

**LIANG HUAT ALUMINIUM LIMITED (“THE COMPANY”)**

**Full Year Financial Statement and Dividend Announcement for the Year Ended 31/12/2006**

**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.**

	The Group		Changes %
	31/12/2006 \$'000	31/12/2005 \$'000	
Turnover	2,709	8,758	(69.1)
Cost of sales	(3,313)	(10,521)	(68.5)
Gross loss	(604)	(1,763)	(65.5)
Other operating income	20,543	4,117	399.1
	19,939	2,354	747.0
Other operating expenses	(2,043)	(4,713)	(56.7)
Other items <sup>2</sup>	(28,188)	(20,542)	37.2
Finance cost	(6,188)	(6,320)	(2.1)
Loss before taxation <sup>1</sup>	(16,480)	(29,221)	(43.6)
Taxation	398	-	Nm
Net loss for the year	(16,082)	(29,221)	(45.0)
Basic loss per share (\$)	(0.014)	(0.026)	
Diluted loss per share (\$)	(0.014)	(0.026)	

**1(a)(i) Other disclosures to Group Income Statement**

	31/12/06 \$'000	31/12/05 \$'000
<u>Note 1</u>		
Loss before taxation has been arrived at after charging / (crediting):		
1.a: Bad trade debts recovered	(73)	(85)
1.b: Depreciation and amortisation	142	1,735
1.c: Foreign exchange (gain) (net)	(328)	-
1.d: Reversal of accrued expenses and costs overprovided in prior years	(8,878)	(1,560)
1.e: Gain on de-consolidation of subsidiaries	(9,991)	(1,618)
1.f: Gain on disposal of property, plant and equipment	(946)	(32)

	31/12/06 \$'000	31/12/05 \$'000
<u>Note 2</u>		
Other items made up of:		
2.a: Bad trade debts written off <sup>(i)</sup>	3,917	3,235
2.b: Diminution in value of development property	-	100
2.c: Diminution in value of investments in unquoted shares <sup>(ii)</sup>	908	-
2.d: Financial guarantees recognised	5,557	-
2.e: Property, plant and equipment written off <sup>(i)</sup>	10,861	-
2.f: Impairment loss on leasehold property	-	12,749
2.g: Inventories written off <sup>(i)</sup>	3,466	3,474
2.h: Investment in subsidiary written off <sup>(i)</sup>	1,847	-
2.i: Provision for doubtful trade debts	453	801
2.j: Provision for slow-moving inventories	260	-
2.k: Professional costs pursuant to Investment Agreement	662	-
2.l: Others	257	183
Total:	28,188	20,542

Note: (i) These items arose mainly from subsidiaries that are de-consolidated in FY2006.  
(ii) This item arose from the intended divestment of the unquoted investment pursuant to conditions precedent of the Investment Agreement.

**1 (b) (i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding year.**

	The Group		The Company	
	31/12/06 S\$'000	31/12/05 S\$'000	31/12/06 S\$'000	31/12/05 S\$'000
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, plant and equipment	248	27,748	142	13,970
Subsidiaries	-	-	600	15,762
Investment	-	900	-	900
Amount due from subsidiaries (non-trade)	-	-	-	7,835
	<u>248</u>	<u>28,648</u>	<u>742</u>	<u>38,467</u>
<b>Current Assets</b>				
Inventories	705	756	-	-
Contract work-in-progress	233	419	-	-
Trade receivables	2,696	2,116	38	14,872
Other receivables	149	80	44	15,891
Tax refundable	-	7	-	7
Investment	4	-	-	-
Cash and bank balances	540	71	20	31
	<u>4,327</u>	<u>3,449</u>	<u>102</u>	<u>30,801</u>
<b>Total assets</b>	<b><u>4,575</u></b>	<b><u>32,097</u></b>	<b><u>844</u></b>	<b><u>69,268</u></b>
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and Reserves</b>				
Share capital	45,630	22,213	45,630	22,213
Reserves	(191,852)	(149,294)	(183,563)	(93,352)
Capital deficiency	(146,222)	(127,081)	(137,933)	(71,139)
<b>Non-Current Liabilities</b>				
Borrowings <sup>(iii)</sup>	57,198	56,055	57,198	53,379
<b>Current Liabilities</b>				
Trade payables <sup>(iii)</sup>	7,560	9,344	1,787	1,948
Other payables <sup>(iii)</sup>	4,119	6,309	3,100	3,934
Contract work-in-progress	1,865	-	-	-
Borrowings <sup>(iii)</sup>	80,055	87,430	76,692	81,146
Current tax payable	-	40	-	-
	<u>93,599</u>	<u>103,123</u>	<u>81,579</u>	<u>87,028</u>
<b>Total capital deficiency and liabilities</b>	<b><u>4,575</u></b>	<b><u>32,097</u></b>	<b><u>844</u></b>	<b><u>69,268</u></b>

