LIFEBRANDZ LTD.
(Incorporated in the Republic of Singapore)
Company registration No. : 200311348E

FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2006

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY RESULTS (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

	Notes	The Group		
		Year ended 31 July		%
		2006 S$'000	2005 S$'000	Increase/ (Decrease)
CONTINUING OPERATIONS				
Revenue		**19,063**	-	NM
Other gains				
- Miscellaneous	(i)	**1,429**	239	
- Exceptional income	(ii)	**1,800**	-	
		3,229	239	1251%
Expenses				
- Inventories and consumables used		**(4,706)**	-	
- Advertising, media and entertainment		**(1,872)**	-	
- Employee benefits		**(5,250)**	(60)	
- Amortisation, depreciation and impairment		**(1,772)**	(3)	
- Finance		**(415)**	(2)	
- Rental on operating leases		**(1,556)**	-	
- Transportation		**(302)**	(1)	
- Legal and professional fees		**(926)**	(355)	
- Contract services		**(933)**	-	
- Licence and permits		**(69)**	-	
- Other operating expenses		**(1,534)**	(374)	
Changes in inventories of finished goods		**546**	-	
Total expenses		**(18,789)**	(795)	2263%
Profit/(loss) before income tax	(iii)	**3,503**	(556)	NM
Income tax expense		**(219)**	(47)	366%
Profit/(loss) from continuing operations		**3,284**	**(603)**	NM
DISCONTINUED OPERATIONS				
(Loss)/Profit from discontinued operations before loss on disposal	(iv)	**(23,113)**	5,532	NM
Loss on disposal of discontinued operations	(iv)	**(1,667)**	-	
Total (loss)/profit from discontinued operations		**(24,780)**	5,532	NM
Total (loss)/profit for the year		**(21,496)**	**4,929**	NM
Atrributable to:				
Equity holders of the Company		(21,924)	4,929	NM
Minority interest		428	-	NM
		(21,496)	4,929	NM

NM : Not meaningful

Notes to Income Statement

CONTINUING OPERATIONS

(i) The miscellaneous income mainly represented by service charge surplus received from the Lifestyle division entities of $1.15million, interest income of $0.23million and other income of $0.04milliion.

(ii) The Group recognised an exceptional income of $1.80 million arising from the sale of a 20% equity interest in wholly owned subsidiary Cannery Holding Pte Ltd on 23 January 2006.

(iii) The Group's profit/(loss) before tax is arrived at after charging / (crediting):-

	The Group			
	CONTINUING OPERATIONS		DISCONTINUED OPERATIONS	
	Year ended 31 July		Year ended 31 July	
	2006 S$'000	2005 S$'000	2006 S$'000	2005 S$'000
a) Depreciation and amortisation	**1,537**	3	**395**	419
b) Impairment on intangible assets	**235**	-	**35**	6
c) Foreign exchange (gain)/loss	**(9)**	21	**(5)**	120
d) Allowance for doubtful debts and bad debts written off	**1,449**	-	**7,350**	-
e) Allowance for stock obsolescence and finished goods spoilage written off	**-**	-	**5,770**	29
f) Interest income	**(233)**	(260)	**(71)**	-
g) Service charge surplus	**(1,147)**	-	**-**	-
h) Other income	**(40)**	-	**(60)**	(36)
i) Over provision adjustment of tax for prior years	**-**	-	**(6)**	-

DISCONTINUED OPERATIONS

(iv) During the financial year, the Company had entered into the Sale Agreement for the sale by the Company of its entire shareholding interest in the (a) LifePharm Pte. Ltd, (b) LifePharm Asia Limited, and (c) ThaiNutri Co., Ltd. (each a "LifePharm Company").

The performance of the LifePharm Companies for FY 2005 and up to 28 July 2006 for FY 2006 are separately disclosed as Discontinued operations in the income statement.

