

TRANSPAC INDUSTRIAL HOLDINGS LIMITED

(Registration Number: 199400941K)

***First Quarter Financial Statement and Dividend Announcement
for the period ended 31 March 2009***

THESE FIGURES HAVE NOT 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 paragraph ("para") 1(e) to 1(e)(vi). 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.

1(a)(i) Income Statement
For the first quarter ended 31 March 2009

	Company		
	3 mths to 31 Mar 2009 S\$'000	3 mths to 31 Mar 2008 S\$'000	Increase / (Decrease) %
Revenue			
Proceeds from disposal of investments			
- Quoted equity investments	-	1,939	(100)
- Unquoted investments	-	23	(100)
	<u>-</u>	<u>1,962</u>	(100)
 Cost of investments disposed of			
- Quoted equity investments	-	(880)	(100)
- Unquoted investments	-	(1,111)	(100)
	<u>-</u>	<u>(1,991)</u>	(100)
 Net loss on disposal of			
- Quoted equity investments	-	1,059	(100)
- Unquoted investments	-	(1,088)	(100)
	<u>-</u>	<u>(29)</u>	(100)
 Net change in fair value of financial instruments	1,538	(1,464)	nm
Reversal of impairment losses	-	1,111	(100)
Net gains/(losses) from investments	1,538	(382)	nm
 Interest income	3	149	(98)
Dividends from quoted equity investments	-	43	(100)
Total investment income/(expense)	1,541	(190)	nm
Operating expenses	(773)	(1,041)	(26)
Finance costs	(265)	-	nm
Profit/(loss) before income tax	503	(1,231)	nm
Income tax expense	-	-	nm
Profit/(loss) for the financial period	503	(1,231)	nm

nm : Not meaningful

	Company	
	3 mths to 31 Mar 2009 S\$'000	3 mths to 31 Mar 2008 S\$'000
Operating expenses :		
Investment management fees (Note 1)	750	878
Auditors' remuneration		
- Audit fees		
- Current year	36	29
- Underprovision in respect of prior year	-	10
- Non-audit fees	4	1
Directors' remuneration	72	71
Currency exchange gain - net (Note 2)	(104)	(1)
Others	15	53
	<u>773</u>	<u>1,041</u>
Finance costs (Note 3) :		
Interest expense on bank loan	134	-
Amortisation of loan transaction costs	131	-
	<u>265</u>	<u>-</u>

Notes :

- (1) Investment management fees are payable semi-annually and computed based on NAV of the Company. Decline in fees as NAV used to compute the fees were lower compared to that of the prior year.
- (2) Currency exchange gain realised on receipt of the divestment proceeds receivable from Sino Automotive Parts Limited in February 2009.
- (3) Finance costs incurred was in relation to the one-year term loan entered into on 30 July 2008.

1(a)(ii) Statement of Comprehensive Income
For the first quarter ended 31 March 2009

	Company		
	3 mths to 31 Mar 2009 S\$'000	3 mths to 31 Mar 2008 S\$'000	Increase / (Decrease) %
Profit/(loss) for the financial period	503	(1,231)	nm
Other comprehensive income/(expense) :			
Fair value gains/(losses) on available-for-sale investments	11,031	(20,789)	nm
Adjustment to deferred tax liability arising from fair value gains/(losses) for the financial period	(1,611)	3,742	nm
Other comprehensive income/(expense) for the financial period, net of tax	9,420	(17,047)	nm
Total comprehensive income/(expense) for the financial period	9,923	(18,278)	nm

nm : Not meaningful

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 March 2009

	Company	
	31 Mar 2009	31 Dec 2008
	S\$'000	S\$'000
Assets		
Current assets		
Cash and cash equivalents	7,115	6,291
Other current assets (Note 1)	830	3,411
Other investment (Note 2)	14,424	12,906
	22,369	22,608
Non-current asset		
Investments		
- Available-for-sale (Note 3)	243,259	232,360
	265,628	254,968
Liabilities		
Current liabilities		
Trade and other payables (Note 4)	1,321	2,288
Bank loan	19,824	19,693
Current income tax liabilities	808	808
Derivative liability (Note 2)	57	77
	22,010	22,866
Non-current liability		
Deferred income tax liabilities (Note 5)	6,365	4,754
	28,375	27,620
Net assets	237,253	227,348
Equity		
Share capital	51,000	51,000
Retained earnings	39,872	39,369
Capital reserve	91,455	91,473
Fair value reserve for available-for-sale investments (Note 3)	54,926	45,506
Total equity	237,253	227,348

