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Name of Announcer *	THAKRAL CORPORATION LTD
Company Registration No.	199306606E
Announcement submitted on behalf of	THAKRAL CORPORATION LTD
Announcement is submitted with respect to *	THAKRAL CORPORATION LTD
Announcement is submitted by *	Anil Daryanani
Designation *	Group Financial Controller
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[>> ANNOUNCEMENT DETAILS](#)*The details of the announcement start here ...*

For the Financial Period Ended *	30-06-2009
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Attachments

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Half Year and Second Quarter Financial Statements Announcement

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the group) for the six months and second quarter ended 30 June 2009 together with comparative statements for the corresponding period of the immediately preceding financial year

These figures have not been audited.

INCOME STATEMENT

	Note	Group			Group		
		S\$000		%	S\$000		%
		Six months ended			Three months ended		
		30 Jun 2009	30 Jun 2008	Increase / (Decrease)	30 Jun 2009	30 Jun 2008	Increase / (Decrease)
Revenue	1	212,216	175,508	21	114,318	89,567	28
Cost of sales		(201,984)	(168,092)	20	(108,301)	(85,492)	27
Gross profit	1	10,232	7,416	38	6,017	4,075	48
Other operating income	2	1,430	672	113	381	184	107
Distribution costs	3	(1,876)	(1,873)	0	(1,004)	(860)	17
Administrative expenses	4	(7,516)	(7,977)	(6)	(3,822)	(4,303)	(11)
Other operating expenses	5	(261)	(424)	(38)	(129)	(213)	(39)
Profit (loss) from operations		2,009	(2,186)	NM	1,443	(1,117)	NM
Finance income	6	636	920	(31)	339	345	(2)
Finance costs	6	(34)	(101)	(66)	(13)	(48)	(73)
Foreign exchange gain	7	1,043	1,455	(28)	905	1,402	(35)
Profit before income tax, share of results of associates		3,654	88	NM	2,674	582	359
Profit (loss) from associates		1,253	(153)	NM	1,253	(112)	NM
Profit (loss) before income tax		4,907	(65)	NM	3,927	470	736
Income tax expense	8	(686)	(69)	894	(466)	(34)	NM
Profit (loss) from continuing operations		4,221	(134)	NM	3,461	436	NM
Profit (loss) from discontinued operations	9	57	(6,497)	NM	(2)	(6,516)	(100)
Profit (loss) for the period / quarter		4,278	(6,631)	NM	3,459	(6,080)	NM
<u>Profit (loss) attributable to</u>							
Owners of the parent		4,218	(6,273)	NM	3,426	(5,738)	NM
Minority interests		60	(358)	NM	33	(342)	NM
		4,278	(6,631)	NM	3,459	(6,080)	NM

During the financial period for the first quarter ended 31 March 2009, the Group had discontinued the operations of the EMS division. Accordingly, certain re-classification have been made to corresponding figures for the six months and second quarter ended 30 June 2008 to enhance comparability with those of the current period.

NM – Not meaningful

STATEMENT OF COMPREHENSIVE INCOME

	S\$'000		%	S\$'000		%	
	Six months ended			Three months ended			
	30 Jun 2009	30 Jun 2008		30 Jun 2009	30 Jun 2008		
Profit (loss) for the period / quarter	4,278	(6,631)	NM	3,459	(6,080)	NM	
Other comprehensive income							
Exchange differences on translating foreign operations	10	(335)	(5,908)	(94)	(7,013)	(2,745)	(155)
Gains included in profit or loss on disposal of properties		(112)	-	N/A	(112)	-	N/A
Available-for-sale investments	11	1,067	(35,327)	NM	11,773	(10,030)	NM
Other comprehensive income for the period / quarter, net of tax		620	(41,235)	NM	4,648	(12,775)	NM
Total comprehensive income for the period / quarter		4,898	(47,866)	NM	8,107	(18,855)	NM
<u>Total comprehensive income attributable to Owners of the parent</u>		4,823	(47,533)	NM	8,272	(18,516)	NM
Minority interests		75	(333)	NM	(165)	(339)	(51)
		4,898	(47,866)	NM	8,107	(18,855)	NM

Notes to the Income statement and statement of Comprehensive IncomeNote 1:

Turnover improved in view of the higher level of sales activity for consumer electronics in China in the half-year despite the declines seen in the Group's other businesses. Gross profit margin for the period improved to about 4.8% from about 4.2% in the previous corresponding quarter primarily due to an improvement in margins in the consumer electronics business in China.