A summary of the results of Discontinued operations is as follows:-

	Year ended 31 July	
	2006	2005
	S$'000	S$'000
Sales	**3,672**	42,679
Net costs/expenses	**(26,791)**	(35,772)
(Loss) / Profit before tax of discontinued operations	**(23,119)**	6,907
Taxation	**6**	(1,375)
(Loss) / Profit after tax of discontinued operations	**(23,113)**	5,532
Loss on disposal of discontinued operations	**(1,667)**	-

The impact of the discontinued operations on the cash flow of the Group is as follows:-

	Year ended 31 July	
	2006	2005
	S$'000	S$'000
Net Cash generated from / (used in) :-		
Operating activities	**(14,798)**	(687)
Investing activities	**16,611**	(644)
Financing activities	**182**	479
Total cashflows		

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

Balance Sheets

	The Group		The Company	
	31/07/2006	31/07/2005	31/07/2006	31/07/2005
ASSETS	S$'000	S$'000	S$'000	S$'000
Current Assets				
Cash and cash equivalents	**13,902**	20,025	**7,208**	18,252
Trade and other receivables	**1,385**	16,897	**3,148**	4,725
Other current assets	**1,106**	3,668	**138**	1,118
Inventories at cost	**537**	607	**-**	-
	16,930	41,197	**10,494**	24,095
Non-Current Assets				
Plant and equipment	**8,233**	924	**371**	-
Intangible assets	**991**	1,114	**-**	-
Investments in subsidiaries	**-**	-	**3,300**	5,339
Intercompany long term loan	**-**	-	**1,000**	-
	9,224	2,038	**4,671**	5,339
Total Assets	**26,154**	43,235	**15,165**	29,434
LIABILITIES				
Current Liabilities				
Trade and other payables	**5,781**	6,207	**2,131**	161
Borrowings	**5,973**	1,559	**2,917**	-
Current income tax liabilities	**4**	1,473	**4**	49
	11,758	9,239	**5,052**	210
Non-current Liabilities				
Deferred tax liabilities	**219**	-	**-**	-
Borrowings	**2,083**	-	**2,083**	-
	2,302	-	**2,083**	-
Total Liabilities	**14,060**	9,239	**7,135**	210
Net Assets	**12,094**	33,996	**8,030**	29,224
SHAREHOLDERS' EQUITY				
Share capital and share premium	**29,108**	29,108	**29,108**	29,108
Foreign currency translation reserve	**1**	(9)	**-**	-
(Accumulated losses)/Retained earnings	**(17,643)**	4,897	**(21,078)**	116
	11,466	33,996	**8,030**	29,224
Minority interest	**628**	-		
Total equity	**12,094**	33,996	**8,030**	29,224

Comment on Balance Sheet

31 July 2005 comparatives

The balance sheet line items for 31 July 2005 included both the Discontinued operations and the Continuing operations of the Group.

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

	The Group			
	As at 31/07/2006		As at 31/07/2005	
	Secured S$'000	Unsecured S$'000	Secured S$'000	Unsecured S$'000
Amount repayable in one year or less, or on demand	-	5,973	-	1,559
Amount repayable after one year	500	1,583	-	-
	500	7,556	-	1,559

Details of any collateral

A charge on Fixed Deposit of the Company for S$500,000 placed with a financial institution for a credit facility granted to the Company.

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

	The Group	
	Year ended 31 July	
	2006 S$'000	2005 S$'000
Cash flows from operating activities		
(Loss)/Profit after tax	**(21,496)**	4,929
Adjustments for:		
Tax	**213**	1,422
Depreciation and amortisation	**1,932**	422
Impairment losses of intangibles	**235**	6
Interest income from short-term bank deposits	**(305)**	(281)
Factoring charges and interest on bank borrowings	**415**	134
Plant and equipment written off	**50**	20
Franchise fee written off	**88**	-
Loss on disposal of subsidiaries	**1,667**	-
Exceptional income	**(1,800)**	-
Gain on disposal of plant and equipment	**(20)**	-
Operating cashflow before working capital changes	**(19,021)**	6,652
Change in operating assets and liabilities, net of effects from sale/purchase of subsidiaries:		
Trade and other receivables	**13,503**	(3,586)
Other current assets	**2,180**	(1,584)
Inventories	**43**	(254)
Trade and other payables	**1,681**	(4,250)
Cash used in operations	**(1,614)**	(3,022)
Income tax paid	**(1,463)**	(2,344)
Net cash used in operating activities	**(3,077)**	(5,366)
Cash flows from investing activities		
Purchases of plant and equipment	**(9,080)**	(753)
Proceeds from sale of plant and equipment	**106**	-
Acquisition of a subsidiary, net of cash acquired	**-**	(113)
Purchases of franchises and licenses	**(686)**	(942)
Interest received from short-term bank deposits	**305**	281
Proceeds from sale of investment	**2,000**	-
Net cash flow from disposal of subsidiaries	**(2,751)**	-
Net cash used in investing activities	**(10,106)**	(1,527)
Cash flows from financing activities		
Share issue expenses paid	**-**	(80)
Proceeds from borrowings	**8,097**	1,559
Factoring charges and interest on bank borrowings	**(415)**	(134)
Dividends paid to group shareholders	**(616)**	(4,468)
Net cash from/(used in) financing activities	**7,066**	(3,123)
Net decrease in cash and cash equivalents	**(6,117)**	(10,016)
Cash and cash equivalents at the beginning of the financial year	**20,025**	30,040
Effects of exchange rate changes on cash and cash equivalents	**(6)**	1
Cash and cash equivalents at end of the financial year	**13,902**	20,025

