

**TRANSPAC INDUSTRIAL HOLDINGS LIMITED**  
(Registration Number: 199400941K)

***Full Year Financial Statement and Dividend Announcement  
for the year ended 31 December 2007***

**THESE FIGURES HAVE BEEN AUDITED.****1(a) An income statement for the Company, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

The Company's results are presented below. The consolidation of the Company's results with Group's results (in accordance with Financial Reporting Standard 27) is presented in items 1(e) to 1(e)(v). The Company is primarily a private equity investment company and investments in subsidiaries are made with the same objective to realize capital gain through disposals just as any other investments made by the Company.

**Income Statement****For the financial year ended 31 December 2007**

	<b>Company 2007 S\$'000</b>	Company 2006 S\$'000	Increase / (Decrease) %
<b>Revenue</b>			
Proceeds from disposal of investments			
- Quoted equity investments	<b>136,856</b>	23,537	481
- Unquoted investments	<b>18,687</b>	81,086	(77)
	<b>155,543</b>	104,623	49
Cost of investments disposed of			
- Quoted equity investments	<b>(5,182)</b>	(649)	698
- Unquoted investments	<b>(27,593)</b>	(25,802)	7
	<b>(32,775)</b>	(26,451)	24
Net gain on disposal of			
- Quoted equity investments	<b>131,674</b>	22,888	475
- Unquoted investments	<b>(8,906)</b>	55,284	nm
	<b>122,768</b>	78,172	57
Net change in fair value of investments	<b>33,470</b>	24,459	37
Impairment losses (net)	<b>(450)</b>	1,294	(135)
Net gains from investments	<b>155,788</b>	103,925	50
Interest income	<b>2,704</b>	2,776	(3)
Dividends/Distributions from unquoted equity investments	<b>27,947</b>	6,143	355
Dividends from quoted equity investments	<b>1,540</b>	152	913
<b>Total investment income</b>	<b>187,979</b>	112,996	66
Operating expenses	<b>(25,474)</b>	(45,605)	(44)
<b>Profit before income tax</b>	<b>162,505</b>	67,391	141
Income tax expense	<b>(29,485)</b>	(3,742)	688
<b>Profit for the year</b>	<b>133,020</b>	63,649	109

Operating expenses:

	<b>Company 2007 S\$'000</b>	Company 2006 S\$'000
Performance incentive fees (Note 1)	<b>19,024</b>	42,182
Investment management fees	<b>5,339</b>	2,670
Investment monitoring fees	-	153
Auditors' remuneration		
- Audit fees		
- Current year	<b>117</b>	117
- Underprovision in respect of prior year	<b>9</b>	41
- Other fees	<b>58</b>	28
Directors' remuneration	<b>301</b>	205
Currency exchange loss/(gain) - net	<b>578</b>	(138)
Other	<b>48</b>	347
	<b>25,474</b>	45,605

Note :

- (1) Relates to the Company's increase in NAV subsequent to 31 December that is charged to the income statement during the period.

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

**Balance Sheet as at 31 December 2007**

	<b>Company 2007 S\$'000</b>	<b>Company 2006 S\$'000</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents (Note 1)	39,334	97,220
Other current assets	1,623	2,526
Other investment (Note 2)	16,398	-
	<b>57,355</b>	99,746
<b>Non-current assets</b>		
Investments		
- Available-for-sale	179,319	266,148
- At fair value through profit or loss	82,731	103,735
	<b>262,050</b>	369,883
<b>Total assets</b>	<b>319,405</b>	469,629
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables (Note 3)	17,511	17,439
Current income tax liabilities	25,020	8,812
Derivative liability (Note 2)	1,406	-
	<b>43,937</b>	26,251
<b>Non-current liabilities</b>		
Provision for performance incentive fees (Note3)	-	25,488
Deferred income tax liabilities	12,081	25,488
	<b>12,081</b>	50,976
<b>Total liabilities</b>	<b>56,018</b>	77,227
<b>Net assets</b>	<b>263,387</b>	392,402
<b>Equity</b>		
Share capital	51,000	120,800
Retained earnings	41,977	33,917
Capital reserve	91,526	91,526
Fair value reserve for available-for-sale investments	78,884	146,159
<b>Total equity</b>	<b>263,387</b>	392,402

Notes:

- (1) Included in cash and cash equivalents as at 31 December 2006 was an amount of S\$325,000 placed with a bank and pledged as security for a standby letter of credit issued on behalf of the Company in connection with one of its investments that has been sold. This standby letter of credit has expired during the year and the deposit has been released.