Note 2:

Other operating income of continuing operations comprises:

	S\$'000		%	S\$'000		%
	Six months ended			Three months ended		
	30 Jun 2009	30 Jun 2008		30 Jun 2009	30 Jun 2008	
VAT subsidy	65	-	NM	32	-	NM
Gain on disposal of investment properties	187	207	(10)	187	-	NM
Gain on disposal of investment in an associate	-	53	NM	-	-	NM
Damages and interest received from a legal claim	853	-	NM	-	-	-
Commission income	271	298	(9)	140	127	10
Miscellaneous	54	114	(53)	22	57	(61)
Total	1,430	672	113	381	184	107

- (i) Damages and interest income received were recognized on the conclusion of a legal case brought against an insurer for a marine cargo insurance claim. The defendant had decided not to pursue further appeals.
- (ii) Commission income declined in line with the level of the relevant transactions.

THAKRAL CORPORATION LTD AND SUBSIDIARIES

Note 3:

Distribution costs of continuing operations comprise:

	S\$'000		% Increase / (Decrease)	S\$'000		% Increase / (Decrease)
	Six months ended			Three months ended		
	30 Jun 2009	30 Jun 2008		30 Jun 2009	30 Jun 2008	
Staff costs	(924)	(840)	10	(502)	(403)	25
Advertising & promotion	(75)	(125)	(40)	(45)	(49)	(8)
Transportation	(397)	(314)	26	(215)	(140)	54
Travelling expenses	(196)	(179)	9	(111)	(101)	10
Others	(284)	(415)	(32)	(131)	(167)	(22)
Total	(1,876)	(1,873)	0	(1,004)	(860)	17

- (i) Staff costs increased primarily due to the accrual of sales incentive under a scheme introduced during the latest quarter.
- (ii) Advertising charges declined due to lower advertising activity.
- (iii) Transportation expenses increased in view of the higher level of sales activity in China.
- (iv) The decline in other distribution expenses is due to steps taken for general cost reduction.

Note 4:

Administration expenses of continuing operations comprise:

	S\$'000		% Increase / (Decrease)	S\$'000		% Increase / (Decrease)
	Six months ended			Three months ended		
	30 Jun 2009	30 Jun 2008		30 Jun 2009	30 Jun 2008	
Staff costs (including executive directors)	(3,868)	(3,812)	1	(2,050)	(1,874)	9
Directors' fees	(183)	(317)	(42)	(95)	(150)	(37)
Professional fees	(1,241)	(602)	106	(642)	(370)	74
Rent & rates	(810)	(834)	(3)	(406)	(418)	(3)
Travelling expenses	(92)	(202)	(54)	(48)	(107)	(55)
Insurance	(192)	(144)	33	(90)	(69)	30
Net reversal of allowance / (allowance) for doubtful debts	75	(170)	NM	55	(170)	NM
Impairment in value of investment properties	(319)	-	NM	(319)	-	NM
Reversal of impairment charges and provision for planned closure	232	-	NM	232	-	NM
Others	(1,118)	(1,896)	(41)	(459)	(1,145)	(60)
Total	(7,516)	(7,977)	(6)	(3,822)	(4,303)	(11)

- (i) Directors' fees declined due to the lower number of directors as well as a reduction in fees taken by existing directors.
- (ii) Professional fees for the period increased in relation to the ongoing business restructuring exercise.
- (iii) Travelling expenses declined due to cost cuts and reduced travelling by management and executive directors.
- (iv) Insurance expense in 2008 included reversals of certain premium overprovision. In addition, the Company paid a higher premium on the renewal and enhancement of a policy in the current period.
- (v) A provision for impairment in the value of the Group's plot of land in Beijing was made in view of the Group's inability to exercise control over the possession of the land.
- (vi) Impairment charges and provisions for planned closure in excess of estimates in connection with the unit at Chengdu were reversed during the period.
- (vii) The decline in other administration expenses is due to steps taken for general cost reduction as well as reduced foreign withholding tax arising on lower dividend income in the current period.

Note 5:

Other operating expenses comprised depreciation charges for the periods. These declined due to the impairment charges taken over fixtures, fittings and computer equipment in the previous financial year.

THAKRAL CORPORATION LTD AND SUBSIDIARIES

Note 6:

Finance income declined substantially from the previous corresponding period mainly due to the lower interest rates received on the Group's fixed deposits.

Finance costs were lower compared to the previous corresponding period as a result of the repayment of certain long term loans and overdrafts.

Note 7:

Foreign exchange gains mainly arose from translation of monetary assets and liabilities, denominated in foreign currencies, outstanding as at the end of the period.