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

(i) Consolidated statement of changes in equity for the period ended 31 July 2006 - Group

	Share Capital and Share Premium S$'000	Foreign Currency Translation Reserve S$'000	(Accumulated Losses)/ Retained Earnings S$'000	Minority Interest S$'000	Total S$'000
Balance at 1 August 2005	**29,108**	**(9)**	**4,897**	**-**	**33,996**
Net loss for the period	-	-	(21,924)	428	(21,496)
Net gain not recognised in income statement - currency translation differences	-	10	-	-	10
Total recognised gains and losses for the financial period	**-**	**10**	**(21,924)**	**428**	**(21,486)**
Dividends	-	-	(616)	-	(616)
Minority interest	-	-	-	200	200
Balance at 31 July 2006	**29,108**	**1**	**(17,643)**	**628**	**12,094**
Balance at 1 August 2004	**29,188**	**2**	**4,436**	**-**	**33,626**
Share issue expenses adjustment	(80)	-	-	-	(80)
Net profit for the period	-	-	4,929	-	4,929
Net loss not recognised in income statement - currency translation differences	-	(11)	-	-	- (11)
Total recognised gains and losses for the financial period	**-**	**(11)**	**4,929**	**-**	**4,918**
Dividends	-	-	(4,468)	-	(4,468)
Balance at 31 July 2005	**29,108**	**(9)**	**4,897**	**-**	**33,996**

(ii) Statement of changes in equity for period ended 31 July 2006 - Company

	Share Capital and Share Premium S$'000	(Accumulated Losses)/ Retained Earnings S$'000	Total S$'000
Balance at 1 August 2005	**29,108**	**116**	**29,224**
Net loss for the period	-	(20,578)	**(20,578)**
Dividends	**-**	(616)	**(616)**
Balance at 31 July 2006	**29,108**	**(21,078)**	**8,030**
Balance at 1 August 2004	**29,188**	**4,512**	**33,700**
Share issue expenses adjustment	(80)	-	**(80)**
Net profit for the period	-	72	**72**
Dividends	**-**	(4,468)	**(4,468)**
Balance at 31 July 2005	**29,108**	**116**	**29,224**

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.

(a) Changes in authorised share capital
There were no changes in the authorised share capital.

(b) Changes in paid-up share capital
There were no changes in the issued share capital.

(c) Options
There were no option granted as at 31 July 2006

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

The figures have not been audited nor reviewed.

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 same accounting policies and methods of computation have been adopted for the current reporting period as compared with the most recently audited financial statements of LifeBrandz Ltd for the year ended 31 July 2005.

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 applied the same accounting policies and methods of computation in the presentation of the financial statements for the current reporting period compared with the audited financial statements as at 31 July 2005, except for the adoption of the following new and revised Singapore Financial Reporting Standards (FRS) that are effective for our financial year beginning on 1 August 2005:

FRS 1 (revised 2004) Presentation of Financial Statements
FRS 2 (revised 2004) Inventories
FRS 8 (revised 2004) Accounting Policies, Changes in Accounting Estimates and Errors
FRS 10 (revised 2004) Events after the Balance Sheet Date
FRS 16 (revised 2004) Property, Plant and Equipment
FRS 17 (revised 2004) Leases
FRS 21 (revised 2004) The Effects of Changes in Foreign Exchange Rates
FRS 24 (revised 2004) Related Party Disclosures
FRS 27 (revised 2004) Consolidated and Separate Financial Statements
FRS 32 (revised 2004) Financial Instruments: Disclosures and Presentation
FRS 33 (revised 2004) Earnings per Share
FRS 39 (revised 2004) Financial Instruments: Recognition and Measurement
FRS 103 Business Combinations
FRS 105 Non-current Assets Held for Sale and Discontinued Operations
INT FRS 101 Changes in Existing Decommissioning, Restoration and Similar Liabilities

The adoption of the above FRS did not result in substantial changes to the Group's accounting policies.

The financial statements, comprising the consolidated income statement, balance sheets, statements of changes in equity and consolidated cashflow statements, have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

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**

	The Group	
	Year ended 31 July	
	2006	**2005**
Earnings / (Loss) per share ("EPS") for the year attributable to the equity holders of the Company :		
- from continuing operations - Basic (cents)	0.47	(0.09)
- from discontinued operations - Basic (cents)	(4.05)	0.90
	(3.58)	0.81

Diluted earnings per share is the same as basic earnings per share as there are no issuance of dilutive instrument.

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**

	The Group		**The Company**	
	Year ended 31 July		**Year ended 31 July**	
	2006	**2005**	**2006**	**2005**
Net assets backing per ordinary share based on existing issued share capital as at the end of the period reported on (cents)	1.87	5.55	1.31	4.78

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.

REVIEW OF FULL YEAR FINANCIAL RESULTS AND FINANCIAL POSITION

Overview

During the fourth quarter of FY2006 ("4Q 2006") on 28 July 2006, LifeBrandz entered into an agreement for the sale ("Disposal") of its entire shareholding interests in three subsidiary companies, namely LifePharm Pte Ltd, LifePharm Asia Limited and ThaiNutri Co. Ltd (the "LifePharm companies"). The Group has been carrying out its businesses relating to beauty and wellness supplement products through these LifePharm subsidiaries (please refer to announcements on 28 July and 3 August 2006).

Following thorough evaluations of the relevant considerations, the directors concluded that an expeditious disposal of the loss-making subsidiaries would enable the Group to conserve limited financial resources and free up management time. These resources would be more cost-effectively employed in capitalising on the prevailing bullish market sentiments to strengthen and expand the Group's better performing LifeStyle product category, which could better enhance shareholders' value. The management will hence be able to focus its resources, time and energy on developing new concepts in the pipeline that include Phase II of the Clarke Quay Cannery Block in Singapore. The Lifestyle businesses also inherently entail substantially lower base spending on advertising and promotion ("A&P") to move sales compared to the Beauty and Wellness product category.

As highlighted in previous quarterly results announcements, since April 2005, the LifePharm companies have been operating under unfavourable market conditions in the beauty and health supplement industry in all the markets where the Group's products are present. Negative factors included a slowdown in demand, hike in rates for media A&P and other rising operation costs, uncertainty in the regulatory environment of new overseas markets, as well as entry of competitors employing low-price strategies.

These adverse conditions have persisted to-date and inevitably led to the deterioration of the Net Profit and Net Asset Value of the LifePharm companies, despite the Group's implementation of measures to manage around the challenging operating climate.

The unfavourable trend is expected to continue into the future. In order for the Group to carry on supporting and subsequently turning around, if at all, the financial performance of these subsidiaries, significant fresh capital would be required to meet working capital requirements, e.g., new research and development expenditure and A&P costs; as well as substantial time and effort on the part of the Group's management. Given such uncertain future prospects, the directors do not believe that additional investment in these LifePharm businesses will be cost effective and serve shareholders' value.

Moreover, the Group's shift in focus to its Lifestyle businesses has been timely and ahead of the expected growth in consumer demand generated by positive market conditions. These include the recovery of the Singapore economy, the authorities' initiatives to spur inbound leisure and incentive / convention tourism to Singapore as well as unprecedented international spotlight on Singapore's lifestyle and entertainment industry arising from the new integrated resorts-cum-casino projects.

The Group's first two concepts under its LifeStyle product category – The Balcony and Ministry of Sound that had commenced operations in the second quarter of FY2006 – have been positively received by the market, with optimistic future prospects for this product category underpinned by the abovementioned factors favouring Singapore's lifestyle and entertainment industry and thus, anticipated increases in both local resident and tourist spending.

