

TRANSPAC INDUSTRIAL HOLDINGS LIMITED
(Registration Number: 199400941K)

***Third Quarter Financial Statement and Dividend Announcement
for the period ended 30 September 2012***

THESE FIGURES HAVE NOT BEEN AUDITED.

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the Group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**1(a)(i) Consolidated Income Statement
For the third quarter ended 30 September 2012**

	Group					
	3 mths to	3 mths to	Increase / (Decrease)	9 mths to	9 mths to	Increase / (Decrease)
	30 Sep	30 Sep		30 Sep	30 Sep	
	2012	2011	%	2012	2011	%
	S\$'000	S\$'000		S\$'000	S\$'000	
Dividends/distributions from unquoted equity investments	-	18,269	(100)	3,284	18,320	(82)
Dividends from quoted equity investments	2	15	(87)	2	15	(87)
Net gain on disposal of investments (Note 1)	9,729	6	nm	9,738	2,467	295
Net change in fair value of financial instruments (Note 2)	1,087	(16,964)	nm	(2,550)	(8,212)	(69)
Impairment losses	(19)	(20,552)	(100)	(10,605)	(20,567)	(48)
Net gains/(losses) from investments	10,799	(19,226)	nm	(131)	(7,977)	(98)
Interest income (Note 3)	1,137	938	21	3,793	2,870	32
Other operating income	-	17	(100)	5	17	(71)
Total investment income/(expense)	11,936	(18,271)	nm	3,667	(5,090)	nm
Operating expenses	(6,599)	133	nm	(7,848)	(3,593)	118
Profit/(loss) before income tax	5,337	(18,138)	nm	(4,181)	(8,683)	(52)
Income tax (expense)/credit (Note 4)	(1,213)	(3)	nm	2,528	(3)	nm
Profit/(loss) for the financial period attributable to owners of the Company	4,124	(18,141)	nm	(1,653)	(8,686)	(81)

nm : Not meaningful

Operating expenses include the following:

	Group					
	3 mths to	3 mths to	Increase / (Decrease)	9 mths to	9 mths to	Increase / (Decrease)
	30 Sep	30 Sep		30 Sep	30 Sep	
	2012	2011	%	2012	2011	%
	S\$'000	S\$'000		S\$'000	S\$'000	
Investment management fees (Note 5)	452	543	(17)	1,382	2,200	(37)
Performance incentive fees (Note 6)	5,988	(1,379)	nm	5,988	-	nm
Audit fees paid/payable to:						
- Auditors of the Company for statutory audit of the Company and the Group	24	40	(40)	104	121	(14)
Non-audit fees paid/payable to:						
- Auditors of the Company	13	3	333	34	34	-
Directors' remuneration	73	81	(10)	219	245	(11)
Currency exchange (gain)/loss - net	(1)	(15)	(93)	(30)	214	nm
Others	50	594	(92)	151	779	(81)
	6,599	(133)	nm	7,848	3,593	118

nm : Not meaningful

Notes:

- (1) During the quarter ended 30 September 2012, the Group divested its entire interests in Foshan Nanhai Zhongnan Aluminium Wheel Co Ltd (“Zhongnan”) and recorded a net gain of S\$9.73 million.
- (2) The favourable change in fair value of financial instruments of S\$1.09 million was mainly due to the increase in the Group’s share in net asset value of other Transpac Funds in which the Group holds interests. The increase in net asset value of these funds was mainly attributed to the divestment of Zhongnan of S\$1.33 million which was offset partially by decrease in fair value of Subtron Technology Corporation Ltd of S\$0.27 million.
- (3) Interest income included accrual of interest of S\$1.08 million on a loan granted to a portfolio company.
- (4) Tax expense of S\$1.21 million represents income tax payable to the tax authorities of the People’s Republic of China in relation to the divestment of Zhongnan.
- (5) Investment management fees are payable semi-annually and computed based on Net Asset Value (“NAV”) of the Company. Decrease in fees as NAV used to compute the fees was lower compared to that of prior year.
- (6) Performance incentive fees are accrued and charged to the income statement when there is an increase in the Company’s NAV over the prior high audited NAV, subject to certain adjustments.