Note 8:

Group income tax for the current period arose mainly from the taxable profits at the Group's distribution unit in Shanghai.

Note 9:

In line with the Group's previously announced intention to cease operations at the Group's Electronics Manufacturing Services ("EMS"), the EMS division discontinued operations in the first quarter of the current year. The results for the EMS division for the current period and the corresponding period ended 30 June 2008 are now classified as Discontinued Operations.

	S\$000		% Increase / (Decrease)	S\$000		% Increase / (Decrease)
	Six months ended			Three months ended		
	30 Jun 2009	30 Jun 2008		30 Jun 2009	30 Jun 2008	
<u>Electronic Manufacturing Services ("EMS")</u>						
Revenue	141	4,726	(97)	27	1,811	(99)
Cost of sales	(83)	(4,686)	(98)	(30)	(1,957)	(98)
Gross profit	58	40	45	(3)	(146)	NM
Distribution costs	-	(104)	NM	-	(56)	(100)
Administration expenses	-	(939)	NM	-	(542)	(100)
Impairment charges and provisions for planned closure	-	(6,132)	NM	-	(6,132)	NM
Depreciation	-	(830)	NM	-	(414)	(100)
Finance income	-	9	NM	-	7	(100)
Foreign exchange (loss) gain	(1)	(34)	NM	1	(41)	(102)
Profit (loss) after tax	57	(7,990)	NM	(2)	(7,324)	NM
<u>Home Entertainment business</u>						
Revenue	-	165	NM	-	-	NM
Cost of sales	-	(104)	NM	-	-	NM
Gross profit	-	61	NM	-	-	NM
Administrative expenses	-	(47)	NM	-	-	NM
Reversal of impairment charges and provisions	-	1,467	NM	-	808	NM
Foreign exchange gain	-	12	NM	-	-	NM
Profit after tax	-	1,493	NM	-	808	NM
Profit after tax from discontinued operations	57	(6,497)	101	(2)	(6,516)	100

Note 10:

These unrealized differences arise due to fluctuations in exchange rates of the foreign currencies in which the net assets of the Group's overseas operations are denominated.

Note 11:

The change in the value of available for sale investments is due to fluctuations in the market value of the Group's listed investments in India and Australia.

NM – Not meaningful

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

STATEMENT OF FINANCIAL POSITION

	Note	Group (S\$ '000) as at		Company (S\$ '000) as at	
		30 Jun 2009	31 Dec 2008	30 Jun 2009	31 Dec 2008
ASSETS					
Current assets					
Inventories	1	26,589	17,247	-	-
Trade receivables	2	35,233	38,130	-	-
Other receivables and prepayments	3	7,543	4,871	180	49
Cash and bank balances	4	123,525	119,084	76,400	72,019
Total current assets		192,890	179,332	76,580	72,068
Non-current assets					
Property, plant and equipment		5,529	5,510	9	13
Investment properties		11,311	13,174	-	-
Investments in subsidiaries		-	-	109,527	110,393
Investment in an associate	5	-	1,168	-	1,168
Available-for-sale investments	6	30,482	29,384	24,406	21,473
Total non-current assets		47,322	49,236	133,942	133,047
Total assets		240,212	228,568	210,522	205,115
LIABILITIES AND EQUITY					
Current liabilities					
Trade payables		7,521	2,610	-	-
Bills payables	7	3,431	-	-	-
Bank overdrafts		-	815	-	-
Other payables		10,511	10,751	273	678
Provisions		2,662	3,705	-	-
Income tax payable		1,306	720	408	408
Total current liabilities		25,431	18,601	681	1,086
Non-current liabilities					
Deferred tax liability		135	219	-	-
Total liabilities		25,566	18,820	681	1,086
Capital and reserves and minority interests					
Issued capital		203,134	203,134	203,134	203,134
Accumulated losses		(5,825)	(10,043)	(16,475)	(19,354)
Other components of equity		13,336	12,731	23,182	20,249
		210,645	205,822	209,841	204,029
Minority interests		4,001	3,926	-	-
Total equity		214,646	209,748	209,841	204,029
Total liabilities and equity		240,212	228,568	210,522	205,115

THAKRAL CORPORATION LTD AND SUBSIDIARIES

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

Amount repayable in one year or less, or on demand

As at 30 June 2009		As at 31 December 2008	
Secured	Unsecured	Secured	Unsecured
S\$ 3,431,000	NIL	S\$ 815,000	NIL