Notes:

- (1) Other current assets decreased on receipt of the divestment proceeds receivable of S\$2.58 million from Sino Automotive Parts Limited that was divested in 2006.
- (2) In 2007, 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 Hong Kong 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. These 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 Hong Kong 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 was estimated using a 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 are as follows:

	Derivative asset S\$'000	Derivative liability S\$'000
At 1 January 2009	12,906	(77)
Changes in fair value taken to income statement	1,518	20
At 31 March 2009	14,424	(57)

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

- (3) The increase in fair value of the Company's available-for-sale investments were primarily from the increase in the market value of the listed shares in HFCL and currency translation gains on investments denominated in United States dollar. This increase in fair value was recognised in the fair value reserve within equity.
- (4) The decrease in trade and other payables was mainly from the settlement of management fees due to the Investment Manager.
- (5) Deferred income tax liability, which arises from fair value gains on available-for-sale investments, computed at corporate tax rate, increased in accordance with the fair value gains on available-for-sale investments recorded for the 3 months ended 31 March 2009.

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

Statement of Cash Flows

For the first quarter ended 31 March 2009

	Company	
	3 mths to	3 mths to
	31 Mar	31 Mar
	2009	2008
	S\$'000	S\$'000
Operating activities		
Profit/(loss) for the financial period	503	(1,231)
Adjustments for :		
Interest expense on bank loan	134	-
Amortisation of loan transaction costs	131	-
Interest income	(3)	(149)
Dividends/distributions from equity investments	-	(43)
Net change in fair value of financial instruments	(1,538)	1,464
Reversal of impairment losses	-	(1,111)
	(773)	(1,070)
Changes in operating assets and liabilities:		
Investments	132	2,518
Other current assets	2,582	42
Trade and other payables	(897)	634
Cash generated from operations	1,044	2,124
Dividends/distributions received from equity investments	-	43
Interest received	2	199
Performance incentive fees paid	-	(16,782)
Income taxes paid	-	(7,660)
Cash flows from operating activities	1,046	(22,076)
Financing activities		
Interest expense paid	(204)	-
Rights issue expenses paid	(18)	-
Cash flows from financing activities	(222)	-
Net increase/(decrease) in cash and cash equivalents	824	(22,076)
Cash and cash equivalents at beginning of financial period	6,291	39,334
Cash and cash equivalents at end of financial period	7,115	17,258

- 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 first quarter ended 31 March 2009**

COMPANY	Share capital S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000
At 1 January 2009	51,000	91,473	45,506	39,369	227,348
Total comprehensive income for the financial period	-	-	9,420	503	9,923
Rights issue expenses (Note 1)	-	(18)	-	-	(18)
At 31 March 2009	51,000	91,455	54,926	39,872	237,253
At 1 January 2008	51,000	91,526	78,884	41,977	263,387
Total comprehensive expense for the financial period	-	-	(17,047)	(1,231)	(18,278)
At 31 March 2008	51,000	91,526	61,837	40,746	245,109

Note :

- (1) Rights issue expenses of approximately S\$18,000 incurred in relation to the Company's renounceable non-underwritten rights issue [see para 1d(ii)] directly deducted against the 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.

There were no changes in the Company's issued share capital since the end of the previous period reported on.

There were no outstanding share options 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.

On 12 December 2008, the Company announced its proposal to undertake a renounceable non-underwritten rights issue of up to 29,333,334 new ordinary shares in the capital of the Company ("Rights Shares") at an issue price of S\$1.00 each, with up to 58,666,668 free detachable warrants ("Warrants"), each carrying the right to subscribe for 1 new ordinary share in the capital of the Company ("New Share") at an exercise price of S\$1.00 and as adjusted for any share consolidation or sub-division for each New Share, on the basis of 1 Rights Share for every 3 existing ordinary shares in the capital of the Company. There will be 2 Warrants with every Rights Share subscribed. In respect of the 2 Warrants, 1 Warrant will carry the right to subscribe for 1 New Share at the exercise price of S\$1.00 during the period commencing on and including the date of issue and expiring on the date immediately preceding the first anniversary of the date of issue of the Warrants, and the other Warrant will carry the right to subscribe for 1 New Share at the exercise price of S\$1.00 during the period commencing on and including the date of issue and expiring on the date immediately preceding the third anniversary of the date of issue of the Warrants.