Note: (iii) These items include liabilities totaling S\$143.5 million (2005: S\$143.7 million) and S\$136.1 million (2005: S\$136.7 million) for the Group and the Company respectively that will be settled through the Modified Schemes upon completion of Investment Agreement.

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

Amount repayable in one year or less, or on demand

As at 31/12/2006		As at 31/12/2005	
Secured	Unsecured	Secured	Unsecured
\$80,055,000 <sup>(iv)</sup>	-	\$87,502,000 <sup>(iv)</sup>	-

Amount repayable after one year

As at 31/12/2006		As at 31/12/2005	
Secured	Unsecured	Secured	Unsecured
\$57,198,000 <sup>(iv)</sup>	-	\$53,379,000 <sup>(iv)</sup>	\$2,676,000

Note: (iv) The borrowings will be settled through the Modified Schemes upon completion of Investment Agreement.

**Details of any collateral**

The banking facilities are secured as follows:

- a) on all monies debentures over all the present and future assets of the Company and its subsidiaries in Singapore.
- b) personal guarantee by one of the directors' amounting to \$2.71 million.
- c) a share charge over the Company's subsidiaries;
- d) existing cross guarantee from the Company and all the subsidiaries; and
- e) existing continuing corporate guarantee for \$110 million executed by 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.**

	<b>The Group</b>	
	<b>31/12/06</b>	<b>31/12/05</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash Flow from Operating Activities</b>		
Loss before taxation	(16,480)	(29,221)
Adjustments for:		
Bad trade debts recovered	(12)	-
Depreciation of property, plant and equipment	142	1,735
Gain on de-consolidation of subsidiaries	(9,991)	(1,618)
Gain on disposal of property, plant and equipment	(946)	(32)
Impairment of leasehold property	-	12,749
Impairment on investments	2,755	-
Interest expense	6,188	6,320
Plant and equipment written off	10,861	4
Provision for diminution in development property	-	100
	<hr/>	<hr/>
Operating loss before working capital changes	(7,483)	(9,963)
Decrease in inventories and contract work-in-progress	2,102	3,481
(Increase) / Decrease in receivables	(2,771)	3,068
(Decrease) / Increase in payables	(2,866)	971
	<hr/>	<hr/>
Cash generated used in operations	(11,018)	(2,443)
Interest paid	(15)	(69)
Income tax refund	405	-
	<hr/>	<hr/>
Net cash used in operating activities	(10,628)	(2,512)
<b>Cash Flows from Investing Activities</b>		
Acquisition of property, plant and equipment	(128)	(7)
Net (cash disposed)/gain from de-consolidation of subsidiaries	(2)	3,328
Proceeds from disposal of property, plant and equipment	14,680	78
	<hr/>	<hr/>
Net cash generated from investing activities	14,550	3,399
<b>Cash Flows from Financing Activities</b>		
Loan from potential investor	1,706	-
Increase in bank borrowings included in Modified Schemes	5,557	4,636
Repayment of bank borrowings	(11,746)	(4,840)
Repayment of obligations under finance leases	(40)	(102)
	<hr/>	<hr/>
Net cash used in financing activities	(4,523)	(306)
Net (decrease) / increase in cash and cash equivalents	(601)	581
Cash and cash equivalents at beginning of year	(38,428)	(39,105)
Exchange differences on translation of cash and cash equivalents at beginning of year	-	96
	<hr/>	<hr/>
Cash and cash equivalent at end of year	<u>(39,029)</u>	<u>(38,428)</u>
<b>Cash and cash equivalents comprises:</b>		
Cash and bank balances	540	71
Bank overdrafts	(39,569)	(38,499)
	<hr/>	<hr/>
Cash and cash equivalents	<u>(39,029)</u>	<u>(38,428)</u>