Amount repayable after one year

As at 30 June 2009		As at 31 December 2008	
Secured	Unsecured	Secured	Unsecured
NIL	NIL	NIL	NIL

Details of any collateral

Pledged bank deposits of S\$1.3 million

Group's contingent liabilities

	As at 30 June 2009	As at 31 December 2008
Potential property tax	S\$ 650,000	S\$ 648,000

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

	Note	(S\$ '000)		(S\$ '000)	
		Six months ended		Three months ended	
		30 Jun 2009	30 Jun 2008	30 Jun 2009	30 Jun 2008
Cash flows from operating activities					
Profit (loss) before income tax		4,964	(6,562)	3,925	(6,046)
Adjustments for:					
Share of (profit) loss from associates		(1,253)	153	(1,253)	112
Depreciation expense		261	1,254	129	627
Dividend income from quoted equity shares		(567)	(1,583)	(369)	(1,583)
Interest expense		34	101	13	48
Interest income		(636)	(929)	(339)	(352)
Gain on disposal of property, plant and equipment		(1)	(15)	(6)	(10)
Gain on disposal of investment properties		(187)	(207)	(187)	-
Gain on disposal of investment in an associate		-	(53)	-	-
Share based payment expense		-	8	-	-
Net foreign exchange gain		(1,042)	(1,433)	(906)	(1,361)
Impairment charges and provisions for planned closure		-	6,132	-	6,132
Impairment charges for investment properties		319	-	319	-
Allowance for inventories		26	103	26	123
Reversal of allowance for doubtful trade receivables		(204)	(233)	(204)	(95)
Reversal of allowance for doubtful other receivables		(20)	(122)	-	(66)
Operating cash flows before movements in working capital		1,694	(3,386)	1,148	(2,471)
Trade receivables		3,101	4,716	(2,210)	2,920
Other receivables and prepayments		(2,565)	(1,761)	(548)	666
Inventories		(9,368)	(840)	(1,908)	466
Trade payables		4,911	236	2,727	(1,205)
Other payables and provisions		(1,283)	(1,268)	(525)	1,124
Cash (used in) from operations		(3,510)	(2,303)	(1,316)	1,500
Dividends received		562	1,074	362	593
Income tax paid		(155)	(135)	(144)	(2)
Interest paid		(34)	(96)	(13)	(44)
Interest received		526	1,053	250	427
Net cash (used in) from operating activities		(2,611)	(407)	(861)	2,474
Cash flows from investing activities					
Additions to property, plant and equipment		(350)	(184)	(232)	(85)
Distribution and net recovery of balances from associates		2,421	8	2,421	-
Dividends to minority shareholders		-	(324)	-	-
Proceeds from disposal of investment in an associate		-	80	-	-
Proceeds from disposal of property, plant and equipment		5	67	5	62
Proceeds from disposal of investment properties		1,682	1,103	1,682	-
Net cash from (used in) investing activities		3,758	750	3,876	(23)
Cash flows from financing activities					
Repayment of bank term loans		-	(106)	-	(51)
Increase in fixed deposits with maturities exceeding three months	4	(81,453)	-	(81,453)	-
Increase in pledged bank deposits	4	(1,314)	-	(1,314)	-
Increase in bills payable		3,431	-	3,431	-
Net cash used in financing activities		(79,336)	(106)	(79,336)	(51)
Net effect of exchange rate changes in consolidating subsidiaries					
Net effect of exchange rate changes in the balance of cash held in foreign currencies		440	(1,319)	(1,509)	(200)
Net (decrease) increase in cash and cash equivalents		(77,511)	(2,735)	(81,149)	1,477
Cash and cash equivalents at beginning of the period		118,269	111,260	121,907	107,048
Cash and cash equivalents at end of the period excluding fixed deposits with maturities exceeding 3 months		40,758	108,525	40,758	108,525
Cash and cash equivalents were represented by:-					
Fixed deposits with maturities less than 3 months, cash at bank and hand	4	40,758	111,980	40,758	111,980
Bank overdraft		-	(3,455)	-	(3,455)
		40,758	108,525	40,758	108,525

Notes to the Statement of Financial Position and Statement of Cash Flows

Note 1:

Inventories increased to S\$26.6 million as at 30 June 2009 from S\$17.2 million as at 31 December 2008 due to increased trading activity and purchase for a new line of products.

Note 2:

Trade receivables reduced to S\$35.2 million as at 30 June 2009 from S\$38.1 million as at 31 December 2008 due to ongoing efforts to reduce the debt collection period as well as collections during the period in respect of the entire balance of debt from a related party.