The resolution on the approval for Rights cum Warrants issue was passed at the Extraordinary General Meeting held on 2 April 2009 and an Offer Information Statement had been issued on 14 April 2009. The Rights were fully subscribed on 30 April 2009 and allocation is in progress.

1(d)(iii) Total number of issued shares excluding treasury shares as at end of the current financial period reported on and as at the end of the immediately preceding year.

The Company did not have any treasury shares as at end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	31 Mar 2009	31 Dec 2008
Total number of issued shares	<u>88,000,004</u>	<u>88,000,004</u>

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

Not applicable.

1(e) The consolidation of the Company's results with Group's results (in accordance with Financial Reporting Standard 27) is presented in para 1(e) to 1(e)(vi). 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)(vi).

1(e)(i) Income Statement
For the first quarter ended 31 March 2009

	Group		
	3 mths to 31 Mar 2009 S\$'000	3 mths to 31 Mar 2008 S\$'000	Increase / (Decrease) %
Revenue (Note 1)	35,998	30,035	20
Cost of sales (Note 1)	(19,296)	(16,178)	19
Gross profit (Note 1)	16,702	13,857	21
Net gains/(losses) from investments (Note 2)	7,129	(7,156)	nm
Interest income (Note 3)	100	311	(68)
Dividends from quoted equity investments	-	49	(100)
Other operating income	69	400	(83)
Distribution expenses (Note 4)	(6,816)	(4,624)	47
Administrative expenses	(2,852)	(2,521)	13
Other operating expenses (Note 5)	(948)	(1,140)	(17)
Finance costs (Note 6)	(265)	-	nm
Profit/(loss) before income tax	13,119	(824)	nm
Income tax expense (Note 7)	(1,533)	(1,116)	37
Profit/(loss) for the financial period	11,586	(1,940)	nm
Profit/(loss) for the financial period attributable to:			
Owners of the Company	9,957	(3,747)	nm
Minority interest	1,629	1,807	(10)
	11,586	(1,940)	nm

nm : Not meaningful

Expenses include the following:

	Group	
	3 mths to 31 Mar 2009 S\$'000	3 mths to 31 Mar 2008 S\$'000
Depreciation of property, plant and equipment (Note 8)	902	649
Amortisation of intangible assets	71	64
Loss on disposal of property, plant and equipment	42	9
Finance costs (Note 6) :		
- Interest expense on bank loan	134	-
- Amortisation of loan transaction costs	131	-
Currency exchange (gain)/loss - net (Note 9)	(110)	35
(Reversal of) inventory write-down and (reversal of) allowance for impairment of receivables - net	(176)	10

Notes :

See para 8 for Company level discussion of results.

- (1) Revenue of S\$36.00 million for the Group represents turnover from the Company's subsidiaries, Foodstar Group, which produces and sells soy sauce and other condiments. Sales for the period ended 31 March 2009 were up 20% overall as a result of increase in sales from several provinces.

- (2) At the Company level, all its investments are available-for-sale investments and changes in fair value are included in the fair value reserve rather than through profit and loss.

The net gains from investments on the Group basis of S\$7.13 million consisted of:

- the net gains from investments of S\$1.54 million arising at the Company level [as described in para 8(a)], and
 - the net gains from investments of S\$5.59 million arising mainly from the fair value through profit or loss investments held at the Group level. These fair value gains resulted mainly from an increase in the market value of the listed shares in HFCL as well as currency translation gains of other unquoted investments denominated in United States dollar.
- (3) Decrease in interest income was a result of decline in interest rates globally.
- (4) Increase in distribution expenses was attributable to Foodstar Group as a result of aggressive advertising and promotional activities to generate sales and the expansion of its sales team.
- (5) Decrease in other operating expenses was mainly due to lower investment management fees incurred at Company level.
- (6) Finance costs incurred was in relation to the one-year term loan entered into on 30 July 2008.
- (7) Increase in Foodstar Group tax was a result of increase in tax rate by 2% for a certain subsidiary and provision for withholding tax.
- (8) Increase in depreciation was a result of property, plant and equipment acquired by Foodstar Group.
- (9) Currency exchange gain realised primarily on receipt of the divestment proceeds receivable from Sino Automotive Parts Limited in February 2009.

