

TRANSPAC INDUSTRIAL HOLDINGS LIMITED

("TIH" or the "Company")

Incorporated in the Republic of Singapore

Company Registration Number: 199400941K

SALE OF SHARES IN HSU FU CHI INTERNATIONAL LIMITED

The Company is pleased to announce that Transpac Nominees Pte Ltd, ("TNPL") a subsidiary of Transpac Capital Pte Ltd (the Investment Manager of the Company) has entered into a Sale and Purchase Agreement with Star Candy Ltd for the divestment of shares of Hsu Fu Chi International Limited ("HFC") held by Funds under the management of Transpac Capital Pte Ltd at a price of S\$1.55 per share. The transaction shall be effected by means of a married trade executed through the Singapore Exchange Securities Trading Limited ("SGX-ST") and settled in accordance within the bye-laws of SGX-ST.

Funds under the management of Transpac Capital Pte Ltd (the "Transpac Funds") of which TIH is one, collectively own approximately 117.74 million shares of HFC, (hereinafter referred to as the "Sale Shares") representing approximately 14.81% of the total issued shares in HFC.

The proceeds for TIH arising from its direct interest of 35.92 million Sale Shares (representing approximately 4.52% of the total issued shares in HFC) is approximately S\$55.68 million. The estimated proceeds represent 44.77% of the Company's market capitalization of approximately S\$124.37 million as at the date hereof (based on the last traded price of S\$1.06 per share on the SGX-ST and an issued capital comprising approximately 117.33 million shares) on 2 September 2009.

The Company has set out the relative figures computed pursuant to Rule 704(16)(b) of the SGX-ST Listing Manual below :-

Rule 704(16)(b)			
		Prior to sale as at 30 June 2009 (unaudited)	After sale
(i)	Aggregate cost (i.e. carrying amount) of the Group's (i.e. TIH and its subsidiaries) quoted investments	S\$50.89 million	S\$6.70 million
	Aggregate cost as a percentage of the latest audited consolidated net tangible assets of the Group as at 31 December 2008	22.67%	2.98%
(ii)	Total market value of the Group's quoted investments	S\$50.89 million	S\$6.70 million
(iii)	Net Positive changes in fair value of the Group's quoted investments included in the fair value reserve.	S\$44.46 million	S\$5.15 million

In addition, TIH has an indirect interest in approximately 27.64 million Sale Shares, arising from its investment in Transpac Capital 1996 Investment Trust ("1996 Fund", a Transpac Fund which is not listed on any securities exchange), an associate held via TIH's wholly-owned subsidiary. The changes in fair value of the 1996 Fund, an investment at fair value through profit or loss, are included in TIH's consolidated income statement in the period in which they arise. 1996 Fund had made several investments in the past years, one of which was HFC. Assuming the distribution by 1996 Fund of the sale proceeds from its Sale Shares to its investors (without making adjustment for other investments that have been made by 1996 Fund and other items), TIH will receive approximately S\$42.84 million, and this distribution received from 1996 Fund will be accounted for as a reduction of the carrying amount of the investment in the 1996 Fund in TIH's consolidated balance sheet in the period in which it arises.

Being a venture capital investment company that provides venture capital to private companies, the Company's income is primarily derived from the realization and/or revaluation of investments. The Company's direct interest held through TNPL in HFC is classified in its latest audited financial statements for the financial year ended 31 December 2008 as investments-available-for-sale.

HFC is one of the largest confectionery companies in China. It's most recent earnings announcement was made on 24 August 2009 is available on www.sgx.com.

None of the Company's Directors or substantial shareholders has any interest, direct or indirect, in the abovementioned transaction.

The sale of TIH's Sale Shares referred to above is made in the Company's ordinary course of business and is not subject to the requirements of Rule 1014 of the SGX-ST Listing Manual.

BY ORDER OF THE BOARD

Tham Shook Han
Company Secretary
3 September 2009