The details of net assets of subsidiaries de-consolidated are as follows:

	The Group	
	31/12/06	31/12/05
	S\$'000	S\$'000
<b>De-consolidation of subsidiaries</b>		
Net assets disposed:		
Cash and cash equivalents	2	(3,328)
Property, plant and equipment	-	5,219
Trade receivables	2	103
Other receivables	25	78
Trade payables	-	(442)
Other payables	(470)	(2,248)
Bank borrowings	-	(4,658)
	(441)	(5,276)
Total cash proceed	-	3,328
Cash disposed	(2)	-
Net (cash disposed)/gain from de-consolidation of subsidiaries	(2)	3,328

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

	Share capital S\$'000	Share premium S\$'000	Revaluation reserve S\$'000	Exchange fluctuation reserve S\$'000	Accumulated losses S\$'000	Other reserve S\$'000	Total S\$'000
<b>The Group</b>							
Balance at 1.1.2006	22,213	19,428	2,855	(12)	(175,770)	4,205	(127,081)
Transfer from share premium and other reserves to share capital	23,417	(19,428)	-	-	-	(3,989)	-
De-consolidation of subsidiaries	-	-	(2,855)	12	-	(216)	(3,059)
Net loss for the year	-	-	-	-	(16,082)	-	(16,082)
Balance at 31.12.2006	45,630	-	-	-	(191,852)	-	(146,222)
Balance at 1.1.2005	22,213	19,428	2,855	(48)	(146,549)	4,205	(97,896)
Currency translation	-	-	-	36	-	-	36
Net loss for the year	-	-	-	-	(29,221)	-	(29,221)
Balance at 31.12.2005	22,213	19,428	2,855	(12)	(175,770)	4,205	(127,081)

	Share capital <u>S\$'000</u>	Share premium <u>S\$'000</u>	Revaluation reserve <u>S\$'000</u>	Translation reserve <u>S\$'000</u>	Accumulated losses <u>S\$'000</u>	Others reserve <u>S\$'000</u>	Total <u>S\$'000</u>
<b>The Company</b>							
Balance at 1.1.2006	22,213	19,428	-	-	(116,769)	3,989	(71,139)
Transfer from share premium and other reserves to share capital	23,417	(19,428)	-	-	-	(3,989)	-
Net loss for the year	-	-	-	-	(66,794)	-	(66,794)
Balance at 31.12.2006	45,630	-	-	-	(183,563)	-	(137,933)
Balance at 1.1.2005	22,213	19,428	-	-	(29,635)	3,989	15,995
Net loss for the year	-	-	-	-	(87,134)	-	(87,134)
Balance at 31.12.2005	22,213	19,428	-	-	(116,769)	3,989	(71,139)

**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.**

Pursuant to the Companies (Amendment) Act 2005 effective from 30 January 2006, the concept of authorised share capital and par value has been abolished. The amount standing to the credit of the share premium account and other reserve has been transferred to share capital.