1(e)(ii) Statement of Comprehensive Income
For the first quarter ended 31 March 2009

	Group		
	3 mths to 31 Mar 2009 S\$'000	3 mths to 31 Mar 2008 S\$'000	Increase / (Decrease) %
Profit/(loss) for the financial period	11,586	(1,940)	nm
Other comprehensive income/(expense) :			
Fair value gains/(losses) on available-for-sale investments	5,306	(13,983)	nm
Adjustment to deferred tax liability arising from fair value gains/(losses) for the financial period	(1,611)	3,742	nm
Currency translation differences	5,948	(187)	nm
Other comprehensive income/(expense) for the financial period, net of tax	9,643	(10,428)	nm
Total comprehensive income/(expense) for the financial period	21,229	(12,368)	nm
Total comprehensive income/(expense) attributable to:			
Owners of the Company	17,834	(14,119)	nm
Minority interest	3,395	1,751	94
	21,229	(12,368)	nm

nm : Not meaningful

1(e)(iii) Balance Sheet as at 31 March 2009

	Group	
	31 Mar 2009	31 Dec 2008
	S\$'000	S\$'000
Assets		
Current assets		
Cash and cash equivalents	45,830	45,048
Trade and other receivables (Note 1)	4,637	7,648
Inventories (Note 2)	18,905	17,515
Other current assets (Note 3)	2,148	4,707
Other investment (Note 4)	14,424	12,906
	85,944	87,824
Non-current assets		
Investments		
- Available-for-sale (Note 5)	101,601	96,292
- At fair value through profit or loss (Note 5)	70,757	65,166
	172,358	161,458
Property, plant and equipment (Note 6)	66,580	55,182
Intangible assets	2,325	2,261
Deferred income tax assets	3,002	2,713
	244,265	221,614
Total assets	330,209	309,438
Liabilities		
Current liabilities		
Trade and other payables	23,374	25,904
Bank loan	19,824	19,693
Current income tax liabilities	2,406	2,256
Derivative liability (Note 4)	57	77
	45,661	47,930
Non-current liability		
Deferred income tax liabilities	6,995	5,166
Total liabilities	52,656	53,096
Net assets	277,553	256,342
Equity attributable to owners of the Company		
Share capital	51,000	51,000
Reserves (Note 5)	130,782	122,923
Retained earnings	62,778	52,821
	244,560	226,744
Minority interest	32,993	29,598
Total equity	277,553	256,342

Notes:

- (1) The decrease in trade and other receivables was a result of a refund of deposit for onward payment to the Land Bureau for land-use rights in Shanghai by Foodstar Group.
- (2) Inventories increase in Foodstar Group was mainly due to an increase in production capacity to cater for the higher forecast sales.
- (3) Other current assets decreased on receipt of the divestment proceeds receivable from Sino Automotive Parts Limited in February 2009.
- (4) In 2007, the Company granted a covered call option on 15,183,247 ordinary shares out of its 51,108,025 shares in HFCL, in favor of UBS AG Hong Kong 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. These 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 Hong Kong 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 was estimated using a 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 are as follows:

	Derivative asset S\$'000	Derivative liability S\$'000
At 1 January 2009	12,906	(77)
Changes in fair value taken to income statement	1,518	20
At 31 March 2009	14,424	(57)

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

- (5) On 1 January 2008, the Company restructured its holdings in investments at fair value through profit or loss such that these investments are now held via a wholly-owned subsidiary of the Company, Little Rock Group Limited, which is classified as available-for-sale investment.

The increase in fair value of the Group's investments were primarily from the increase in the market value of the listed shares in HFCL as well as as currency translation gains of other unquoted investments denominated in United States dollar. This increase in fair value relating to available-for-sale investments and investments at fair value through profit or loss was recognised in the fair value reserve within equity and income statement respectively.

- (6) Increases due primarily to the construction cost of a new plant in Shanghai by Foodstar Group.

1(e)(iv) Aggregate amount of Group's borrowing and debt securities.**Amount payable in one year or less, or on demand**

As at 31/3/2009	As at 31/3/2009	As at 31/12/2008	As at 31/12/2008
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
19,824	-	19,693	-

Amount payable after one year

As at 31/3/2009	As at 31/3/2009	As at 31/12/2008	As at 31/12/2008
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
-	-	-	-

Details of collateral

The Company's one-year term loan is secured by 35,924,778 shares in HFCL and 13,132,540 shares in Neo-Neon Holdings Limited with a total carrying amount of S\$37,715,000 (2008 : S\$34,215,000) and an assignment of the Company's rights to any proceeds related to HFCL shares from the call option issued to UBS AG Hong Kong.