Pursuant to the subject disposal, the Group is required to separately disclose its results for the financial year ended 31 July 2006, categorised under Continuing Operations and Discontinued Operations as appended.

Accordingly, the comparison of year-on-year changes of line items as highlighted in previous results announcements will not be meaningful and hence omitted. Similarly, the balance sheet line items for 31 July 2005 included both the Discontinuing and Continuing Operations of the Group.

As the major businesses under the Beauty/Wellness/Fashion product category were from the LifePharm Companies and categorised under Discontinued Operations, segmentation into Beauty/Wellness/Fashion and LifeStyle product categories will no longer be required.

Income Statement

The Group's Continuing Operations in FY2006 achieved S$3.3 million in profit after tax. These maiden earnings were generated by businesses that had commenced operations mainly in December 2005, and operated for eight months in FY2006.

Nonetheless, due to the loss from deterioration of businesses under Discontinued Operations, the Group recorded a net loss for the year of S$21.5 million while loss attributed to equity holders amounted to S$21.9 million.

1) Continuing Operations:

During FY2006, the Group redeployed resources and staff from its Beauty and Wellness product category to focus on laying the groundwork, initial setting up of premises and inaugural launch events for its new LifeStyle product concepts, which progressively commenced operations during Q2 of FY2006.

These LifeStyle concepts currently include entertainment club concepts, The Balcony Bar at Heeren, Ministry of Sound and Phase II of Clarke Quay's Cannery Block; Dashing Diva Nail Spa and Boutique; as well as N-Inc's Nue, a brand of ladies' designer shoes. N-Inc's retail outlet in Paragon Shopping Centre, located in Singapore's Orchard Road, was launched in Q2 of FY2006 and serves to create brand awareness and is a showcase for international buyers and distributors.

For FY2006, the Group recorded after-tax profit from Continuing Operations of S$3.3 million on the back of S$19.1 million in total sales, largely attributed to its Ministry of Sound club which is amongst the largest dance clubs in the region.

The results are consistent with the guidance on FY2006 outlook for LifeStyle product category provided in conjunction with the Group's results announcements.

Other net gains included miscellaneous income of S$1.4 million mainly attributed to the 10% service charge received by LifeStyle businesses' outlets, as well as a non-recurring exceptional income of S$1.8 million arising from the sale of a 20% equity interest in wholly-owned subsidiary Cannery Holding Pte Ltd in January 2006.

Total operating expenses amounted to S$18.8 million. In line with businesses in the service industry, major expense items are service-staff related, i.e., employee benefits of S$5.4 million; cost of goods and consumables that amounted to S$4.7 million; and advertising, media and entertainment related expenses of S$1.9 million. Finance cost incurred was S$0.4 million.

In addition, amortisation and depreciation of premises and equipment amounted to S$1.2 million while rental was S$1.6 million and impairment of intangibles was S$0.6 million. Other operating expenses of S$1.4 million comprise miscellaneous items, e.g., equipment rental, repair and maintenance, MIS expenses, utilities, telecommunication charges and other administrative overheads.

(2) Discontinued Operations:

These operations comprise businesses undertaken by the LifePharm companies which carry out the businesses relating to beauty and wellness supplement products.

In view of the challenging market conditions, FY2006 sales up to the date of disposal of 28 July 2006 amounted to S$3.7 million compared to S$42.7 million achieved in FY2005.

Net costs / expenses incurred during the corresponding periods were S$26.8 million in FY2006 and S$35.8 million in FY2005.

Loss from Discontinued Operations for the financial year 2006 up to the date of disposal 28 July 2006 amounted to S$23.1 million, as compared with profit after tax of S$5.5 million in FY2005.

Coupled with a one-time loss on disposal of Discontinued Operations of S$1.7 million, total loss attributed to Discontinued Operations amounted to S$24.8 million.

Group Balance Sheet and Cash Flow:

The balance sheet items as at 31 July 2006 would reflect the remaining assets and liabilities of the Group after the Disposal. Thus, it is no longer meaningful to compare year-on-year changes in line items.