During the year 2006, Nil options of unissued ordinary shares of S\$0.02 each were granted under Liang Huat Aluminium Limited Executives' Share Option Scheme (the "ESOS") which has expired on 27 June 2006.

As at 31 December 2006, there are unexercised options for 1,172,000 (2005: 1,172,000) of unissued ordinary shares under the ESOS.

On 16 October 2003, the Company had issued S\$30 million secured convertible floating rate bonds to its principal bankers, Malayan Banking Berhad and United Overseas Bank Ltd. The bonds are convertible into new ordinary shares in the Company at the option of the Bondholders at S\$0.10 each per new ordinary share any time from the date of issue till maturity in October 2008. As a result of the share split, the convertible bonds will be convertible into 1.5 billion new ordinary shares at the conversion price of \$0.02 per share.

Upon completion of the Modified Schemes and the Investment Agreement (“Investment Agreement”) executed between the Company and the Investor on 13 April 2006, the option granted to the Bondholders will be cancelled and nullified.

Pursuant to the Investment Agreement, the Company has granted a conversion option to the Investor to convert the Investor’s Loan of S\$1.25 million into new ordinary shares of the Company at the option of the Investor for such number of shares, representing approximately 29.0% of the issued and paid-up share capital of the Company in the event of non-completion of the Investment Agreement.

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

The figures have not been audited or reviewed by our auditors.

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

The auditors’ report is likely to be qualified on going concern of the Company and the Group.

**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 accounting policies and methods of computation applied by the Group are consistent with those disclosed in the Company’s audited financial statements for the financial year ended 31 December 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.**

Not applicable.

**6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Loss per share for the period after deducting any provision for preference dividends	YE 31/12/06	YE 31/12/05
(a) Based on weighted average number of ordinary shares in issue	(0.014)	(0.026)
(b) On a fully diluted basis	(0.014)	(0.026)

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

	Group		Company	
	YE 31/12/06	YE 31/12/05	YE 31/12/06	YE 31/12/05
Net asset backing per ordinary share based on existing issued share capital as at the end of the year	(0.132)	(0.114)	(0.124)	(0.064)

**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.**

The Group turnover for the financial year ended 31 December 2006 reduced by approximately 69.1% from S\$8.8 million to S\$2.7 million. The reduction in turnover was a result of the following factors: -

- a) Continued difficult operating environment in light of the ongoing restructuring;
- b) Effects of the plant shutdown in our China subsidiary, Foshan City Nanhai Hualian Aluminium Co., Ltd ("NHHL") as last mentioned in our 2 February 2006 announcement in relation to the custom matter first announced on 15 May 2005. NHHL contributed S\$4.3 million or 48.8% to the turnover for the financial year ended 31 December 2005;
- c) Cessation of rental income subsequent to the completion of disposal of our leasehold property, 51 Benoi Road, Liang Huat Industrial Complex ("LHIC") in January 2006 as part of our restructuring plans; and
- d) Revenue from new contract manufacturing orders yet to be recognised.

The current level of business volume of the Group is very low and the revenue generated is insufficient to cover the fixed costs of operations, hence resulting in gross loss for both FY2006 and FY2005. However, with the cost cutting measures that have been in place, the Group has reduced gross loss from operations by 65.5% from S\$1.8 million in FY2005 to S\$0.6 million in FY2006.

The effects of the continuous efforts of cost cutting measures is also reflected in operating expenses which have decreased by 56.7% from S\$4.7 million to S\$2.0 million.

Net loss of the year stood at S\$16.1 million, representing a reduction of 45.0% from S\$29.2 a year earlier, mainly due to the positive effects from the deconsolidation of non-core subsidiaries amounting to S\$10.0 million.

The significant increase in other operating income is mainly due to (i) the increase in gain on disposal of property, plant and equipment from S\$32,000 in FY2005 to S\$0.9 million in FY2006; (ii) the increase in gain on de-consolidation of non-core subsidiaries totaling S\$10.0 million in FY2006 compared to S\$1.6 million in FY2005; and (iii) the reversal of costs and expenses over-recognised in prior years amounting to S\$8.9 million in FY2006 compared to S\$1.6 million in FY2005.