- (2) During the financial year, the Company granted a covered call option on 15,183,247 ordinary shares out of its 51,108,025 shares in Hsu Fu Chi International Limited ("HFCL"), in favor of UBS AG at a strike price of US\$1.0048 (approximately S\$1.45) per share. The call options can be exercised any time on or before 28 December 2009. The ownership and legal rights of the option shares were transferred to UBS AG. Consequently, the option shares are derecognised. Nonetheless, the Company retains only up to a 1% yield on the option shares for any dividend declared by HFCL during the option period. The option shares are classified as a derivative asset and stated at fair value, based on the underlying investment in HFCL shares, which in turn is based on the market bid price of the shares as at the balance sheet date.

If the call options are not exercised by UBS AG during the option period expiring 28 December 2009, the shares will be returned to the Company. The fair value of the call options as at balance sheet date is estimated using market valuation model that takes into account the terms and conditions under which the call options were granted. The fair values of the derivative asset and the derivative liability as at the inception date and the balance sheet date are as follows:

	Derivative asset S\$'000	Derivative liability S\$'000
At date of inception	18,038	(1,533)
Changes in fair value taken to income statement	(1,640)	127
At balance sheet date	<u>16,398</u>	<u>(1,406)</u>

The changes in the fair values of the derivative asset and derivative liability are recognised in the income statement.

- (3) Performance incentive fees expected to be paid within one year are classified as a trade payable as at 31 December 2007.

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

**Cash Flow Statement**

**For the financial year ended 31 December 2007**

	<b>Company 2007 S\$'000</b>	<b>Company 2006 S\$'000</b>
<b>Cash flows from operating activities</b>		
Profit for the year	133,020	63,649
Adjustments for :		
Income tax expense	29,485	3,742
Interest income	(2,704)	(2,776)
Dividends/Distributions from equity investments	(29,487)	(6,295)
Performance incentive fees	19,024	42,182
Net change in fair value of investments	(33,470)	(24,459)
Impairment losses (net)	450	(1,294)
	<b>116,318</b>	74,749
Changes in operating assets and liabilities:		
Investments	38,676	(56,115)
Other current assets	874	(236)
Bank deposits not qualifying as cash and cash equivalents	325	(7)
Trade and other payables	(16)	(255)
Derivative liability	1,406	-
Cash generated from operations	157,583	18,136
Dividends/Distributions received from equity investments	29,487	6,295
Interest received	2,733	2,705
Performance incentive fees paid	(44,424)	-
Income taxes paid	(8,180)	(27)
<b>Cash flows from operating activities</b>	<b>137,199</b>	27,109
<b>Financing activities</b>		
Proceeds from rights issue and placement shares	7,200	100,800
Capital reduction	(77,000)	-
Dividends paid	(124,960)	(44,000)
Rights issue expenses paid	-	(41)
<b>Cash flows from financing activities</b>	<b>(194,760)</b>	56,759
<b>Net (decrease) /increase in cash and cash equivalents</b>	<b>(57,561)</b>	83,868
Cash and cash equivalents at beginning of financial year	96,895	13,027
<b>Cash and cash equivalents at end of financial year (Note 1)</b>	<b>39,334</b>	96,895

Note:

(1) For the purposes of the cash flow statement, the cash and cash equivalents comprise the following:

	<u>Company</u>	
	2007	2006
	S\$'000	S\$'000
Cash and cash equivalents as per balance sheet	39,334	97,220
Less: Bank deposit pledged as security	-	(325)
Cash and cash equivalents as per cash flow statement	<u>39,334</u>	<u>96,895</u>

**1(d)(i) A statement for the Company 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  
For the financial year ended 31 December 2007**

<b>Company</b>	<b>Share capital S\$'000</b>	<b>Capital reserve S\$'000</b>	<b>Fair value reserve S\$'000</b>	<b>Retained earnings S\$'000</b>	<b>Total S\$'000</b>
<b>At 1 January 2007</b>	<b>120,800</b>	<b>91,526</b>	<b>146,159</b>	<b>33,917</b>	<b>392,402</b>
Fair value losses on available-for-sale investments	-	-	(85,779)	-	(85,779)
Adjustment to deferred tax liability arising from fair value losses for the year	-	-	18,504	-	18,504
Net losses recognised directly in equity	-	-	(67,275)	-	(67,275)
Profit for the year	-	-	-	133,020	133,020
Total recognised income and expense for the year	-	-	(67,275)	133,020	65,745
Proceeds from placement shares	7,200	-	-	-	7,200
Capital reduction	(77,000)	-	-	-	(77,000)
Dividends for 2006	-	-	-	(32,560)	(32,560)
Dividends for 2007	-	-	-	(92,400)	(92,400)
<b>At 31 December 2007</b>	<b>51,000</b>	<b>91,526</b>	<b>78,884</b>	<b>41,977</b>	<b>263,387</b>
<b>At 1 January 2006</b>	<b>20,000</b>	<b>91,567</b>	<b>23,849</b>	<b>14,268</b>	<b>149,684</b>
Fair value gains on available-for-sale investments	-	-	152,895	-	152,895
Deferred tax liability arising from fair value gains for the year	-	-	(30,585)	-	(30,585)
Net gains recognized directly in equity	-	-	122,310	-	122,310
Profit for the year	-	-	-	63,649	63,649
Total recognised income and expense for the year	-	-	122,310	63,649	185,959
Proceeds from rights issue and placement shares	100,800	-	-	-	100,800
Rights issue expenses (Note 1)	-	(41)	-	-	(41)
Dividends for 2005	-	-	-	(8,800)	(8,800)
Dividends for 2006	-	-	-	(35,200)	(35,200)
<b>At 31 December 2006</b>	<b>120,800</b>	<b>91,526</b>	<b>146,159</b>	<b>33,917</b>	<b>392,402</b>

