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Full Year Results * Financial Statement And Related Announcement	
* Asterisks denote mandatory information	
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Announcement is submitted with respect to *	FIRSTLINK INV CORP LTD
Announcement is submitted by *	LING YEOW KONG
Designation *	EXECUTIVE CHAIRMAN
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The details of the announcement start here ...	
For the Financial Period Ended *	31-12-2010
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Attachments

 Announcement.pdf
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FIRSTLINK INVESTMENTS CORPORATION LIMITED

Unaudited Full Year Financial Statement for the Year Ended 31/12/2010

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

1(a)(i) Consolidated Statement of Comprehensive Income for the year ended 31 December 2010.

	<u>Group</u>		+ / (-) %
	2010 \$'000	2009 \$'000	
Other income	49	1,813	(97.3)
Net losses associated with long term investments and other long-term assets	(31,308)	(899)	NM
Administrative expenses	(3,517)	(2,283)	54.1
Other expenses	(196)	(58)	237.9
Finance cost	(10)	(12)	(16.7)
Loss from operations	(34,982)	(1,439)	NM
Share of results of an associated company	693	(778)	NM
Loss before tax	(34,289)	(2,217)	NM
Tax credit	11	64	(82.8)
Loss for the year	(34,278)	(2,153)	NM
Other comprehensive loss :			
Fair value loss on available-for-sale financial assets	(48)	(165)	(70.9)
Currency translation differences	(362)	(182)	98.9
Other comprehensive loss for the year	(410)	(347)	18.2
Total comprehensive loss for the year	(34,688)	(2,500)	NM

NM - Not Meaningful

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

1(a)(ii) Loss before tax is arrived at after (charging)/crediting:

	<u>Group</u>		+ / (-) %
	2010 \$'000	2009 \$'000	
Dividend income	20	92	(78.3)
Interest income	38	437	(91.3)
Interest on borrowings	(10)	(12)	(16.7)
Depreciation	(51)	(89)	(42.7)
Net foreign exchange gain	54	223	(75.8)
Available-for-sale financial assets			
- Gain on disposal	65	1,101	(94.1)
- Reversal of fair value (loss)/gain on disposal	(74)	182	NM
Impairment loss on investment in an associated company	(31,308)	(899)	NM
Share-based payment expense	(144)	(26)	453.8
Allowance for doubtful receivable	(350)	-	NM

1(a)(iii) Adjustments for under or over provision of tax in prior years:-

	<u>Group</u>	
	2010 \$'000	2009 \$'000
Current tax expense		
- Over provision in prior year	11	-
Deferred tax expense		
- Over provision in prior year	-	134

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

Statements of Financial Position

	<u>Group</u>		<u>Company</u>	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Property, plant and equipment	189	234	189	234
Investments in subsidiaries	-	-	15,600	46,546
Investment in an associated company	-	46,546	-	-
Other receivables	-	-	2,024	1,163
Available-for-sale financial assets	2,124	1,804	51	53
	<u>2,313</u>	<u>48,584</u>	<u>17,864</u>	<u>47,996</u>
Current assets				
Other current assets	125	592	125	1,442
Cash and bank balances	1,111	4,750	1,030	3,017
	<u>1,236</u>	<u>5,342</u>	<u>1,155</u>	<u>4,459</u>
Asset held for sale	15,600	-	-	-
	<u>16,836</u>	<u>5,342</u>	<u>1,155</u>	<u>4,459</u>
Total assets	<u>19,149</u>	<u>53,926</u>	<u>19,019</u>	<u>52,455</u>
Non-current liabilities				
Finance lease liabilities	108	136	108	136
	<u>108</u>	<u>136</u>	<u>108</u>	<u>136</u>
Current liabilities				
Other payables	731	868	732	380
Tax payables	-	70	-	-
Finance lease liabilities	28	26	28	26
	<u>759</u>	<u>964</u>	<u>760</u>	<u>406</u>
Total liabilities	<u>867</u>	<u>1,100</u>	<u>868</u>	<u>542</u>
Net assets	<u>18,282</u>	<u>52,826</u>	<u>18,151</u>	<u>51,913</u>
Share capital and reserves				
Share capital	130,926	130,926	130,926	130,926
Capital reserves	1,265	1,169	1,875	1,733
Accumulated losses	(113,365)	(79,087)	(114,650)	(80,746)
Currency translation reserve	(544)	(182)	-	-
Total equity	<u>18,282</u>	<u>52,826</u>	<u>18,151</u>	<u>51,913</u>

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

Amount repayable in one year or less, or on demand

As at 31.12.2010		As at 31.12.2009	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
28	-	26	-

Amount repayable after one year

As at 31.12.2010		As at 31.12.2009	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
108	-	136	-

Details of any collateral

A motor vehicle of the Company was acquired under finance lease which was secured against the leased asset.

