



Nine months and Third 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 nine months and third quarter ended 30 September 2007 together with comparative statements for the corresponding period of the immediately preceding financial year

These figures have not been audited.

The Group changed its financial year end from 31 March to 31 December during the preceding financial year. As such, the results for the last quarter of the financial year ended 31 March 2006 and the first two quarters of the 9 months ended 31 December 2006 have been combined and are presented below for comparison only.

Profit and loss statements

	Note	Group			Group		
		S\$000		% Increase / (Decrease)	S\$000		% Increase / (Decrease)
		Nine months ended			Three months ended		
		30 Sep 2007	30 Sep 2006	30 Sep 2007	30 Sep 2006		
CONTINUING OPERATIONS							
Revenue	1	214,983	191,493	12	78,362	49,759	57
Cost of sales		(201,056)	(177,548)	13	(74,496)	(47,614)	56
Gross profit	1	13,927	13,945	(0)	3,866	2,145	80
Other operating income	2	1,317	2,938	(55)	108	1,663	(94)
Distribution costs	3	(2,889)	(4,747)	(39)	(456)	(1,498)	(70)
Administration expenses	4	(11,504)	(17,811)	(35)	(4,536)	(6,995)	(35)
Other operating expenses	5	(1,941)	(2,118)	(8)	(647)	(736)	(12)
Loss from operations		(1,090)	(7,793)	(86)	(1,665)	(5,421)	(69)
Finance income		2,434	2,804	(13)	772	941	(18)
Finance costs	6	(217)	(1,514)	(86)	(21)	(188)	(89)
Foreign exchange gain (loss)	7	1,063	1,201	(11)	(825)	789	NM
Profit (loss) before income tax, share of results of associates		2,190	(5,302)	NM	(1,739)	(3,879)	(55)
Profit (loss) from associates		164	148	11	48	(191)	NM
Profit (loss) before income tax		2,354	(5,154)	NM	(1,691)	(4,070)	(58)
Income tax (expense) credit	8	(983)	8	NM	88	105	16
Profit (loss) from continuing operations		1,371	(5,146)	NM	(1,603)	(3,965)	(60)
DISCONTINUING OPERATIONS							
(Loss) profit from discontinuing operations	9	(690)	(7,381)	(91)	(161)	95	NM
Profit (loss) for the period / quarter		681	(12,527)	NM	(1,764)	(3,870)	(54)
<i>Attributable to</i>							
Shareholders of the Company		134	(12,222)	NM	(1,707)	(3,841)	(56)
Minority interests		547	(305)	NM	(57)	(29)	97
		681	(12,527)	NM	(1,764)	(3,870)	(54)

NM – Not meaningful

Notes to the Income statement

Note 1:

Turnover improved due to the significantly higher sales achieved in the latest quarter although gross profit for the 9 months of this financial year was flat. This was due to the lower margins from the continued heavy competition faced by the Supply Chain Management division in the Group's principal market.

Gross profit margin for the period declined to 6.5% from 7.3% achieved in the previous corresponding period.

Note 2:

Other operating income of continuing operations comprises:

	S\$'000		% Increase / (Decrease)	S\$'000		% Increase / (Decrease)
	Nine months ended			Three months ended		
	30 Sep 2007	30 Sep 2006		30 Sep 2007	30 Sep 2006	
Gain on disposal of properties	63	2,237	(97)	-	1,488	NM
Gain on disposal of available-for-sale investments	850	-	NM	-	-	NM
Refund of tax on reinvestment of dividend in Wujiang subsidiary	-	198	NM	-	-	NM
Miscellaneous	404	503	(20)	108	175	(38)
Total	1,317	2,938	(55)	108	1,663	(94)

Note 3:

Distribution costs of continuing operations comprises:

	S\$'000		% Increase / (Decrease)	S\$'000		% Increase / (Decrease)
	Nine months ended			Three months ended		
	30 Sep 2007	30 Sep 2006		30 Sep 2007	30 Sep 2006	
Staff costs	(712)	(1,457)	(51)	113	(581)	NM
Advertising & promotion	(366)	(783)	(53)	(104)	(176)	(41)
Transportation	(475)	(797)	(40)	(137)	(202)	(32)
Travelling expenses	(463)	(650)	(29)	(135)	(253)	(47)
Others	(873)	(1,060)	(18)	(193)	(286)	(33)
Total	(2,889)	(4,747)	(39)	(456)	(1,498)	(70)

- (i) Credit to staff cost for the current quarter was due to the reversal of amounts accrued under a sales incentive scheme by a PRC subsidiary upon the discontinuation of the scheme.
- (ii) In the 9 months ended 30 September 2006, the Group had incurred significant additional advertising and promotion charges, including investment in market development activities. These charges were not incurred during the 9 months ended 30 September 2007.
- (iii) Transportation expenses declined mainly due to cost reductions.

Note 4:

Administration expenses of continuing operations comprises:

	S\$'000		% Increase / (Decrease)	S\$'000		% Increase / (Decrease)
	Nine months ended			Three months ended		
	30 Sep 2007	30 Sep 2006		30 Sep 2007	30 Sep 2006	
Staff costs (including executive directors)	(7,093)	(8,988)	(21)	(2,268)	(3,321)	(32)
Directors' fees	(485)	(285)	70	(168)	(142)	18
Professional fees	(1,513)	(1,689)	(10)	(601)	(553)	9
Rent & rates	(1,347)	(1,168)	15	(475)	(402)	18
Travelling expenses	(274)	(436)	(37)	(111)	(159)	(30)
Net reversal (allowance) for doubtful debts	2,483	(1,512)	NM	347	(1,170)	NM
Impairment in value of plant & equipment	(7)	-	NM	-	-	NM
Withholding Tax on intra-group dividend	(459)	-	NM	(459)	-	NM
Others	(2,809)	(3,733)	(25)	(801)	(1,248)	(36)
Total	(11,504)	(17,811)	(35)	(4,536)	(6,995)	(35)

NM – Not meaningful

THAKRAL CORPORATION LTD AND SUBSIDIARIES

Note 4:

- (i) Directors' fees are comparatively higher as the directors had waived their fees for the quarter ended 31 March 2006.
- (ii) Lower professional fees were due to the facility fees and other related costs incurred during the previous corresponding period for the early repayment of the Group's syndicated bank loan in March 2006. During the current quarter, additional legal costs were incurred for debt recoveries from 3rd parties.
- (iii) Rent and rates increased due to the higher office rental costs in Hong Kong.
- (iv) Travelling expenses declined due to the lower number of management staff travelling in the current period.
- (v) Reversal of allowance for doubtful debts of S\$2.5 million arose from receipts during this period from a related party pursuant to the agreement announced on 30 March 2007. Accordingly, the Group reversed the appropriate provisions made against the related party balance. The amount receivable had been fully provided for during the financial year ended 31 March 2006.
- (vi) The withholding tax was a one-off payment made by the subsidiary in Japan upon its remittance of a dividend to the Company during this quarter.

Note 5:

Other operating expenses comprised depreciation charges for the periods.

Note 6:

Finance costs were lower compared to the previous corresponding periods due to the savings in interest expenses on the long-term syndicated bank loan which was fully repaid in March 2006 and lower interest expenses on convertible bonds as a result of the conversion of the bonds.

Note 7:

Foreign exchange gain / loss 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 property development unit in Wujiang. Group income tax credit for the latest quarter arose from the deferred tax assets credited by the subsidiary in Osaka.

Note 9:

As previously announced, the Group has decided to exit from the home entertainment business. Accordingly this business has been classified as discontinuing operations.