Note:

- (1) Rights issue expenses of S\$41,000 incurred for the financial year ended 31 December 2006 have been deducted directly against capital reserve.

- 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.**

During the financial year, the Company reduced its capital and distributed capital in two separate tranches of S\$0.195 and S\$0.68 per share. The total amount of capital returned was S\$77 million.

During the financial year, the last two instalments of S\$7.2 million were received by the Company in relation to share placement to an affiliate of the Investment Manager in conjunction with the rights issue in 2006.

- 1(e)** The consolidation of the Company's results with Group's results (in accordance with Financial Reporting Standard 27) is presented in items 1(e) to 1(e)(v). The Company is primarily a private equity investment company and investment in subsidiaries are made with the same objective to realize capital gain through disposals just as any other investments made by the Company.



The consolidated financial information follows in 1(e)(i) through 1(e)(v).

**1(e)(i) Income Statement**  
**For the financial year ended 31 December 2007**

	<b>Group 2007 S\$'000</b>	Group 2006 S\$'000	Increase / (Decrease) %
Revenue	<b>102,506</b>	91,524	12
Cost of sales	<b>(55,748)</b>	(53,113)	5
<b>Gross profit</b>	<b>46,758</b>	38,411	22
Net gains from investments	<b>179,408</b>	105,155	71
Interest income	<b>2,743</b>	2,785	(2)
Dividends/Distributions from unquoted investments	<b>4,293</b>	4,922	(13)
Dividends from quoted equity investments	<b>1,573</b>	152	935
Other operating income	<b>2,318</b>	444	422
Distribution expenses	<b>(20,469)</b>	(16,259)	26
Administrative expenses	<b>(11,781)</b>	(10,331)	14
Other operating expenses	<b>(26,253)</b>	(46,578)	(44)
<b>Profit before income tax</b>	<b>178,590</b>	78,701	127
Income tax expense	<b>(32,307)</b>	(5,859)	451
<b>Net profit for the year</b>	<b>146,283</b>	72,842	101
<b>Attributable to:</b>			
Equity holders of the Company	<b>142,326</b>	69,907	104
Minority interest	<b>3,957</b>	2,935	35

**Expenses include the following:**

	<b>Group 2007 S\$'000</b>	Group 2006 S\$'000
Performance incentive fees (Note 1)	<b>19,024</b>	42,182
Depreciation of property, plant & equipment	<b>2,718</b>	1,809
Allowance for impairment of receivables	<b>33</b>	148
Amortisation of goodwill, trademark & technology right	<b>255</b>	140
Loss on disposal of property, plant & equipment	<b>817</b>	375
Loss on disposal of a subsidiary	-	1,249
Currency exchange loss/(gain) - net	<b>725</b>	(86)

Note :

- (1) Relates to the Company's increase in NAV subsequent to 31 December that is charged to the income statement during the period.

**1(e)(ii) Balance Sheet as at 31 December 2007**

	<b>Group 2007 S\$'000</b>	<b>Group 2006 S\$'000</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents (Note 1)	77,670	121,602
Trade and other receivables	3,262	2,757
Inventories	10,833	9,064
Other current assets	2,526	7,778
Other investment (Note 2)	16,398	-
	<b>110,689</b>	<b>141,201</b>
<b>Non-current assets</b>		
Investments		
- Available-for-sale	108,116	213,013
- At fair value through profit or loss	82,731	103,735
	<b>190,847</b>	<b>316,748</b>
Property, plant and equipment	39,283	36,348
Intangible assets	2,404	2,632
Deferred income tax assets	1,416	1,420
	<b>233,950</b>	<b>357,148</b>
<b>Total assets</b>	<b>344,639</b>	<b>498,349</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables (Note 3)	33,921	33,216
Current income tax liabilities	25,968	9,128
Derivative liability (Note 2)	1,406	-
	<b>61,295</b>	<b>42,344</b>
<b>Non-current liabilities</b>		
Provision for performance incentive fees (Note 3)	-	25,488
Deferred income tax liabilities	12,081	25,529
	<b>12,081</b>	<b>51,017</b>
<b>Total liabilities</b>	<b>73,376</b>	<b>93,361</b>
<b>Net assets</b>	<b>271,263</b>	<b>404,988</b>
<b>Equity attributable to equity holders of the Company</b>		
Share capital	51,000	120,800
Reserves	141,998	209,574
Retained earnings	54,811	37,478
	<b>247,809</b>	<b>367,852</b>
<b>Minority interest</b>	<b>23,454</b>	<b>37,136</b>
<b>Total equity</b>	<b>271,263</b>	<b>404,988</b>