**1(a)(ii) Consolidated Statement of Comprehensive Income
For the third quarter ended 30 September 2012**

	Group					
	3 mths to 30 Sep 2012 S\$'000	3 mths to 30 Sep 2011 S\$'000	Increase / (Decrease) %	9 mths to 30 Sep 2012 S\$'000	9 mths to 30 Sep 2011 S\$'000	Increase / (Decrease) %
Profit/(loss) for the financial period	4,124	(18,141)	nm	(1,653)	(8,686)	(81)
Other comprehensive income:						
Fair value gains on available-for-sale investments (Note 1)	29,209	5,906	395	29,136	2,040	1,328
Income tax expense	-	-	-	-	-	-
Other comprehensive income for the financial period, net of tax	29,209	5,906	395	29,136	2,040	1,328
Total comprehensive income/(deficit) for the financial period attributable to owners of the Company	33,333	(12,235)	nm	27,483	(6,646)	nm

nm : Not meaningful

Note:

- (1) The fair value gain of S\$29.21 million on available-for-sale investments was mainly attributed to:
 - (i) Fair value gain of S\$29.77 million due to the increase in price of quoted OUE shares which the Group held through Fortune Code Limited (“Fortune Code”); and
 - (ii) Fair value gain of S\$0.8 million from Hansen Limited arising from the Group’s share of proceeds from the divestment of the underlying investment held; offset partially by
 - (iii) Reversal of previously accumulated fair value gain of S\$1.26 million from the fair value reserve to income statement upon the divestment of Zhongnan.

1(b)(i) A statement of financial position for the Group and the Company, together with a comparative statement as at the end of the immediately preceding financial year.

Statements of financial position as at 30 September 2012

	Group		Company	
	30 Sep 2012 S\$'000	31 Dec 2011 S\$'000	30 Sep 2012 S\$'000	31 Dec 2011 S\$'000
Assets				
Current assets				
Cash and cash equivalents	93,399	91,296	90,875	88,773
Loan receivable (Note 1)	27,442	23,799	27,442	23,799
Other receivables (Note 2)	29,802	12,922	11,107	11,851
	150,643	128,017	129,424	124,423
Non-current assets				
Investments				
- Available-for-sale (Note 3)	42,752	22,831	65,191	40,708
- At fair value through profit or loss (Note 4)	4,809	17,877	-	-
	47,561	40,708	65,191	40,708
Total assets	198,204	168,725	194,615	165,131
Liabilities				
Current liabilities				
Other payables (Note 5)	18,930	13,256	17,864	12,186
Provisions	554	553	479	477
Current income tax liabilities (Note 6)	315	4,309	315	4,309
Total liabilities	19,799	18,118	18,658	16,972
Net assets	178,405	150,607	175,957	148,159
Equity attributable to owners of the Company				
Share capital (Note 7)	129,506	38,358	129,506	38,358
Retained earnings	15,913	17,566	5,748	16,277
Capital reserve (Note 7)	306	91,139	306	91,139
Fair value reserve for available-for-sale investments (Note 8)	32,680	3,544	40,397	2,385
Total equity	178,405	150,607	175,957	148,159

Notes:

- (1) The loan receivable relates to a follow-on investment in a portfolio company maturing within the next 12 months. The increase of S\$3.64 million was due to the accrual of interest receivable for the period ended 30 September 2012.
- (2) Included in other receivables were (i) S\$12.12 million retained by the Investment Manager for tax and expenses relating to the divestment of Foodstar Group (see Note 5); and (ii) sale proceeds of S\$17.63 million in relation to the divestment of Zhongnan.
- (3) The increase in the Group's available-for-sale investments of S\$19.92 million was mainly attributed to (i) increase in fair value of Fortune Code of S\$26.06 million due to the increase in price of its underlying investment in OUE shares; and offset partially by (ii) impairment of Hansen Limited of S\$6.14 million which was charged to income statement in previous quarter.
- (4) The decrease in investments at fair value through profit or loss of S\$13.07 million was mainly due to the divestment of Zhongnan of S\$10.52 million and decrease in the Group's share in net asset value of other Transpac Funds in which the Group holds interests of S\$2.55 million. The decrease in net asset value in these funds were mainly due to the cash distributions of S\$3.28 million in previous quarter in relation to the representations and warranties previously withheld for the divestment of Foodstar Group in November 2010, which was offset partially by increase in fair value of S\$1.09 million in current quarter mainly due to the divestment of Zhongnan.
- (5) Other payables included provision of S\$12.12 million for tax and expenses relating to the divestment of Foodstar Group. The amount was set aside from the sale proceeds and retained by the Investment Manager (see Note 2(i)). The increase in other payables of S\$5.67 million was mainly due to the provision of performance incentive fee.
- (6) Decrease in current income tax liabilities of S\$3.99 million was mainly due to the write back of income tax provision for prior year.
- (7) In May 2012, the Company completed a bonus issue of 1 Bonus Share for every 3 existing ordinary shares held in the Company (the "Bonus Issue"). 58,576,949 Bonus Shares were allotted and issued and an amount of S\$90.79 million was capitalized from the capital reserve account of the Company and applied towards payment in full for the Bonus Shares.
- (8) Increase in fair value reserve for available-for-sale investments of S\$29.14 million was largely due to the increase in fair value of Fortune Code as explained in Note 3(i) above.