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

Consolidated Statement of Cash Flows

	Group	
	2010 \$'000	2009 \$'000
Cash Flows from Operating Activities		
Loss before tax	(34,289)	(2,217)
Adjustments for:		
Depreciation of property, plant and equipment	51	89
Share-based payment expense	144	26
Loss/(gain) on disposal of available-for-sale financial assets	9	(1,283)
Interest expense	10	12
Interest income	(38)	(437)
Dividend income	(20)	(92)
Share of results of an associated company	(693)	778
Impairment loss on investment in an associated company	31,308	899
Allowance for doubtful receivable	350	-
Translation differences	- *	(79)
Operating cash flow before movements in working capital	<u>(3,168)</u>	<u>(2,304)</u>
Change in operating assets and liabilities		
Receivables	117	564
Payables	(137)	(161)
Cash used in operations	<u>(3,188)</u>	<u>(1,901)</u>
Income tax paid	(59)	(1)
Net cash used in operating activities	<u>(3,247)</u>	<u>(1,902)</u>
Cash Flows from Investing Activities		
Interest income received	38	400
Dividends received from quoted investments	20	92
Dividends received from an associated company	-	536
Proceeds from sale of available-for-sale financial assets	2,199	3,413
Proceeds from early redemption of unquoted debt security	-	1,600
Purchase of property, plant and equipment	(6)	- *
Purchase of available-for-sale financial assets	(2,576)	(2,487)
Net cash (used in)/generated from investing activities	<u>(325)</u>	<u>3,554</u>
Cash Flows from Financing Activities		
Net proceeds from issue of shares	- *	-
Interest paid	(10)	(12)
Repayment of finance lease liabilities	(26)	(24)
Net cash used in financing activities	<u>(36)</u>	<u>(36)</u>
Net changes in cash and cash equivalents	(3,608)	1,616
Cash and cash equivalents at beginning of the financial year	4,750	3,055
Effects of exchange rate changes on cash and cash equivalents	(31)	79
Cash and cash equivalents at end of the financial year	<u>1,111</u>	<u>4,750</u>

* Amount less than \$1,000

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

Statement of Changes in Equity

Group

	Share capital \$'000	Capital reserves \$'000	Accumulated losses \$'000	Currency translation reserve \$'000	Total equity \$'000
Balance at 1.1.2010	130,926	1,169	(79,087)	(182)	52,826
Loss for the year	-	-	(34,278)	-	(34,278)
Other comprehensive loss, net of tax					
- Fair value loss on available-for-sale financial assets	-	(48)	-	-	(48)
- Currency translation differences arising from consolidation	-	-	-	(362)	(362)
Total comprehensive loss for the year	-	(48)	(34,278)	(362)	(34,688)
Share-based payment	-	144	-	-	144
Exercise of warrants	- *	-	-	-	- *
Balance at 31.12.2010	130,926	1,265	(113,365)	(544)	18,282
Balance at 1.1.2009	130,926	1,308	(76,934)	-	55,300
Loss for the year	-	-	(2,153)	-	(2,153)
Other comprehensive loss, net of tax					
- Fair value loss on available-for-sale financial assets	-	(165)	-	-	(165)
- Currency translation differences arising from consolidation	-	-	-	(182)	(182)
Total comprehensive loss for the year	-	(165)	(2,153)	(182)	(2,500)
Share-based payment	-	26	-	-	26
Balance at 31.12.2009	130,926	1,169	(79,087)	(182)	52,826

* Amount less than \$1,000

Statement of Changes in Equity

Company

	<u>Share capital</u> \$'000	<u>Capital reserves</u> \$'000	<u>Accumulated losses</u> \$'000	<u>Total equity</u> \$'000
Balance at 1.1.2010	130,926	1,733	(80,746)	51,913
Loss for the year	-	-	(33,904)	(33,904)
Other comprehensive loss, net of tax				
- Fair value loss on available-for-sale financial assets	-	(2)	-	(2)
Total comprehensive loss for the year	-	(2)	(33,904)	(33,906)
Share-based payment	-	144	-	144
Exercise of warrants	- *	-	-	- *
Balance at 31.12.2010	130,926	1,875	(114,650)	18,151
Balance at 1.1.2009	130,926	1,774	(76,957)	55,743
Loss for the year	-	-	(3,789)	(3,789)
Other comprehensive loss, net of tax				
- Fair value loss on available-for-sale financial assets	-	(67)	-	(67)
Total comprehensive loss for the year	-	(67)	(3,789)	(3,856)
Share-based payment	-	26	-	26
Balance at 31.12.2009	130,926	1,733	(80,746)	51,913