Notes:

- (1) Included in cash and cash equivalents as at 31 December 2006 was an amount of S\$325,000 placed with a bank and pledged as security for a standby letter of credit issued on behalf of the Company in connection with one of its investments that has been sold. This standby letter of credit has expired during the year and the deposit has been released.

- (2) During the financial year, the Company granted a covered call option on 15,183,247 ordinary shares out of its 51,108,025 shares in Hsu Fu Chi International Limited ("HFCL"), in favor of UBS AG at a strike price of US\$1.0048 (approximately S\$1.45) per share. The call options can be exercised any time on or before 28 December 2009. The ownership and legal rights of the option shares were transferred to UBS AG. Consequently, the option shares are derecognised. Nonetheless, the Company retains only up to a 1% yield on the option shares for any dividend declared by HFCL during the option period. The option shares are classified as a derivative asset and stated at fair value, based on the underlying investment in HFCL shares, which in turn is based on the market bid price of the shares as at the balance sheet date.

If the call options are not exercised by UBS AG during the option period expiring 28 December 2009, the shares will be returned to the Company. The fair value of the call options as at balance sheet date is estimated using market valuation model that takes into account the terms and conditions under which the call options were granted. The fair values of the derivative asset and the derivative liability as at the inception date and the balance sheet date are as follows:

	Derivative asset S\$'000	Derivative liability S\$'000
At date of inception	18,038	(1,533)
Changes in fair value taken to income statement	(1,640)	127
At balance sheet date	16,398	(1,406)

The changes in the fair values of the derivative asset and derivative liability are recognised in the income statement.

- (3) Performance incentive fees expected to be paid within one year are classified as a trade payable as at 31 December 2007.

#### **1(e)(iii) Aggregate amount of Group's borrowing and debt securities.**

##### **Amount payable in one year or less, or on demand**

As at 31/12/2007	As at 31/12/2007	As at 31/12/2006	As at 31/12/2006
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
0	0	0	0

##### **Amount payable after one year**

As at 31/12/2007	As at 31/12/2007	As at 31/12/2006	As at 31/12/2006
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
0	0	0	0

##### **Details of collateral**

Properties with net book value of S\$8,210,000 (2006:S\$10,102,000) are pledged as security for credit facilities up to the amount of S\$5,586,000 (2006: S\$5,530,000) by Foodstar Group, one of the Group's consolidated subsidiaries.

**1(e)(iv) Cash Flow Statement**  
**For the financial year ended 31 December 2007**

	<b>Group 2007 S\$'000</b>	<b>Group 2006 S\$'000</b>
<b>Cash flows from operating activities</b>		
Profit for the year	146,283	72,842
Adjustments for:		
Income tax expense	32,307	5,859
Amortisation and depreciation	2,973	1,949
Interest income	(3,150)	(3,229)
Dividends/Distributions from equity investments	(5,866)	(5,074)
Loss on disposal of property, plant and equipment	817	375
Provision for impairment of property, plant and equipment	399	-
Reversal of allowance for impairment of prepayment to supplier	-	(469)
Loss on disposal of subsidiaries	-	1,249
Reversal of inventory write-down and reversal of allowance for impairment of receivables	(57)	(117)
Write-down of inventory and allowance for impairment of receivables	226	179
Performance incentive fees	19,024	42,182
Net change in fair value of investments	(33,470)	(24,459)
Impairment losses (net)	491	(1,294)
	<b>159,977</b>	<b>89,993</b>
Changes in operating assets and liabilities		
Investments	38,051	(54,919)
Inventories	(1,850)	(221)
Trade and other receivables and other current assets	4,744	(1,720)
Bank deposits not qualifying as cash and cash equivalents	325	85
Trade and other payables	456	3,645
Derivative liability	1,406	-
Cash generated from operations	<b>203,109</b>	<b>36,863</b>
Dividends/Distributions received from equity investments	5,866	5,074
Net interest received	3,179	3,158
Performance incentive fees paid	(44,424)	-
Income taxes and withholding taxes paid	(10,396)	(1,431)
<b>Cash flow from operating activities</b>	<b>157,334</b>	<b>43,664</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(6,658)	(11,243)
Proceeds from disposal of property, plant and equipment	162	230
Refund/(Payments) for pre-operating expenses	52	(29)
Prepayments of land use right	-	(688)
Payments of intangible assets	-	(2,554)
Repayment of short-term loan to a company being acquired	-	6,572
<b>Cash flow from investing activities</b>	<b>(6,444)</b>	<b>(7,712)</b>
<b>Financing activities</b>		
Proceeds from rights issue and placement shares	7,200	100,800
Capital reduction	(77,000)	-
Dividends paid	(124,960)	(44,000)
Rights issue expenses paid	-	(41)
<b>Cash flow from financing activities</b>	<b>(194,760)</b>	<b>56,759</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>(43,870)</b>	<b>92,711</b>
Cash and cash equivalents at beginning of financial year	121,277	29,711
Currency translation adjustment	263	(1,145)
<b>Cash and cash equivalents at end of financial year (Note 1)</b>	<b>77,670</b>	<b>121,277</b>

