>-</b>	<b>473,642</b>
<b>Results</b>							
Operating profit	15,250	62,747	19,793	(4,014)	93,776	-	93,776
Finance expenses	(4,014)	(42,634)	-	4,014	(42,634)	-	(42,634)
Foreign exchange loss	-	-	(9,523)	-	(9,523)	-	(9,523)
Share of results of associated company and joint ventures	-	7,416	-	-	7,416	-	7,416
Profit before taxation	<u>11,236</u>	<u>27,529</u>	<u>10,270</u>	<u>-</u>	<u>49,035</u>	<u>-</u>	<u>49,035</u>
<b>Other information</b>							
Segment assets	164,651	801,976	445,094	(46,821)	1,364,900	-	1,364,900
Investment in associated company and joint ventures	-	83,796	-	-	83,796	-	83,796
Tax recoverable	-	-	2,421	-	2,421	-	2,421
Total	<u>164,651</u>	<u>885,772</u>	<u>447,515</u>	<u>(46,821)</u>	<u>1,451,117</u>	<u>-</u>	<u>1,451,117</u>
Segment liabilities	57,893	471,690	5,833	(46,821)	488,595	-	488,595
Net tax provision and deferred taxation	20,025	168,872	45,883	-	234,780	-	234,780
Total	<u>77,918</u>	<u>640,562</u>	<u>51,716</u>	<u>(46,821)</u>	<u>723,375</u>	<u>-</u>	<u>723,375</u>
Net assets	<u>86,733</u>	<u>245,210</u>	<u>395,799</u>	<u>-</u>	<u>727,742</u>	<u>-</u>	<u>727,742</u>
Capital expenditure	6,071	77,727	4	-	83,802	-	83,802
Depreciation and amortisation	(3,019)	(48,376)	(119)	-	(51,514)	-	(51,514)

	Continuing Operations					Discontinued Operations	Total Operations
	Energy \$'000	Transportation leasing \$'000	Investments \$'000	Elimination \$'000	Total \$'000	GASCO \$'000	\$'000
2006							
<b>Revenue</b>	<u>233,841</u>	<u>168,318</u>	<u>35,245</u>	<u>(4,261)</u>	<u>433,143</u>	<u>548,757</u>	<u>981,900</u>
<b>Results</b>							
Operating profit	7,427	72,470	9,770	(4,261)	85,406	202,367	287,773
Finance expenses	(4,261)	(46,077)	(951)	4,261	(47,028)	(9,178)	(56,206)
Foreign exchange loss	-	-	(390)	-	(390)	-	(390)
Share of results of associated company and joint ventures	-	6,525	-	-	6,525	-	6,525
Profit before taxation	<u>3,166</u>	<u>32,918</u>	<u>8,429</u>	<u>-</u>	<u>44,513</u>	<u>193,189</u>	<u>237,702</u>
<b>Other information</b>							
Segment assets	211,274	846,153	509,586	(48,428)	1,518,585	-	1,518,585
Investment in associated company and joint ventures	-	79,276	-	-	79,276	-	79,276
Tax recoverable	5	-	2,511	-	2,516	-	2,516
Total	<u>211,279</u>	<u>925,429</u>	<u>512,097</u>	<u>(48,428)</u>	<u>1,600,377</u>	<u>-</u>	<u>1,600,377</u>
Segment liabilities	62,608	524,829	21,613	(48,428)	560,622	-	560,622
Net tax provision and deferred taxation	30,255	163,766	43,014	-	237,035	-	237,035
Total	<u>92,863</u>	<u>688,595</u>	<u>64,627</u>	<u>(48,428)</u>	<u>797,657</u>	<u>-</u>	<u>797,657</u>
Net assets	<u>118,416</u>	<u>236,834</u>	<u>447,470</u>	<u>-</u>	<u>802,720</u>	<u>-</u>	<u>802,720</u>
Capital expenditure	4,487	80,961	113	-	85,561	12,811	98,372
Depreciation and amortisation	(3,997)	(47,052)	(143)	-	(51,192)	(1,492)	(52,684)

## GEOGRAPHICAL SEGMENT

The Group's three business segments operate in three main geographical areas. The operating activities and investment activities are predominately in the USA. Singapore is the home country of the Company and its assets are mainly cash and cash equivalents.

Segment revenue is based on geographical location of its customers or, in the case of revenue from investments, the source of its investments income. Segment assets and capital expenditure are analyzed based on the location of the assets generating the income.

	<u>Singapore</u> \$'000	<u>USA</u> \$'000	<u>China/ Hong Kong</u> \$'000	<u>Others</u> \$'000	<u>Total</u> \$'000
2007					
<b>Continuing operations</b>					
External revenue	8,136	457,965	4,878	2,663	473,642
Segment assets	190,327	1,153,414	12,553	8,606	1,364,900
Capital expenditure	1	83,801	-	-	83,802



2006	<u>Singapore</u> \$'000	<u>USA</u> \$'000	<u>China/ Hong Kong</u> \$'000	<u>Others</u> \$'000	<u>Total</u> \$'000
<b>Continuing operations</b>					
External revenue	6,957	425,308	878	-	433,143
Segment assets	21,464	1,485,915	1,003	10,203	1,518,585
Capital expenditure	2	85,559	-	-	85,561
<b>Discontinued operations</b>					
External revenue	-	548,757	-	-	548,757
Capital expenditure	-	12,811	-	-	12,811

#### 14. REVIEW OF SEGMENT PERFORMANCE

Not applicable.

#### 15. INTERESTED PERSON TRANSACTIONS

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual.	
	1 Jul 06 to 30 Jun 07 \$'000	1 Jul 05 to 30 Jun 06 \$'000	1 Jul 06 to 30 Jun 07 \$'000	1 Jul 05 to 30 Jun 06 \$'000
<b>General transactions</b>				
KCL Group	-	-	698	515
Greenstreet Partners *	-	-	3,717	5,833
<b>Corporate treasury transactions</b>				
KCL Group	-	-	21,351	15,354
Greenstreet Partners	-	-	-	236
<b>Total</b>	-	-	<b>25,766</b>	21,938

\* This amount represents the full financial year transaction with the interested person as per agreement.

#### BY ORDER OF THE BOARD

Lawrence Chan  
Company Secretary  
20-Aug-2007