Capital Reserves

	<u>Group</u>		<u>Company</u>	
	31.12.10 \$'000	31.12.09 \$'000	31.12.10 \$'000	31.12.09 \$'000
Share option reserve	1,209	1,065	1,209	1,065
Fair value reserve	(705)	(657)	(95)	(93)
Warrants reserve	761	761	761	761
	1,265	1,169	1,875	1,733

* Amount less than \$1,000

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 well as the number of shares held as treasury shares of the issuer, 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.

Since 31 December 2009, the company issued 400 shares upon the exercise of warrants 12/07.

The number of shares that may be issued on conversion of all outstanding share options and warrants is as follows:

	<u>31.12.2010</u>	<u>31.12.2009</u>
Outstanding number of share options	43,246,702	37,626,702
Outstanding number of Warrants 06/07	81,142,700	81,142,700
Outstanding number of Warrants 12/07	8,203,831	8,204,231

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	<u>31.12.2010</u>	<u>31.12.2009</u>
Total number of issued shares excluding treasury shares	492,311,841	492,311,441

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

The Company does not have any treasury shares.

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

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

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

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting year compared with those of the audited financial statements as at 31 December 2009, except for the adoption of certain revised Financial Reporting Standards ("FRS") which are effective for the financial year commencing 1 January 2010. The adoption of these FRS has no material impact on the Group's 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

Please refer to paragraph 4.

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 of the Group based on net loss attributable to shareholders:	2010	2009
(i) Based on the weighted average number of ordinary shares in issue	(6.96) cents	(0.44) cents
Weighted average number of shares	492,311,574	492,311,441
(ii) On a fully diluted basis ⁽¹⁾	(6.96) cents	(0.44) cents

(1) There were no dilutive potential ordinary shares as the Group was in a net loss position.

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	
	2010	2009	2010	2009
Net asset value per share based on issued share capital at the end of the financial year	3.71 cents	10.73 cents	3.69 cents	10.54 cents

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Consolidated Statement of Comprehensive Income

Other Income

The decrease in other income of \$1.764 million to \$49,000 was mainly due to lower interest income and absence of gains from the sale of quoted equity investments. Other income in previous year included a gain of \$1.283 million from the disposal of investments.

Net Gains or Losses Associated with Long-Term Investments and Other Long-Term Assets

The Group has the intention to dispose of its investment in associated company, Qinghai Province Salt Industry Ltd ("QPSI"). It was reclassified to asset held for sale at year end and its carrying value of \$15.6 million at 31 December 2010 was based on the highest indicative offer received to-date. Accordingly, an impairment loss of \$31.308 million was recognised in the current financial year.

Administrative Expenses

Administrative expenses increased by \$1.234 million to \$3.517 million, primarily due to contractual compensation paid to a former executive director who had resigned in the first half of 2010 and an allowance for doubtful receivable of \$350,000.

Other Expenses

Other expenses increased by \$138,000 to \$196,000. This was mainly due to lower foreign exchange gain recognised.

Finance Cost

Finance cost comprised interest expense related to the finance lease liabilities.

Share of results of an associated company

The Group's share of profit of QPSI amounted to \$693,000. This is a marked improvement from the Group's share of loss of \$778,000 in the previous year. The turnaround in performance was largely due to a pick-up in demand and increase in salt prices.

Review of Consolidated Statement of Financial Position

In view of the Group's intention to dispose of its investment in an associated company, this investment was reclassified as asset held for sale at 31 December 2010. Its carrying value was based on the highest indicative offer received to-date.

During the year under review, the Group disposed part of its quoted equity investments classified under available-for-sale financial assets and realised a loss of approximately \$9,000. The Group also transferred its interest in an unquoted equity security to a former executive director in part settlement of the contractual compensation due to him. Additional equity securities were acquired during the year and after accounting for fair value changes, the resultant effect was an increase in the value of available-for-sale financial assets from \$1.804 million in the previous year-end to \$2.124 million at 31 December 2010.

The decrease in other current assets of \$467,000 to \$125,000 at 31 December 2010 was mainly due to assignment of a third party loan to a former executive director in part settlement of the contractual compensation due to him.

Cash holdings decreased \$3.639 million to \$1.111 million at 31 December 2010, mainly due to payment of contractual compensation to a former executive director and working capital expenditure.