1(b)(ii) Aggregate amount of Group's borrowing and debt securities.

Amount payable in one year or less, or on demand

As at 30/09/2012	As at 30/09/2012	As at 31/12/2011	As at 31/12/2011
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
-	-	-	-

Amount payable after one year

As at 30/09/2012	As at 30/09/2012	As at 31/12/2011	As at 31/12/2011
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
-	-	-	-

Details of collateral

Not applicable.

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

**Consolidated Statement of Cash Flows
For the third quarter ended 30 September 2012**

	Group			
	3 mths to 30 Sep 2012 S\$'000	3 mths to 30 Sep 2011 S\$'000	9 mths to 30 Sep 2012 S\$'000	9 mths to 30 Sep 2011 S\$'000
Operating activities				
Profit/(loss) for the financial period	4,124	(18,141)	(1,653)	(8,686)
Adjustments for:				
Income tax expense/(credit)	1,213	3	(2,528)	3
Interest income	(1,137)	(938)	(3,793)	(2,870)
Dividends/distributions from equity investments	(2)	(18,284)	(3,286)	(18,335)
Performance incentive fees	5,988	(1,379)	5,988	-
Net change in fair value of financial instruments	(1,087)	16,964	2,550	8,212
Impairment losses of available-for-sale investments	19	20,552	10,605	20,567
	9,118	(1,223)	7,883	(1,109)
Changes in operating assets and liabilities				
Investments	9,128	50	9,128	32,257
Other receivables	(17,567)	2,886	(17,587)	105
Other payables	566	1,187	394	695
Cash generated from/(used in) operations	1,245	2,900	(182)	31,948
Dividends/distributions received from equity investments	2	18,335	3,286	18,335
Net interest received	56	38	150	386
Performance incentive fees paid	-	-	(647)	(6,338)
Performance incentive fee refunded	-	-	647	2,580
Income taxes paid	(1,213)	(3)	(1,466)	(6)
Cash flow from operating activities	90	21,270	1,788	46,905
Financing activities				
Proceeds from warrants exercised	-	6	354	241
Bonus issue expenses	(2)	-	(39)	-
Capital reduction	-	-	-	(99,876)
Cash flow from financing activities	(2)	6	315	(99,635)
Net increase/(decrease) in cash and cash equivalents	88	21,276	2,103	(52,730)
Cash and cash equivalents at beginning of financial period	93,311	65,948	91,296	139,954
Cash and cash equivalents at end of financial period	93,399	87,224	93,399	87,224

1(d)(i) A statement for the Group and 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.