Note 3:

The increase in other receivables during the period was primarily on account of advances to suppliers and rebates receivable from suppliers.

Note 4:

Cash and bank balances are comprised of:

Cash and cash equivalents	S\$40.7 million
Fixed deposits with maturities exceeding three months	S\$81.5 million
Fixed deposits that have been pledged to the bank against the bills payable (see also note 7 below)	S\$1.3 million
Total	S\$123.5 million

Note 5:

Investment in associate reduced to nil upon the recoupment of the Group's investment in the associate at a profit. The interest of the associate in an enterprise engaged in the development and management of an information technology park in India was disposed off during the period. It is expected that the associate would be entering into liquidation proceedings during the current financial year.

Note 6:

The aggregate fair value of the portfolio of investments showed a marginal increase during the period.

Note 7:

Bills payable of S\$3.4 million relate to short-term trade financing for the purchase of goods provided by a bank in the PRC to the Group's distribution unit in Shanghai (see also note 4 above).

THAKRAL CORPORATION LTD AND SUBSIDIARIES

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

STATEMENT OF CHANGES IN EQUITY

Six months ended 30 June 2009

S\$'000

Group

Balance at 1 Jan 2009

Total comprehensive income for the quarter

Balance at 31 Mar 2009

Total comprehensive income for the quarter

Balance at 30 Jun 2009

Total shareholders' equity							Minority interests	Total equity
Issued capital	Asset revaluation reserve	Fair value adjustment reserve	Options reserve	Translation reserve	Retained earnings	Total		
203,134	968	19,490	759	(8,486)	(10,043)	205,822	3,926	209,748
-	53	(10,706)	-	6,412	792	(3,449)	240	(3,209)
203,134	1,021	8,784	759	(2,074)	(9,251)	202,373	4,166	206,539
-	(159)	11,773	-	(6,768)	3,426	8,272	(165)	8,107
203,134	862	20,557	759	(8,842)	(5,825)	210,645	4,001	214,646

Six months ended 30 June 2008

S\$'000

Group

Balance at 1 Jan 2008

Recognition of share-based payments

Dividends paid to minority shareholders

Total comprehensive income for the quarter

Balance at 31 Mar 2008

Total comprehensive income for the quarter

Balance at 30 Jun 2008

Total shareholders' equity							Minority interests	Total equity
Issued capital	Asset revaluation reserve	Fair value adjustment reserve	Options reserve	Translation reserve	Retained earnings	Total		
203,134	112	66,461	751	(13,080)	10,430	267,808	4,422	272,230
-	-	-	8	-	-	8	-	8
-	-	-	-	-	-	-	(324)	(324)
-	(8)	(25,297)	-	(3,177)	(535)	(29,017)	6	(29,011)
203,134	104	41,164	759	(16,257)	9,895	238,799	4,104	242,903
-	(2)	(10,030)	-	(2,746)	(5,738)	(18,516)	(339)	(18,855)
203,134	102	31,134	759	(19,003)	4,157	220,283	3,765	224,048

Six months ended 30 June 2009

S\$'000

Company

Balance as at 1 Jan 2009

Total comprehensive income for the quarter

Balance as at 31 Mar 2009

Total comprehensive income for the quarter

Balance as at 30 Jun 2009

Issued capital	Fair value adjustment reserve	Options reserve	Accumulated losses	Total
203,134	19,490	759	(19,354)	204,029
-	(7,956)	-	4,603	(3,353)
203,134	11,534	759	(14,751)	200,676
-	10,889	-	(1,724)	9,165
203,134	22,423	759	(16,475)	209,841

Six months ended 30 June 2008

S\$'000

Company

Balance as at 1 Jan 2008

Recognition of share-based payments

Total comprehensive income for the quarter

Balance as at 31 Mar 2008

Total comprehensive income for the quarter

Balance as at 30 Jun 2008

Issued capital	Fair value adjustment reserve	Options reserve	Accumulated losses	Total
203,134	48,173	751	(18,044)	234,014
-	-	8	-	8
-	(21,789)	-	(7,132)	(28,921)
203,134	26,384	759	(25,176)	205,101
-	(9,580)	-	1,314	(8,266)
203,134	16,804	759	(23,862)	196,835

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, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Since the beginning of the financial year, a total of 6,025,000 and 3,000,000 share options lapsed and expired respectively during the period under the Thakral Corporation Employees' Share Option Scheme 2001.

The number of shares that may be issued on exercise of all the outstanding options under the 2001 Scheme is as follows:-

	As at 30 Jun 2009	As at 31 Dec 2008
Outstanding options	24,368,000	33,393,000

There was no change in the share capital of the Company during the period.