1(e)(v) Statement of Cash Flows
For the first quarter ended 31 March 2009

	Group	
	3 mths to 31 Mar 2009 S\$'000	3 mths to 31 Mar 2008 S\$'000
Operating activities		
Profit/(loss) for the financial period	11,586	(1,940)
Adjustments for:		
Interest expense on bank loan	134	-
Amortisation of loan transaction costs	131	-
Income tax expense	1,533	1,116
Amortisation and depreciation	973	713
Interest income	(100)	(311)
Dividends/distributions from equity investments	-	(49)
Loss on disposal of property, plant and equipment	42	9
Reversal of inventory write-down and reversal of allowance for impairment of receivables	(202)	-
Write-down of inventory and allowance for impairment of receivables	26	10
Net change in fair value of financial instruments	(7,129)	8,685
Reversal of impairment losses	-	(1,151)
	6,994	7,082
Changes in operating assets and liabilities		
Investments	(1)	2,142
Inventories	(171)	(864)
Trade and other receivables and other current assets	3,396	(987)
Trade and other payables	(3,861)	935
Cash generated from operations	6,357	8,308
Dividends/distributions received from equity investments	-	49
Net interest received	99	361
Performance incentive fees paid	-	(16,782)
Income taxes paid	(1,403)	(8,418)
Cash flow from operating activities (Note 1)	5,053	(16,482)
Investing activities		
Purchase of property, plant and equipment	(3,404)	(2,083)
Prepayments of land-use rights	(2,954)	-
Proceeds from disposal of property, plant and equipment	10	12
Refund for pre-operating expenses	-	109
Cash flow from investing activities	(6,348)	(1,962)
Financing activities		
Interest expense paid	(204)	-
Rights issue expenses paid	(18)	-
Cash flow from financing activities	(222)	-
Net decrease in cash and cash equivalents	(1,517)	(18,444)
Cash and cash equivalents at beginning of financial period	45,048	77,670
Currency translation adjustment	2,299	(91)
Cash and cash equivalents at end of financial period	45,830	59,135

Note :

- (1) On the Group basis, it was a net cash inflow of S\$5.05 million from operating activities. The Foodstar Group generated a net cash inflow of S\$4.00 million and the Company generated a net cash inflow of S\$1.05 million.

1(e)(vi) Statement of Changes in Equity
For the first quarter ended 31 March 2009

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 owners of the Company S\$'000	Minority interest S\$'000	Total S\$'000
At 1 January 2009	51,000	3,408	93,291	26,224	52,821	226,744	29,598	256,342
Total comprehensive income for the financial period	-	4,182	-	3,695	9,957	17,834	3,395	21,229
Rights issue expenses (Note 1)	-	-	(18)	-	-	(18)	-	(18)
At 31 March 2009	51,000	7,590	93,273	29,919	62,778	244,560	32,993	277,553
At 1 January 2008	51,000	204	92,741	49,053	54,811	247,809	23,454	271,263
Total comprehensive expense for the financial period	-	(131)	-	(10,241)	(3,747)	(14,119)	1,751	(12,368)
At 31 March 2008	51,000	73	92,741	38,812	51,064	233,690	25,205	258,895

Note :

- (1) Rights issue expenses of approximately S\$18,000 incurred in relation to the Company's renounceable non-underwritten rights issue [see para 1d(ii)] directly deducted against the capital reserve.

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 a matter).

Not applicable.

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

Except as disclosed in para 5 below, the Company and the Group have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as compared with the audited financial statements for the year ended 31 December 2008.

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.

On 1 January 2009, the Company and the Group adopted the new or revised Financial Reporting Standards ("FRS") and interpretations to FRS ("INT FRS") that are mandatory for application from that date. Changes to the Company's and the Group's accounting policies have been made as required, in accordance with the relevant transitional provisions in the respective FRS and INT FRS.