**Statements of Changes in Equity
For the third quarter ended 30 September 2012**

	For the 3 months ended 30 September					For the 9 months ended 30 September				
	Share capital S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000	Share capital S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Group										
2012										
At beginning of financial period	129,506	308	3,471	11,789	145,074	38,358	91,139	3,544	17,566	150,607
Total comprehensive income/(deficit) for the financial period										
Profit/(loss) for the financial period	-	-	-	4,124	4,124	-	-	-	(1,653)	(1,653)
<u>Other comprehensive income</u>										
Fair value gains on available-for-sale investments	-	-	29,209	-	29,209	-	-	29,136	-	29,136
Income tax expense	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income, net of tax	-	-	29,209	-	29,209	-	-	29,136	-	29,136
Total comprehensive income/(deficit) for the financial period	-	-	29,209	4,124	33,333	-	-	29,136	(1,653)	27,483
Transactions with owners, recorded directly in equity										
<i>Contributions by owners of the Company</i>										
Proceeds from warrants exercised	-	-	-	-	-	354	-	-	-	354
Issue of bonus shares	-	-	-	-	-	90,794	(90,794)	-	-	-
Bonus issue expenses (Note 1)	-	(2)	-	-	(2)	-	(39)	-	-	(39)
Total contributions by owners of the Company	-	(2)	-	-	(2)	91,148	(90,833)	-	-	315
At end of financial period	129,506	306	32,680	15,913	178,405	129,506	306	32,680	15,913	178,405
2011										
At beginning of financial period	38,345	91,139	(2,993)	47,481	173,972	137,986	91,139	873	38,026	268,024
Total comprehensive income/(deficit) for the financial period										
Loss for the financial period	-	-	-	(18,141)	(18,141)	-	-	-	(8,686)	(8,686)
<u>Other comprehensive income</u>										
Fair value gains on available-for-sale investments	-	-	5,906	-	5,906	-	-	2,040	-	2,040
Income tax expense	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income, net of tax	-	-	5,906	-	5,906	-	-	2,040	-	2,040
Total comprehensive income/(deficit) for the financial period	-	-	5,906	(18,141)	(12,235)	-	-	2,040	(8,686)	(6,646)
Transactions with owners, recorded directly in equity										
<i>Contributions by and distributions to owners of the Company</i>										
Proceeds from warrants exercised	6	-	-	-	6	241	-	-	-	241
Capital reduction	-	-	-	-	-	(99,876)	-	-	-	(99,876)
Total contributions by and distributions to owners of the Company	6	-	-	-	6	(99,635)	-	-	-	(99,635)
At end of financial period	38,351	91,139	2,913	29,340	161,743	38,351	91,139	2,913	29,340	161,743

Note:

(1) Bonus issue expenses incurred in relation to the Bonus Issue [see para 1(d)(ii)] were deducted against the capital reserve.

Transpac Industrial Holdings Limited

Company	For the 3 months ended 30 September					For the 9 months ended 30 September				
	Share capital S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000	Share capital S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000
2012										
At beginning of financial period	129,506	308	1,587	11,224	142,625	38,358	91,139	2,385	16,277	148,159
Total comprehensive income/(deficit) for the financial period										
Loss for the financial period	-	-	-	(5,476)	(5,476)	-	-	-	(10,529)	(10,529)
<u>Other comprehensive income/(deficit)</u>										
Fair value gains on available-for-sale investments	-	-	38,810	-	38,810	-	-	38,012	-	38,012
Income tax expense	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income, net of tax	-	-	38,810	-	38,810	-	-	38,012	-	38,012
Total comprehensive income/(deficit) for the financial period	-	-	38,810	(5,476)	33,334	-	-	38,012	(10,529)	27,483
Transactions with owners, recorded directly in equity										
<i>Contributions by owners of the Company</i>										
Proceeds from warrants exercised	-	-	-	-	-	354	-	-	-	354
Issue of bonus shares	-	-	-	-	-	90,794	(90,794)	-	-	-
Bonus issue expenses (Note 1)	-	(2)	-	-	(2)	-	(39)	-	-	(39)
Total contributions by owners of the Company	-	(2)	-	-	(2)	91,148	(90,833)	-	-	315
At end of financial period	129,506	306	40,397	5,748	175,957	129,506	306	40,397	5,748	175,957
2011										
At beginning of financial period	38,345	91,139	8,011	33,942	171,437	137,986	91,139	3,611	32,870	265,606
Total comprehensive income for the financial period										
Loss for the financial period	-	-	-	(14,790)	(14,790)	-	-	-	(13,718)	(13,718)
<u>Other comprehensive (deficit)/income</u>										
Fair value (losses)/gains on available-for-sale investments	-	-	(4,220)	-	(4,220)	-	-	180	-	180
Income tax expense	-	-	-	-	-	-	-	-	-	-
Total other comprehensive (deficit)/income, net of tax	-	-	(4,220)	-	(4,220)	-	-	180	-	180
Total comprehensive (deficit)/income for the financial period	-	-	(4,220)	(14,790)	(19,010)	-	-	180	(13,718)	(13,538)
Transactions with owners, recorded directly in equity										
<i>Contributions by and distributions to owners of the Company</i>										
Proceeds from warrants exercised	6	-	-	-	6	241	-	-	-	241
Capital reduction	-	-	-	-	-	(99,876)	-	-	-	(99,876)
Total contributions by and distributions to owners of the Company	6	-	-	-	6	(99,635)	-	-	-	(99,635)
At end of financial period	38,351	91,139	3,791	19,152	152,433	38,351	91,139	3,791	19,152	152,433