The Company did not have any treasury shares as at 30 June 2009 and 31 December 2008.

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

The total number of issued shares excluding treasury shares was 2,612,113,668 as at 30 June 2009 and 31 December 2008.

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

Not applicable.

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

These figures have not been audited or reviewed.

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

Not applicable.

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

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those of 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

In 2009, the Group and the Company adopted all the new and revised Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS that are relevant to its operations and effective for annual periods beginning on or after 1 January 2009. The Group was mainly affected by the following new / revised FRS:

FRS 1	-	Presentation of Financial Statements (Revised)
FRS 23	-	Borrowing Costs (Revised)
FRS 108	-	Operating Segments

Except for the basic presentation and structure of the financial statements, the adoption of these new / revised FRS has no material impact on the financial statements of the Group and the Company.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

From continuing and discontinued operations	Six months ended 30 Jun 2009	Six months ended 30 Jun 2008
(i) Basic earnings (loss) per share	0.16 cent	(0.24) cent
(ii) Fully diluted earnings (loss) per share	0.16 cent	(0.24) cent

From continuing operations	Six months ended 30 Jun 2009	Six months ended 30 Jun 2008
(i) Basic earnings (loss) per share	0.16 cent	(0.01) cent
(ii) Fully diluted earnings (loss) per share	0.16 cent	(0.01) cent

From continuing and discontinued operations	Three months ended 30 Jun 2009	Three months ended 30 Jun 2008
(i) Basic earnings (loss) per share	0.13 cent	(0.22) cent
(ii) Fully diluted earnings (loss) per share	0.13 cent	(0.22) cent

From continuing operations	Three months ended 30 Jun 2009	Three months ended 30 Jun 2008
(i) Basic earnings per share	0.13 cent	0.02 cent
(ii) Fully diluted earnings per share	0.13 cent	0.02 cent

Basic earnings and diluted earnings (loss) per share are computed on the profit (loss) for the periods / quarters after taxation and deduction of minority interests divided by 2,612,113,668 being the weighted average number of shares in issue during the six months and quarter ended 30 June 2009 and 30 June 2008. The diluted earnings per share from continuing operations are computed on the profit for the quarter after taxation and deduction of minority interests divided by 2,612,459,397 for the quarter ended 30 June 2008, 345,729 shares being the dilutive effect of potentially exercisable options outstanding as at the date for the quarter.

7. Net asset value (for the issuer and group) per ordinary share based on issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	As at 30 Jun 2009	As at 31 Dec 2008
Group	8.06 cents	7.88 cents
Company	8.03 cents	7.81 cents

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

It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review – Six months ended 30 June 2009

Turnover & Profitability

The Group has been able to maintain the trend of increasing turnover and profitability in the first half of 2009 despite a less than conducive global economic environment. Group turnover increased by 21% to S\$212.2 million for the half-year ended 30 June 2009 as compared to S\$175.5 million achieved in the previous corresponding period. The turnover in the current quarter of 2009 exceeded that of the first quarter by around 17%. The Consumer Electronics Distribution division, and in particular the unit in China, has performed well.

Sales at the Group's property division in Wujiang continued to be weak in view of the ongoing weakness in the commercial property market in China and were 45% below those achieved in the previous corresponding period. However, the rental income for the Group's investment properties in Hong Kong improved during the period.

Group gross profit margin for the half-year improved to 4.82% from 4.23% achieved in the previous corresponding period. This was mainly as a result of better margins derived on products sourced from a supplier with whom business resumed in the previous quarter. This, combined with the higher turnover, resulted in Group gross profit of S\$10.2 million, against S\$7.4 million achieved in the previous corresponding period, an improvement of 38%.

Other income of S\$1.4 million in the current period was substantially higher than the S\$0.7 million achieved in the prior period. Damages and interest income of S\$0.9 million received upon the conclusion of a long-running marine insurance legal case in Hong Kong were recognized as income. Profit was also recognized upon the sale of certain investment properties belonging to the Group.

Foreign exchange gains mainly arose from the translation of monetary assets and liabilities, denominated in foreign currencies, outstanding as at the end of the period.

Upon disposal by the Group's associate of its sole investment in an enterprise engaged in the development and management of an information technology park in India, a gain of S\$1.3 million was recognized in the current period. This compares to a loss of S\$0.2 million in the previous corresponding period.