Consequent to the corporate restructuring as described above, the Group has written off its investment in a subsidiary of S\$1.8 million and property, plant and equipment totaling S\$10.9 million. In addition, the Company has recognised financial guarantees of S\$5.6 million which will be settled in the Modified Schemes upon completion of the Investment Agreement. These items have been recognised as other items in the income statement of the Group for the financial year ended 31 December 2006.

In line with the corporate restructuring of the Group, the Company has commenced the liquidation of all its subsidiaries in Singapore on 21 December 2006 and is in the process of preparing the liquidation of its subsidiaries in Malaysia and Hong Kong. On 23 January 2007, the Company announced that its associated company, Durabeau (Thailand) Co., Ltd has been declared as dormant and its details removed from the Registry of Companies in Thailand in accordance with the laws of Thailand. In accordance with the conditions precedents stipulated in the Investment Agreement, the Group will be divesting its interests in its China subsidiaries, NHHL and Liang Huat (Nanhai) Aluminium Industries Co., Ltd, and its investment in China Weal Technology Holdings Ltd. Consequent to the progress of the



corporate restructuring, the Company has de-consolidated these subsidiaries from its consolidated financial statements for the financial year ended 31 December 2006.

**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 expected increase in overall construction activities generated from the two Integrated Resorts and the property market, the outlook of the construction sector is expected to be promising.

The Group is currently on track with its arduous business and corporate restructuring which have commenced since 2003.

The Group's continued efforts in remodeling our cost structure and business model have enhanced our competitiveness. The Group secured an order book for contract manufacturing services of approximately S\$6.5 million, complemented by a balance order book of approximately S\$2.6 million for fabrication projects, bringing total order book to S\$9.1 million at present.

The Group will continue to expand its services and coverage in efforts to secure further orders for contract manufacturing services, as well as selective fabrication projects to improve our revenue base.

The completion of the Investment Agreement and the Modified Schemes is pending clearance from SGX-ST in respect of the draft circular ("Circular") to shareholders of the Company and the additional listing application ("ALA") for the admission of the shares in the Company referred to in the 23 October 2006 announcement to the Official List of the SGX-ST. Once the SGX-ST gives its clearance in respect of the Circular and its approval of the ALA, an extraordinary general meeting will be held to seek Shareholders' approval of the matters set out in the Circular. Upon completion of the Investment Agreement and the Modified Schemes, the balance sheet of the Company and the Group will be rationalised into a healthier position as liabilities totaling S\$143.5 million (2005: S\$143.7 million) and S\$136.1 million (2005: S\$136.7 million) for the Group and the Company respectively will be settled through the Modified Schemes, resulting in nil borrowings for the Group and the Company.

Subject to successful completion of the Investment Agreement and the Modified Schemes which are expected to take place by first half of 2007, coupled with the Group's track record and technical expertise accumulated through the years, the Group will be in a better position to compete for opportunities available in the recently recovered construction industry.

**11. Dividend**

**(a) Current financial period reported on**

Any dividend declared for the current financial period reported on? None.

**(b) Corresponding period of the immediate preceding year**

Any dividend declared for the corresponding period of the immediate preceding financial year?  
None.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No dividend has been declared or recommended for the period under review.