Note:

(1) Bonus issue expenses incurred in relation to the Bonus Issue [see para 1(d)(ii)] were 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 well as the number of shares held as treasury shares, if any, 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.

(a) Changes in the Company’s share capital

	Number of shares	S\$'000
Ordinary shares issued and paid-up		
At 1 January 2012	175,239,614	38,358
Issue of new shares		
- Exercise of warrants in the first quarter ended 31 March 12	5,000	4
- Exercise of warrants in the second quarter ended 30 June 12	492,543	350
- Issue of bonus shares in the second quarter ended 30 June 12	58,576,949	90,794
At 30 September 2012	<u>234,314,106</u>	<u>129,506</u>

On 22 February 2012, the Company announced its proposed bonus issue (“Bonus Issue”) on the basis of one bonus share for every three existing ordinary shares held by shareholders of the Company as at a books closure date to be determined by the Directors. Resolution on the Bonus Issue was passed at the annual general meeting of the Company held on 26 April 2012.

On 28 May 2012, 58,576,949 bonus shares were allotted and issued pursuant to the Bonus Issue. The Bonus Issue was effected by capitalising S\$90.79 million from the capital reserve account of the Company (based on an issue price of S\$1.55 per bonus share) and applying the same towards payment in full for the bonus shares.

On 8 August 2012, the Company announced its proposed return of surplus capital of the Company to shareholders through a capital reduction exercise (“Capital Reduction”). The amount of cash distribution to be returned to shareholders pursuant to the Capital Reduction is S\$0.35 per share as at a books closure date to be determined by the Directors. Resolution on the Capital Reduction was passed at the extraordinary general meeting of the Company held on 4 October 2012.

(b) Number of shares that may be issued on conversion of all the outstanding convertibles

Number of warrants outstanding
Expired 11 May 2012

At 1 January 2012	556,982
Exercise of warrants	(497,543)
Warrants expired	<u>(59,439)</u>
At 30 September 2012	<u>-</u>
At 1 January 2011	810,221
Exercise of warrants	<u>(243,906)</u>
At 30 September 2011	<u>566,315</u>

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

	30 Sep 2012	31 Dec 2011
Total number of issued shares	<u>234,314,106</u>	<u>175,239,614</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.

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.

The Group had consistently applied the 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 2011.

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 third quarter ended 30 September 2012

	Group			
	3 mths to 30 Sep 2012	3 mths to 30 Sep 2011	9 mths to 30 Sep 2012	9 mths to 30 Sep 2011
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	1.76 cts	(10.35) cts	(0.81) cts	(4.96) cts
(b) On a fully diluted basis	1.76 cts	(10.35) cts	(0.81) cts	(4.96) cts

	Group			
	3 mths to 30 Sep 2012	3 mths to 30 Sep 2011	9 mths to 30 Sep 2012	9 mths to 30 Sep 2011
Earnings/(loss) per ordinary share has been computed on the following weighted average number of shares:				
(a) Basic	234,314,106	175,227,531	204,803,343	175,120,235
(b) Diluted	234,314,106	175,227,531	204,959,154	175,120,235

7. **Net asset value for the Group and the Company per ordinary share based on total number of issued shares excluding treasury shares of the issuer at the end of the:-**

- (a) **current financial period reported on; and**
 (b) **immediately preceding financial year.**

	Group		Company	
	30 Sep 2012 S\$	31 Dec 2011 S\$	30 Sep 2012 S\$	31 Dec 2011 S\$
Net asset value per ordinary share based on issued share capital	0.76	0.86	0.75	0.85

Net asset value per ordinary share has been computed based on the number of shares in issue as at 30 September 2012 of 234,314,106 (31 December 2011: 175,239,614).

8. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:**

- (a) **any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

The Group's income is primarily derived from the realization and/or revaluation of its investments.

3Q 2012

For the three months ended 30 September 2012, the Group reported a total comprehensive income of S\$33.33 million. This was mainly attributed to the increase in fair value of Fortune Code of S\$29.77 million as the share price of its underlying investment in OUE shares increased. In addition, a fair value gain of S\$0.8 million from Hansen Limited was recorded representing the Group's share of sale proceeds from the divestment of its underlying investment.

The Group also sold off its entire interests in Zhongnan which contributed net gain of S\$8.59 million¹ to total comprehensive income.

Interest income of S\$1.14 million was mainly from loan granted to a portfolio company.

Operating expenses of S\$6.6 million comprised of mainly performance incentive fees of S\$5.99 million and management fees of S\$0.45 million payable to the Investment Manager.

3Q 2011

The Group recorded total comprehensive deficit of S\$12.24 million for the three months ended 30 September 2011 due mainly to the impairment of certain portfolio investments of S\$20.55 million which was offset partially by a corresponding reversal of previously accumulated fair value losses of S\$5.52 million from the fair value reserve to income statement. On the other hand, the Group received cash distributions of S\$18.27 million from other Transpac Funds in relation to the divestment of Watchdata Technologies Ltd ("Watchdata"). This was offset partially by decrease in fair value of financial instruments of S\$16.96 million mainly due to the reversal of fair value of Watchdata held through the funds upon receipt of the distributions.

¹ The net gain of S\$8.59 million comprised of S\$9.73 million from the Group's direct interest held in Zhongnan and S\$1.33 million from indirect interests held through other Transpac Funds (See Notes 1 and 2 on page 2), which was offset partially by tax expense of S\$1.21 million related to the sale of Zhongnan and reversal of fair value gain of S\$1.26 million from the fair value reserve to income statement.

Net Asset Value

The Group's NAV as at 30 September 2012 was S\$178.41 million, representing a NAV of S\$0.76 per share based on 234,314,106 shares which included 58,576,949 Bonus Shares allotted and issued pursuant to the Bonus Issue completed in May 2012. The NAV as at 31 December 2011 was S\$150.61 million or S\$0.86 per share based on 175,239,614 shares. The increase in NAV of S\$27.8 million was largely attributed to the increase in fair value of Fortune Code of S\$26.06 million which was offset partially by impairment of Hansen Limited of S\$6.14 million. In addition, the divestment of Zhongnan contributed S\$8.59 million to the total comprehensive income.

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 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 Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

The proposed capital reduction exercise to return surplus capital of the Company of approximately S\$82 million to shareholders was duly approved at an extraordinary general meeting held on 4 October 2012. The board and the senior management of the Investment Manager have been in discussion about the long term strategy of the Company. In the meantime, the Investment Manager will continue its effort to realize the potential of the remaining portfolio companies and also pursue suitable investments for the Company.

The performance for primarily export-based Asian companies continues to be weighed down by weak demand from the Americas and Europe. As such, the investment outlook remains challenging, and the Investment Manager will accordingly increase efforts to identify potential investee companies with experienced management teams that can weather the difficult economic conditions.

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/recommendeded, a statement to that effect.

No dividend has been declared for the third quarter ended 30 September 2012.

13. Interested person transactions.

The Group does not have a shareholders' mandate for interested person transactions. The following transactions took place between the Group and interested persons during the third quarter ended 30 September 2012:

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 in the listing manual of SGX-ST)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 in the listing manual of SGX-ST (excluding transactions less than S\$100,000)
Transpac Capital Pte Ltd, the Investment Manager of the Company - Investment management fees and performance incentive (net of any refund) ¹	S\$'000 6,440	S\$'000 -

¹ The fees are for services rendered by the Investment Manager pursuant to the Management Agreement dated 12 March 1994 (as renewed and amended pursuant to the terms thereof) entered into by the Company. The Management Agreement was disclosed in the Company's prospectus dated 12 March 1994.

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 Group for the third quarter ended 30 September 2012 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Tham Shook Han
Company Secretary
1 November 2012