Group net profit of S\$4.2 million attributable to shareholders was a significant turnaround from the loss of S\$6.3 million incurred in the previous corresponding period. Profitability and scale of operations improved in the current quarter compared to the first quarter. Of the net profit attributable to shareholders of S\$4.2 million earned in the first half yearly period, S\$3.4 million was earned in the current quarter.

Expenses

Cost reduction and control measures during the period have borne fruit with the operating expenses remaining lower than those for the previous corresponding period, despite an increase in operational volume. Distribution expenses for the year to date were level with the previous corresponding period, even after implementing a sales incentive scheme to improve turnover, margins and collections. Aggregate administration expenses reduced compared to the previous corresponding period, although additional professional expenses had been incurred in the current period in connection with the business diversification exercise.

Finance income for the half-year declined to S\$0.6 million from S\$0.9 million earned in the previous corresponding period mainly due to lower interest rates received on bank deposits.

Finance costs for the current period were a third of those incurred in the previous corresponding period, mainly due to the repayment of certain long term loans and overdrafts.

Group income tax for the current period arose mainly from the taxable profits at the Group's consumer electronics distribution unit in Shanghai.

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Working Capital and Cash Flow

Inventories increased to S\$26.6 million as at 30 June 2009 from S\$17.2 million as at 31 December 2008 in line with increased trading activity. Receivables reduced to S\$35.2 million as at 30 June 2009 from S\$38.1 million as at 31 December 2008 due to ongoing efforts to strengthen the credit control and monitoring process for achieving a reduction in the debt collection period. The increase in the other receivables during the half year by S\$2.7 million was mainly due to advances to suppliers and rebates receivable from suppliers.

The net operational cash outflow in the latest period was S\$2.6 million as compared to the net outflow of S\$0.4 million in the previous corresponding period. Inflows from operating profit during the period, higher trade credit and reduction in trade receivables could not offset the increased funding of about S\$11.9 million required to finance the increase in inventories and other receivables arising from the higher level of operational activity. Inflows on account of dividend and interest income were also lower in the current period compared to the previous corresponding period.

Net Asset Value

The fair value of the Group's available-for-sale investments remained depressed due to the weak global equity markets but saw a slight increase to S\$30.5 million as at 30 June 2009 as compared to S\$29.4 million as at 31 December 2008. However, the recovery in value is significant when compared to the value of S\$19.1 million as at 31 March 2009 and is mainly on account of the improved market value of the Group's investment in India. The Group's net asset value improved to 8.1 cents as at 30 June 2009 as compared to 7.9 cents as at 31 December 2008.

Performance Summary

Distribution (previously known as Supply Chain Management)

The Distribution Division was the principal driver behind the increase in the Group's revenue during the current half-year. The Division made up 99% of Group turnover for the current period. Turnover increased by about 22% from the previous corresponding period to S\$211.0 million. Segment profit of S\$3.7 million is a significant turnaround from the loss of S\$2.0 million incurred in the previous corresponding period. Segment profit includes the damages and interest income of S\$0.8 million received in connection with the legal case.

Discontinued operation (EMS)

The Group has announced the conditional sale of equipments at its discontinued EMS division. The sale process is expected to be completed in the last quarter of the year after fulfillment of all contractual obligations.

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

The Group's operational performance in the quarter met management's expectations.

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 PRC Government's stimulus plan has been a success amidst the current global economic contraction, however, the sustainability of this state-led growth and its ability to bolster the domestic economy are key issues for future growth. With China being the Group's key market, the Group would benefit from the stabilization in its principal as well as export markets. The Group will maintain its cautious approach in relation to credit and inventory risks. It will continue to work on improving its mix of brands and products with a view to improving the return on funds utilised, reducing overheads and conserving cash. As the global slowdown seems set to continue for sometime, the Group expects to continue operating under difficult market conditions. Barring any unforeseen circumstances, the Group is cautiously optimistic about the business conditions for the next six months.

The ongoing volatility in the global equity markets may continue to cause fluctuations in the value of the Group's investments in India and Australia and consequently in the Group's net asset value, resulting in reporting impairment in the profit and loss account.

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The Group is working closely with the authorities to present to shareholders the proposal for diversification of the business to include as core business real estate and related infrastructure business in the Pan Asian region. The Group continues to be on the look-out for investment opportunities that meet its investment criteria and in keeping with the strategy for this aspect of the business of the Group. Further announcements will be made as progress is made in due course.