Note:

(1) For the purposes of the consolidated cash flow statement, the consolidated cash and cash equivalents comprise the following:

	<u>Group</u>	
	2007 S\$'000	2006 S\$'000
Cash and cash equivalents as per balance sheet	77,670	121,602
Less: Bank deposit pledged as security	-	(325)
Cash and cash equivalents as per consolidated cash flow statement	77,670	121,277

**1(e)(v) Statement of Changes in Equity  
For the financial year ended 31 December 2007**

Group	Share capital S\$'000	Foreign currency translation reserves S\$'000	Capital and other reserves S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total attributable to equity holders of the Company S\$'000	Minority interest S\$'000	Total S\$'000
<b>Balance at 1 January 2007</b>	120,800	(274)	92,708	117,140	37,478	367,852	37,136	404,988
Fair value losses on available-for-sale investments	-	-	-	(86,591)	-	(86,591)	-	(86,591)
Adjustment to deferred tax liability arising from fair value losses for the year	-	-	-	18,504	-	18,504	-	18,504
Currency translation differences	-	478	-	-	-	478	202	680
Net gains/(losses) recognised directly in equity	-	478	-	(68,087)	-	(67,609)	202	(67,407)
Profit for the year	-	-	-	-	142,326	142,326	3,957	146,283
<b>Total recognised income and expense for the year</b>	-	478	-	(68,087)	142,326	74,717	4,159	78,876
Acquisition from minority shareholders in a subsidiary	-	-	-	-	-	-	(416)	(416)
Disposal of a subsidiary	-	-	-	-	-	-	(17,425)	(17,425)
Transfer from retained earnings	-	-	33	-	(33)	-	-	-
Proceeds from placement shares	7,200	-	-	-	-	7,200	-	7,200
Capital reduction	(77,000)	-	-	-	-	(77,000)	-	(77,000)
Dividends for 2006	-	-	-	-	(32,560)	(32,560)	-	(32,560)
Dividends for 2007	-	-	-	-	(92,400)	(92,400)	-	(92,400)
<b>Balance at 31 December 2007</b>	51,000	204	92,741	49,053	54,811	247,809	23,454	271,263

Group	Share capital S\$'000	Foreign currency translation reserves S\$'000	Capital and other reserves S\$'000	Fair value reserves S\$'000	Retained earnings S\$'000	Total attributable to equity holders of the Company S\$'000	Minority interest S\$'000	Total S\$'000
<b>Balance at 1 January 2006</b>	20,000	1,490	92,354	23,849	11,617	149,310	21,003	170,313
Fair value gains on available-for-sale investments	-	-	-	123,876	-	123,876	-	123,876
Deferred tax liability arising from fair value gains for the year	-	-	-	(30,585)	-	(30,585)	-	(30,585)
Transfer on disposal of subsidiary	-	-	349	-	-	349	-	349
Currency translation differences	-	(1,764)	-	-	-	(1,764)	(671)	(2,435)
Net (losses)/gains recognised directly in equity	-	(1,764)	349	93,291	-	91,876	(671)	91,205
Profit for the year	-	-	-	-	69,907	69,907	2,935	72,842
<b>Total recognised income and expense for the year</b>	-	(1,764)	349	93,291	69,907	161,783	2,264	164,047
Acquisition from minority shareholders in a subsidiary	-	-	-	-	-	-	(3,556)	(3,556)
Acquisition of a subsidiary	-	-	-	-	-	-	17,425	17,425
Transfer from retained earnings	-	-	46	-	(46)	-	-	-
Proceeds from rights issue and placement shares	100,800	-	-	-	-	100,800	-	100,800
Rights issue expenses (1)	-	-	(41)	-	-	(41)	-	(41)
Dividends for 2005	-	-	-	-	(8,800)	(8,800)	-	(8,800)
Dividends for 2006	-	-	-	-	(35,200)	(35,200)	-	(35,200)
<b>Balance at 31 December 2006</b>	120,800	(274)	92,708	117,140	37,478	367,852	37,136	404,988

Note:

(1) Rights issue expenses of S\$41,000 incurred for the financial year ended 31 December 2006 have been deducted directly against capital reserve.