**PART II- ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT  
(This part is not applicable to Q1, Q2, Q3 and 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.**

Geographical segment

	Singapore		China/ Hong Kong		Malaysia		Elimination		Consolidated	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
<b>TURNOVER</b>										
External sales	2,709	4,487	-	4,271	-	-	-	-	2,709	8,758
Inter-segment sales	288	1,019	-	-	-	-	(288)	(1,019)	-	-
<b>Total turnover</b>	<b>2,997</b>	<b>5,506</b>	<b>-</b>	<b>4,271</b>	<b>-</b>	<b>-</b>	<b>(288)</b>	<b>(1,019)</b>	<b>2,709</b>	<b>8,758</b>
Segment result	(65,349)	(83,419)	(10,875)	(683)	(2)	-	65,934	61,201	(10,292)	(22,901)
Finance costs									(6,188)	(6,320)
Loss before taxation									(16,480)	(29,221)
Taxation									398	-
Net loss									(16,082)	(29,221)
Segment assets	4,575	18,402	-	13,688	-	-	-	-	4,575	32,090
Add: Tax recoverable									-	7
									4,575	32,097
Segment liabilities <sup>(v)</sup>	150,797	150,721	-	8,417	-	-	-	-	150,797	159,138
Add: Taxation									-	40
									150,797	159,178
<b>OTHER INFORMATION</b>										
Capital expenditure	128	7	-	-	-	-	-	-	128	7
Depreciation and amortisation	142	1,166	-	569	-	-	-	-	142	1,735
Impairment loss in leasehold property	-	12,749	-	-	-	-	-	-	-	12,749
Diminution in value of development property	-	100	-	-	-	-	-	-	-	100
Diminution in value of investment	908	-	-	-	-	-	-	-	908	-

Note: (v) This includes liabilities totaling S\$140.7 million (2005: S\$143.7 million) for the Group which will be settled through the Modified Schemes upon completion of Investment Agreement.

**Business segment**

	Manufacturing of aluminium extrusion		Trading		Project fabrication		Contract manufacturing		Property/ Investment		Others		Elimination		Consolidated	
	2006 S\$'000	2005 S\$'000	2006 S\$'000	2005 S\$'000	2006 S\$'000	2005 S\$'000	2006 S\$'000	2005 S\$'000	2006 S\$'000	2005 S\$'000	2006 S\$'000	2005 S\$'000	2006 S\$'000	2005 S\$'000	2006 S\$'000	2005 S\$'000
TURNOVER																
External sales	-	4,271	239	-	2,042	3,080	424	-	4	1,261	-	146	-	-	2,709	8,758
Inter-segment sales	-	-	-	-	-	-	-	-	176	1,019	112	-	(288)	(1,019)	-	-
Total turnover	-	4,271	239	-	2,042	3,080	424	-	180	2,280	112	146	(288)	(1,019)	2,709	8,758
Segment assets	-	13,688	10	-	3,355	3,727	467	-	-	14,524	54	151	-	-	3,886	32,090
Unallocated assets															689	
Add: Tax recoverable															-	7
															<u>4,575</u>	<u>32,097</u>
Capital expenditure	-	-	-	-	-	7	76	-	-	-	-	-	-	-	76	7
Unallocated capital expenditure															52	-
															<u>128</u>	<u>7</u>

**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.**

Operations in China, Malaysia and Hong Kong have ceased in line with related announcements released previously.

**15. A breakdown of sales.**

	Group		
	YE 2006 S\$'000	YE 2005 S\$'000	% Change
Sales reported for first half year	1,911	6,678	(71.4)
Operating profit / (loss) after tax and minority interests reported for first half year	(13,571)	(22,842)	(40.6)
Sales reported for second half	794	2,080	(61.8)
Operating profit / (loss) after tax and minority interests reported for second half year	(2,511)	(6,379)	(60.6)

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

	Latest Full Year (S\$'000)	Previous Full Year (S\$'000)
Ordinary	0	0
Preference	0	0
Total:	0	0

**17. Interested Persons Transactions**

The aggregate value of interested persons transactions conducted during the financial year are as follows:

	YE 2006 S\$'000	YE 2005 S\$'000
The Group		
Purchases from related parties	35	38
Sales to related parties	-	9

**BY ORDER OF THE BOARD  
LIANG HUAT ALUMINIUM LIMITED**

**Tan Yong Kee  
Group Managing Director**