11. Dividend

(a) Current Financial Period Reported On

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

(b) Corresponding Period of the Immediately Preceding Financial Year

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

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

Subsequent to 31 December 2008, the directors do not recommend any payment of dividend.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

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

Primary reporting - business segments

The Group which operates in two geographical segments being People's Republic of China (including Hong Kong) and others (Singapore and Japan) has 4 main core divisional activities as follows:

- Distribution (previously known as Supply chain management, marketing & brand building)
- Electronic manufacturing services (discontinued during the current period)
- Property holding
- Others (those activities which do not fall into the above categories)

S\$'000**Six months ended 30 June 2009**

	Distribution	Electronic Manufacturing Services	Property Holding	Others	Consolidated total
Revenue					
External sales from continuing operations	211,020	-	629	567	212,216
Result					
Segment result from continuing operations	3,681	-	17	(986)	2,712
Unallocated corporate expenses					(703)
Finance income					636
Finance costs					(34)
Foreign exchange gain					1,043
Profit before income tax and share of results of associates					3,654
Share of results of associates					1,253
Profit before income tax					4,907
Income tax expense					(686)
Profit after tax from continuing operations					4,221
Profit from discontinued operations		57			57
Net profit for the period					4,278

Other information					
Capital expenditure:					
Property, plant and equipment	350	-	-	-	350
Depreciation expense of continuing operations	207	-	50	4	261

Assets					
Segment assets	106,103	-	26,651	107,221	239,975
Assets of discontinued operations		237			237
Total assets					240,212
Liabilities					
Segment liabilities	19,958	-	2,343	267	22,568
Liabilities of discontinued operations		1,557			1,557
Income tax payable					1,306
Deferred tax liability					135
Total liabilities					25,566

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S\$'000

Six months ended 30 June 2008

	Distribution	Electronic Manufacturing Services	Property Holding	Others	Consolidated total
Revenue					
External sales from continuing operations	173,177	-	748	1,583	175,508
Result					
Segment result from continuing operations	(2,040)	-	(109)	402	(1,747)
Unallocated corporate expenses					(699)
Gain on disposal of investment properties					207
Gain on disposal of investment in an associate					53
Finance income					920
Finance costs					(101)
Foreign exchange gain					1,455
Profit before income tax and share of results of associates					88
Share of results of associates					(153)
Loss before income tax					(65)
Income tax expense					(69)
Loss after tax from continuing operations					(134)
Profit (loss) from discontinued operations	1,493	(7,990)			(6,497)
Net loss for the quarter					(6,631)

Other information					
Capital expenditure:					
Property, plant and equipment	177	7	-	-	184
Depreciation expense of continuing operations	332	-	83	9	424

Assets					
Segment assets	97,893	-	26,814	114,876	239,583
Assets of discontinued operations	27	7,129			7,156
Deferred tax asset					2
Investment in associates					1,367
Total assets					248,108
Liabilities					
Segment liabilities	15,197	-	2,274	409	17,880
Liabilities of discontinued operations	105	5,171			5,276
Income tax payable					641
Unallocated liabilities					263
Total liabilities					24,060

Secondary reporting – geographical segments

S\$'000

Continuing and discontinued operations	Revenue		Capital Expenditure		Total Assets	
	30 Jun		30 Jun		30 Jun	
	2009	2008	2009	2008	2009	2008
People's Republic of China (including Hong Kong)	202,702	170,748	340	154	124,566	146,167
Others	9,655	9,651	10	30	115,646	101,941
	212,357	180,399	350	184	240,212	248,108

Revenue for the six months ended 30 June 2009 of S\$141,000 (six months ended 30 June 2008 : S\$4,891,000) from discontinued operations is all from the People's Republic of China.

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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

See item 8 on review of performance

15. A breakdown of revenue

Not applicable

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

Not applicable

17. The aggregate value of interested person transactions entered into during the financial period under review

Name of interested person	Aggregate value of all interested person transactions during the period ended 30 June 2009 under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual (excluding transactions less than S\$100,000) *
	S\$'000	S\$'000
Thakral Brothers Pte Ltd and subsidiaries		
Purchases, net of returns	1,143	N/A
Sales, net of returns	419	N/A
Jaginder Singh Pasricha (Director)		
Consultancy fee and benefits paid	199	N/A

* No general mandate was in effect during the period.

BY ORDER OF THE BOARD

Tan Ping Ping
Chan Lai Yin
Company Secretaries
6 August 2009

Statement Pursuant to SGX Listing Rule 705(4) of the Listing Manual

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results for the 6 months ended 30 June 2009 to be false or misleading.

ON BEHALF OF THE BOARD

Kartar Singh Thakral
Chairman

Inderbethal Singh Thakral
Director
6 August 2009