The decrease in other payables of \$137,000 to \$731,000 was mainly due to lower accrued expenses.

Increase in share option reserve accounted mainly for the increase in capital reserves from \$1.169 million at end of previous year to \$1.265 million at 31 December 2010.

Review of Consolidated Statement of Cash Flows

Net cash used in operating activities was \$3.247 million compared to \$1.902 million in the previous year. The increase was mainly due to higher net cash deficit from operating activities, working capital changes and tax paid.

Net cash used in investing activities was \$325,000. This was mainly attributed to purchase of available-for-sale financial assets partially offset by proceeds from disposal of available-for-sale financial assets.

Net cash used in financing activities amounted to \$36,000 due to interest payment and repayment of finance lease liabilities.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The Group's associate, Qinghai Province Salt Industry's financial performance was in line with the prospect statement disclosed in the 2010 half year announcement.

The proposed acquisition of Tai-Ao Aluminium Group Limited was aborted as announced by the Company on 3 December 2010.

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The Company was included on the Watchlist on 3 December 2008 and was given 24 months from 3 December 2008 to meet the requirements to be removed from the Watchlist. The Company had subsequently applied to the Singapore Exchange Securities Trading Limited ("SGX-ST") for a time extension to meet those requirements in view of the proposed acquisition of Tai-Ao Aluminium Group Limited ("Proposed Acquisition"). On 16 September 2010, the Company announced that the SGX-ST had granted the Company a time extension of up till 30 April 2011 subject to the fulfillment of certain conditions. On 3 December 2010, the Company announced the termination of the Proposed Acquisition.

On 7 January 2011, the Company identified a new acquisition target and explored for a further time extension opportunity with the SGX-ST in order to meet the requirements to exit from the Watchlist. On 21 February 2011, SGX-ST informed the Company that they are unable to grant a further time extension and that the Company will be delisted. The Company is currently considering options that will comply with the requirement of Listing Rule 1309 to provide an exit alternative to the Company's shareholders.

Trading in the Company's securities will continue until 5pm, 31 March 2011 and the trading will remain suspended from 1 April 2011 until the completion of any cash exit offer.

11. Dividend

(a) Current Financial Period Reported On

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

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	Not applicable
Dividend Type	Not applicable
Dividend rate	Not applicable
Par value of shares	Not applicable
Tax Rate	Not applicable

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

The directors do not recommend a final dividend for the current financial year.

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

	Investment holding and others <u>Group</u>	
	2010	2009
	\$'000	\$'000
Loss before tax	(34,289)	(2,217)
Tax credit	11	64
Loss after tax	<u>(34,278)</u>	<u>(2,153)</u>
Segment assets	3,549	7,380
Asset held for sale	15,600	-
Investment in an associated company	-	46,546
	<u>19,149</u>	<u>53,926</u>
Segment liabilities	867	1,030
Unallocated liabilities	-	70
	<u>867</u>	<u>1,100</u>
Other segment items		
Capital expenditure -property, plant and equipment	6	- *
Depreciation of property, plant and equipment	51	89
Interest income	38	437
Interest expense	10	12
Share of profit/(loss) of an associated company	693	(778)
Impairment loss of an associated company	31,308	899
Allowance for doubtful receivable	350	-

* Amount less than \$1,000

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 segments

There were no sales for the current and previous financial year.

	<u>Total assets</u>	
	2010	2009
	\$'000	\$'000
Singapore	3,410	6,971
Malaysia	139	103
Australia and New Zealand	-	306
China and Hong Kong	15,600	46,546
	<u>19,149</u>	<u>53,926</u>

	<u>Total capital expenditure</u>	
	2010	2009
	\$'000	\$'000
Singapore	<u>6</u>	<u>- *</u>

* Amount less than \$1,000

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

As explained in item no. 8.

15. Breakdown of sales

	Group		+ / (-) %
	2010 \$'000	2009 \$'000	
Sales reported for first half year	-	-	-
Operating loss after tax for first half year	(1,347)	(1,223)	10.1
Sales reported for second half year	-	-	-
Operating loss after tax for second half year	(32,931)	(930)	NM

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

Not applicable

17. Interested Person Transactions

As part settlement of the contractual compensation due to Mr Lee Yuen Wai, a former executive director of the Company, upon termination of his services on 16 April 2010, the Group had assigned to him a third party loan of \$452,000 as well as transferred to him the Group's interest in an unquoted equity investment at the original cost of \$306,000.

BY ORDER OF THE BOARD

Ling Yew Kong
Executive Chairman
28 February 2011