The following are the FRS that are relevant to the Company and the Group:

- FRS 1 (revised 2008) *Presentation of Financial Statements*
- FRS 23 (revised 2007) *Borrowing Costs*
- Amendments to FRS 101 *First-time Adoption of Financial Reporting Standards* and FRS 27 *Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
- FRS 108 *Operating Segments*
- Improvements to FRSs 2008

The adoption of the above standards did not result in any substantial changes to the Company's or the Group's accounting policies except as discussed below:

FRS 1 (revised 2008) *Presentation of Financial Statements*

FRS 1 (revised 2008) requires an entity to present, in a statement of changes in equity, all owner changes in equity. All non-owner changes in equity (that is comprehensive income) have been presented in two statements (a separate income statement and statement of comprehensive income).

The comparative figures for the prior period have been reclassified to conform with the current period's presentation.

FRS 1 (revised 2008) does not have any impact on the Company's and the Group's financial position or results.

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/(loss) per ordinary share
For the first quarter ended 31 March 2009

	Company	
	3 mths to	3 mths to
	31 Mar	31 Mar
	2009	2008

Earnings/(loss) 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	0.57 cts	(1.40) cts
(b) On a fully diluted basis	0.57 cts	(1.40) cts

	Group	
	3 mths to	3 mths to
	31 Mar	31 Mar
	2009	2008

Earnings/(loss) 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	11.31 cts	(4.26) cts
(b) On a fully diluted basis	11.31 cts	(4.26) cts

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 March 2009

	Company	
	31 Mar	31 Dec
	2009	2008
	S\$	S\$
Net asset value per ordinary share based on issued share capital	2.70	2.58

	Group	
	31 Mar	31 Dec
	2009	2008
	S\$	S\$
Net asset value per ordinary share based on issued share capital	2.75	2.55

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

For the 3 months ended 31 March 2009, the Company reported a net profit after tax of S\$0.50 million compared to a net loss after tax of S\$1.23 million for the 3 months ended 31 March 2008. The net profit after tax for the 3 months ended 31 March 2009 of S\$0.50 million resulted from total investment income of S\$1.54 million offset by operating expenses of S\$0.77 million and finance costs of S\$0.27 million. The components of the investment income for the 3 months ended 31 March 2009 is explained below.

For the 3 months ended 31 March 2008, the Company reported a net loss after tax of S\$1.23 million resulting from investment expense of S\$0.19 million and operating expenses of S\$1.04 million. Investment expense for the 3 months ended 31 March 2008 consisted of net losses from investments of S\$0.38 million, dividend income of S\$0.04 million and interest income of S\$0.15 million.

Investment income review for the 3 months ended 31 March 2009:

Total investment income of S\$1.54 million for the 3 months ended 31 March 2009 resulted primarily from the net change in fair value from the covered call options granted to UBS AG Hong Kong in relation to the shares held in HFCL, that comprised:

- S\$1.52 million gain due to the change in the fair value of the option shares (classified as a derivative instrument); and
- S\$0.02 million gain due to the change in the fair value of the call options.

- (b) The Company's net asset value as at 31 March 2009 increased to S\$237.25 million from S\$227.35 million as of 31 December 2008 as a result of the profit for the period of S\$0.50 million detailed above, a net increase in fair value reserve for available-for-sale investments of S\$9.42 million and rights issue expenses deducted from capital reserve of S\$0.02 million. The increase in fair value reserve resulted mainly from the increase in market value of the listed shares in HFCL and currency translation gains on investments denominated in United States dollar.

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.

Global and regional businesses and market conditions have slowly shown some signs of stability but recovery is still uncertain. The effects will continue to impact the value and performance of the Company's investment portfolio. Divestment opportunities will be challenging and the Company will have to hold its investments until suitable opportunities arise.

The proposed rights issue has been duly approved by the shareholders in an Extraordinary General Meeting held on 2 April 2009. The proceeds will be deployed to reduce debt and pursue investment opportunities.

11. Dividend

(a) Current financial period reported on

Any dividend declared for the current financial period reported on? No

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(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 for the 3 months ended 31 March 2009.

13. Interested person transactions.

There were no transactions between the Group and interested persons during the 3 months ended 31 March 2009.

14. Confirmation pursuant to Rule 705(5) in the Listing Manual of SGX-ST.

The Board has confirmed that to the best of its knowledge, nothing has come to its attention, which may render the unaudited financial results of the Company and the Group for the 3 months ended 31 March 2009 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Tham Shook Han
Company Secretary
8 May 2009