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

The figures have been audited in accordance with Singapore Standards on Auditing.

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

The auditor's report is appended at the end of the Announcement.

(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 and the Company have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting year as compared with the audited financial statements as at 31 December 2006.

- (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 financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Earnings per ordinary share  
For the financial year ended 31 December 2007

	<b>Company 2007</b>	Company 2006
Earnings per ordinary share of the Company after deducting any provisions for preference dividends:		
(a) Based on the weighted average number of ordinary shares on issue; and	<b>151.16 cts</b>	75.77 cts
(b) On a fully diluted basis	<b>151.16 cts</b>	75.77 cts
	<b>Group 2007</b>	Group 2006
Earnings per ordinary share of the Group after deducting any provisions for preference dividends:		
(a) Based on the weighted average number of ordinary shares on issue; and	<b>161.73 cts</b>	83.22 cts
(b) On a fully diluted basis	<b>161.73 cts</b>	83.22 cts

For the computation of earnings per share in 2006, the basis of arriving at the weighted average number of shares is determined as follows:

Number of shares in issue for one month	40,000,002
Number of shares in issue for eleven months	<u>88,000,004*</u>
Weighted average number of shares in issue for the year	<u>84,000,004</u>

\* see item 1(d)(ii)

**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.**

Net asset value per ordinary share  
 As at 31 December 2007

	<b>Company 2007 S\$</b>	Company 2006 S\$
Net asset value per ordinary share based on issued share capital	<b>2.99</b>	4.54 (Note 1)
	<b>Group 2007 S\$</b>	Group 2006 S\$
Net asset value per ordinary share based on issued share capital	<b>2.79</b>	4.23 (Note 2)

Notes:

	S\$'000
(1) Net asset value of the <b>Company</b> as at 31 December 2006	392,402
Add: Remaining payments for the share placement (see item 1(d)(ii))	<u>7,200</u>
	<u>399,602</u>
Number of shares	88,000,004
	S\$'000
(2) Net asset value of the <b>Group</b> as at 31 December 2006	365,220
Add: Remaining payments for the share placement (see item 1(d)(ii))	<u>7,200</u>
	<u>372,420</u>
Number of shares	88,000,004



- 8. A review of the performance of the Company, to the extent necessary for a reasonable understanding of the Company's business. It must include a discussion of the following:**
- (a) any significant factors that affected the turnover, costs, and earnings of the Company 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 Company during the current financial period reported on.

The Company's income is primarily derived from the realisation and/or revaluation of investments.

For the financial year ended 31 December 2007, the Company reported a net profit after tax of S\$133.02 million compared to a net profit after tax of S\$63.65 million for the financial year ended 31 December 2006. The net profit after tax for the financial year ended 2007 of S\$133.02 million resulted from total investment income of S\$187.98 million offset by operating expenses of S\$25.47 and tax expense of S\$29.49 million. The components of total investment income for the financial year ended 31 December 2007 are explained as below.

For the financial year ended 31 December 2006, the Company reported net profit after tax of S\$63.65 million resulting from investment income of S\$113.00 million offset by operating expenses of S\$45.61 million and tax expense of S\$3.74 million. Investment income for the financial year ended 31 December 2006 consisted of net gains from investments of S\$103.93 million, dividend income of S\$6.29 million and interest income of S\$2.78 million.

**Investment income review for the financial year ended 31 December 2007:**

Total investment income S\$187.98 million for the financial year ended 31 December 2007 consisted of:

- net gains from investments of S\$155.79 million (described below);
- interest income of S\$2.70 million; and
- dividends/distributions of S\$29.49 million (S\$27.95 million from unquoted and S\$1.54 million from quoted investments as described below).

The net gains from investments of S\$155.79 million resulted from:

- a net gain on disposal of quoted and unquoted investments of S\$122.77 million that comprises:
  - S\$126.79 million from the divestment of Neo-Neon Holdings Limited's (NNHL) shares;
  - S\$4.76 million from the divestment of Balmoral Road Limited (see offset below for the fair value gain through profit and loss recognised in prior year);
  - S\$5.07 million mainly from divestments of Hang Fung Gold Technology Limited, Stratech Systems Limited, IIN International Limited, Magician Industries (Holdings) Limited and Oculex Pharmaceuticals, Inc.; and
  - S\$13.85 million loss from divestment of Dahe Holding Pte Ltd (see offset below for the fair value gain through profit and loss recognised in prior year).
- a net change in the fair value of investments of S\$19.00 million. Under FRS39, investments with ownership/voting rights of 20 to 50% are classified as "investments at fair value through profit or loss" with all valuation changes recognised in the income statement. The net changes in fair value of investments are as follows:

	2007 S\$ (millions)	2006 S\$ (millions)
Fair value gains	11.98 <sup>(1)</sup>	44.39
Fair value losses	(1.07) <sup>(2)</sup>	(13.94)
Fair value losses previously recognized, now written back on disposal of investments (includes Balmoral Road Limited and Dahe Holding Pte Ltd, as above)	8.09	(5.99)
	<u>19.00</u>	<u>24.46</u>

(1) The fair value gains of S\$11.98 million reflect the gain on an interest in Transpac Capital 1996 Investment Trust acquired.