The Continuing Operations mainly entail sales transacted on a cash basis. Trade and other receivables stood at S$1.4 million and include $0.6 million in outstanding consideration from the buyer of the Cannery Holdings (payable by end 2006), receivables of S$0.5 million from corporate events and sponsorship and miscellaneous receivables for expenses incurred in advance for new businesses.

Other current assets of $1.1 million include an amount of approximately $0.5 million relating to deposits for lease and utilities as well as various prepayments amounting to $0.6 million, mainly related to franchise/music entertainment fees and other prepayments (licences, insurance, maintenance etc).

Plant and equipment amounted to S$8.2 million and include premises and equipment of businesses under the LifeStyle category. Intangible assets of S$1.0 million encompass franchise fees and licences paid upfront in respect of the LifeStyle businesses.

Trade and other payables stood at S$5.8 million include mainly to payments due to suppliers and accruals for operating expenses.

Total borrowings amounted to S$8.1 million while cash and cash equivalents amounted to S$13. 9 million, thus the Group is in a net cash position.

Total shareholders' equity amounted to S$12.1 million with retained earnings recording a negative balance of S$17.6 million attributed to loss from discontinued operations.

Net cash used in operating activities decreased from $5.4 million to $3.0 million in FY2006. Net cash used in investing activities increased by $8.7 million to $10.2 million in FY 2006 due mainly to the purchased of plant and equipment primarily for the LifeStyle businesses. Cash flow from financing activities increased due to increased in bank borrowings fro the LifeStyle businesses.

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

As disclosed under section 8 of this announcement, the Group's financial performance in FY2006 have been negatively affected by the beauty and wellness businesses under the LifePharm Companies.

Having entered into an agreement for the expeditious sale of the LifePharm Companies and thus discontinuing related uncertainties in the deteriorating beauty and wellness businesses, the directors are able to express a confident outlook on the Group's prospects and performance in FY2007.

Henceforth, the Group is able to focus on accelerating plans for the continuing development of its promising LifeStyle businesses so as to maximise mileage from the prevailing bullish market sentiments in the Singapore economy.

The Group's first two concepts – The Balcony and Ministry of Sound - continue to do well and the Group is proceeding with the development of new product concepts in the pipeline, including that for Phase II of the Clarke Quay's Cannery block, starting with two international F&B concepts, Bice Ristorante and FTV bar.

The Group's optimism on its enhanced future prospects is buoyed by the IMF's latest growth projections for the Singapore economy and the ability of its LifeStyle businesses to continue benefiting from Singapore's integrated resorts, which will increasingly draw in a large pool of foreign personnel to support its development works and thus, more potential customers for the Group.

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 ? Yes

Name of Dividend	:	First and Final
Dividend Type	:	Cash
Dividend Payable	:	S$616,100
Dividend Amount per Share	:	0.10067 cent per ordinary share (exempt one-tier)

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

The directors do not propose final dividend for the financial year ended 31 July 2006.

PART II ADDITIONAL INFORMATION REQUIRE FOR FULL YEAR ANNOUNCEMENT

13 Segmented revenue and results for the business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

The Group operates its businesses under a single business segment of lifestyle following the disposal of the LifePharm Companies. The products that are sold under this strategic business unit are subjected to similar risks and returns. As the Group has a single business segment, no business segment analysis is presented. In FY2006, Singapore is the only country which its lifestyle businesses were operated in and, therefore, there is no geographical segment analysis needed.

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

For discussion on material changes, please refer to paragraph 8.

15 A breakdown of sales

	The Group		
(S$) **Continuing Operations**	**31/07/2006**	**31/7/2005**	**% Increase/ (Decrease)**
Revenue reported for the first half year	**5,581**	-	NM
Operating profit / (loss) after tax reported for the first half year	**1,756**	(138)	NM
Revenue reported for the second half year	**13,482**	-	NM
Operating profit / (loss) after tax reported for the second half year	**1,528**	(465)	NM

NM : Not meaningful

16 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

Total Annual Dividend

(S$)	**Latest Full Year 31/07/2006**	**Previous Full Year 31/07/2005**
Ordinary	-	616,100
Preference	-	-
Total	**-**	**616,100**

BY ORDER OF THE BOARD

Koh Boon Liang / Tan Ping Ping
Joint Company Secretaries
28 September 2006