(2) The fair value losses of S\$1.07 million reflect currency translation differences.

- as a result of the covered call options granted to UBS AG (as described in 1(b) Note 2), the Company realised the following:
  - S\$15.98 million gain resulting from derecognition of HFCL shares covered by the call options underwritten;
  - S\$1.64 million loss in the fair value of the option shares from inception of the option agreement until the balance sheet date (now classified as a derivative instrument);
  - S\$0.13 million gain due to the change in the fair value of the call options.
- impairment loss of S\$0.45 million on the write downs of several small unquoted investments.

Dividends/distributions of S\$29.49 million received included:

- S\$23.65 million from Little Rock Group Limited (a subsidiary of the Company) mainly as a result of the sale of NNHL's shares;
- S\$2.80 million from distributions received from Transpac Equity Investment Trust;
- S\$3.04 million in dividends from Greenwood International Investments Limited (S\$0.01 million); Subtron Technology Corporation Ltd (S\$0.01 million); AEM Holdings Ltd (S\$0.03 million); NNHL (S\$0.06 million); Hang Fung Gold Technology Limited (S\$0.16 million); HFCL (S\$1.29 million) and Balmoral Road Limited (S\$1.48 million).

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

No forecast or a prospect statement has been previously made.

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

The Company continues to prepare its portfolio investments for divestment and believes the current market conditions are conducive to such efforts. The Company also notes that in any private equity investment there are significant risk factors impacting the timing as well as ability to exit. Accordingly, future profitability may not be consistent or constant from one reporting period to another.

**11. Dividend**

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

Any dividend declared for the current financial period reported on? Yes

Name of dividend	First Interim	Second Interim
Dividend type	Cash	Cash
Dividend amount per ordinary share	55 cents	50 cents
Tax rate	Exempt (one-tier)	Exempt (one-tier)
Date paid	26 June 2007	6 September 2007

**(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	Interim Special	Final
Dividend type	Cash	Cash
Dividend amount per ordinary share	40 cents	37 cents
Tax rate	Exempt (one-tier)	Exempt (one-tier)
Date paid	26 October 2006	5 June 2007

**(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 Company has previously announced that it is the policy of the Company to distribute substantially all of the Company's profits from divestments as and when the divestments occur. Accordingly, for the year-ended 31 December 2007, S\$92.40 million has been distributed to shareholders as interim dividends, and the directors are not recommending a final dividend.

**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.**

For purposes of the form of this announcement, at 31 December 2007, the Group is organised into two segments:

- Venture capital – to invest, for capital appreciation, in equity securities of growing private companies located in Asia including, principally, China/Hong Kong SAR, Taiwan, Singapore, Malaysia, Thailand and Indonesia.
- Manufacture, sale and distribution of food products in China/Hong Kong SAR related to its investment in Foodstar Group that is classified as a subsidiary.

**Primary segment – business segments**

<b>Group</b>	Venture Capital S\$'000	Manufacture, sale and distribution of food products S\$'000	Total S\$'000
<b>Financial year ended 31 December 2007</b>			
Revenue			
- Sale of goods	-	102,506	102,506
- Investment income	188,017	-	188,017
- Other income	-	2,318	2,318
	188,017	104,824	292,841
Profit before tax	162,438	16,152	178,590
Income tax expense	(29,486)	(2,821)	(32,307)
<b>Profit for the year</b>	<b>132,952</b>	<b>13,331</b>	<b>146,283</b>
Minority interest	-	(3,957)	(3,957)
<b>Profit attributable to equity holders of the Company</b>	<b>132,952</b>	<b>9,374</b>	<b>142,326</b>
Segment assets	248,258	94,965	343,223
Unallocated assets			1,416
<b>Total assets</b>			<b>344,639</b>
Segment liabilities	18,917	16,411	35,328
Unallocated liabilities			38,048
<b>Total liabilities</b>			<b>73,376</b>
<b>Other segment items</b>			
Capital expenditure for the year	-	(6,658)	(6,658)
Depreciation of property, plant and equipment	-	(2,718)	(2,718)
Impairment of property, plant and equipment	-	(399)	(399)
Amortisation of intangible assets	-	(255)	(255)
Net change in fair value of investments	33,470	-	33,470
Impairment losses (net)	(491)	-	(491)

Group	Venture capital S\$'000	Manufacture, sale and distribution of food products S\$'000	Total S\$'000
<b>Financial year ended 31 December 2006</b>			
Revenue			
- Sale of goods	-	91,524	91,524
- Investment income	113,014	-	113,014
- Other income	-	444	444
	113,014	91,968	204,982
Profit before tax	67,455	11,246	78,701
Income tax expense	(3,746)	(2,113)	(5,859)
<b>Profit for the year</b>	<b>63,709</b>	<b>9,133</b>	<b>72,842</b>
Minority interest	-	(2,935)	(2,935)
<b>Profit attributable to equity holders of the Company</b>	<b>63,709</b>	<b>6,198</b>	<b>69,907</b>
Segment assets	417,204	79,725	496,929
Unallocated assets			1,420
<b>Total assets</b>			<b>498,349</b>
Segment liabilities	42,927	15,777	58,704
Unallocated liabilities			34,657
<b>Total liabilities</b>			<b>93,361</b>
<b>Other segment items</b>			
Capital expenditure for the year	-	(11,243)	(11,243)
Depreciation of property, plant and equipment	-	(1,809)	(1,809)
Amortisation of intangible assets	-	(140)	(140)
Net change in fair value of investments	24,459	-	24,459
Impairment losses (net)	1,294	-	1,294

**Secondary segment – geographical segments**

Group	Segment revenue		Segment assets	
	2007	2006	2007	2006
	S\$'000	S\$'000	S\$'000	S\$'000
China/Hong Kong SAR	271,492	114,489	210,747	265,766
Indonesia	1,393	11,284	-	22,598
Malaysia	-	-	528	529
Taiwan	(16)	44,929	2,398	2,172
Thailand	8	-	-	-
Singapore	4,997	2,012	63,111	141,569
USA	187	-	-	-
British Virgin Islands	14,780	32,268	66,439	64,295
	<b>292,841</b>	<b>204,982</b>	<b>343,223</b>	<b>496,929</b>

In the above table, the British Virgin Islands geographical segment represents investments in other funds which hold numerous investments in various countries.

China/Hong Kong SAR – The areas of operation are mainly investment holding and the manufacture, sale and distribution of food products. Capital expenditure during the financial year for this segment amounted to S\$6,658,000 (2006: S\$11,243,000).

Other countries – The assets in each country consist principally of investments. Corresponding revenues represent investment income, which comprise proceeds on sale of investments (less cost of investments), net change in fair value of investments, impairment losses (net), dividend income and interest income.

With the exception of China/Hong Kong SAR, no other individual country contributed more than 10% of segment revenues, and except for China/Hong Kong SAR, Singapore and British Virgin Islands, no other individual country contributed more than 10% of segment assets.

**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.**

The Company is a venture capital investment company based in Singapore. Income is derived from the sale or revaluation of investments (rather than recurring profits) located in various countries. Accordingly, revenue by geographical segment varies from one reporting period to another.

Additionally, as noted in item 10, the Company continues to prepare its portfolio for divestment but note that in any private equity investment there are significant risk factors impacting timing as well as ability to exit.

**15. A breakdown of revenue**

<b>Breakdown of Gain/(Loss) on disposal of investments</b>	<b>Company 2007 S\$'000</b>	Company 2006 S\$'000	% increase / (decrease)
(a) Gain/(loss) on disposal of investments reported for first half year	<b>110,819</b>	(3,098)	nm
(b) Net profit/(loss) after tax reported for first half year	<b>80,389</b>	(1,142)	nm
(c) Gain on disposal of investments reported for second half year	<b>44,969</b>	107,023	(58)
(d) Net profit after tax reported for second half year	<b>52,631</b>	64,791	(19)

<b>Breakdown of Revenue</b>	<b>Group 2007 S\$'000</b>	Group 2006 S\$'000	% increase/ (decrease)
(a) Group revenue reported for first half year	<b>183,648</b>	43,517	322
(b) Group operating profit after tax before deducting minority interests for first half year	<b>86,146</b>	4,789	1,699
(c) Group revenue reported for second half year	<b>109,193</b>	161,465	(32)
(d) Group operating profit after tax before deducting minority interests for second half year	<b>60,137</b>	68,053	(12)

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.**

Total annual dividend

	<b>Latest Full Year 2007 (S\$'000)</b>	Previous Full Year 2006 (S\$'000)
Ordinary		
- Interim Special	92,400	35,200
- Final	-	32,560

**17. Event occurring after the Balance Sheet Date**

See item 10 above.

**18. Where necessary, comparative figures have been adjusted to conform with changes in the current year's presentation.**

BY ORDER OF THE BOARD

Dr Christopher Leong  
Director  
22/02/2008