The results of the home entertainment business were as follows:-

	S\$000		% Increase / (Decrease)	S\$000		% Increase / (Decrease)
	Nine months ended			Three months ended		
	30 Sep 2007	30 Sep 2006		30 Sep 2007	30 Sep 2006	
Revenue	529	5,230	(90)	50	2,362	(98)
Cost of sales	(205)	(4,103)	(95)	(1)	(1,842)	(100)
Gross profit	324	1,127	(71)	49	520	(91)
Other operating income	-	27	NM	-	6	NM
Distribution costs	(471)	(1,273)	(63)	(138)	(358)	(61)
Administration expenses	(231)	(193)	20	(77)	(69)	12
Impairment charges	(326)	(7,058)	(95)	-	-	NM
Finance income	-	-	NM	-	(1)	NM
Finance costs	-	(1)	NM	-	-	NM
Foreign exchange gain (loss)	14	(10)	NM	5	(3)	NM
Loss before tax	(690)	(7,381)	(91)	(161)	95	NM
Income tax expenses	-	-	NM	-	-	NM
(Loss) profit after tax	(690)	(7,381)	(91)	(161)	95	NM

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

Balance Sheets

Balance Sheets

	Note	Group (S\$ '000)		Company (S\$ '000)	
		as at		as at	
		30 Sep 2007	31 Dec 2006	30 Sep 2007	31 Dec 2006
ASSETS					
Current assets					
Inventories	1	30,418	34,437	-	-
Trade receivables	2	37,941	28,571	-	-
Other receivables and prepayments		7,923	8,883	115	86
Cash and cash equivalents		114,176	123,981	71,592	72,650
Total current assets		190,458	195,872	71,707	72,736
Non-current assets					
Property, plant and equipment	3	15,344	24,175	21	31
Investment properties	3	9,732	775	-	-
Investment in subsidiaries		-	-	95,454	98,090
Investment in associates		1,610	1,430	1,554	1,374
Available-for-sale investments	4	71,214	70,193	42,235	48,141
Deferred tax asset		399	289	-	-
Total non-current assets		98,299	96,862	139,264	147,636
Total assets		288,757	292,734	210,971	220,372
LIABILITIES AND EQUITY					
Current liabilities					
Trade payables		7,276	7,552	-	-
Bank term loans and trust receipts		838	206	-	-
Other payables		14,987	18,568	434	639
Income tax payable		533	1,216	408	408
Obligations under finance leases		-	288	-	-
Total current liabilities		23,634	27,830	842	1,047
Non-current liabilities					
Long-term loans		361	515	-	-
Convertible bonds	5	903	12,026	903	12,026
Total non-current liabilities		1,264	12,541	903	12,026
Total liabilities		24,898	40,371	1,745	13,073
Capital and reserves					
Issued capital		202,619	190,402	202,619	190,402
Reserves		56,727	56,512	6,607	16,897
Equity attributable to equity shareholders of the Company		259,346	246,914	209,226	207,299
Minority interests		4,513	5,449	-	-
Total equity		263,859	252,363	209,226	207,299
Total liabilities and equity		288,757	292,734	210,971	220,372

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 September 2007		As at 31 December 2006	
Secured	Unsecured	Secured	Unsecured
S\$ 632,000	S\$ 206,000	NIL	S\$ 494,000

Amount repayable after one year

As at 30 September 2007		As at 31 December 2006	
Secured	Unsecured	Secured	Unsecured
NIL	S\$ 1,264,000	NIL	S\$ 12,541,000

Details of any collateral

Not applicable

Group's contingent liabilities

	As at 30 September 2007	As at 31 December 2006
Contractual obligations with third parties	S\$ 903,000	S\$ 880,000
Potential property tax	S\$ 607,000	S\$ 604,000

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**Consolidated Cash Flow Statement**

	(S\$ '000)		(S\$ '000)	
	Nine months ended		Three months ended	
	30 Sep 2007	30 Sep 2006	30 Sep 2007	30 Sep 2006
Cash flows from operating activities				
Profit (loss) before income tax	1,664	(12,535)	(1,852)	(3,975)
Adjustments for:				
Share of (profit) loss from associates	(164)	(148)	(48)	191
Depreciation expense	1,941	2,118	647	736
Dividend income from quoted equity shares	(1,594)	(1,600)	-	357
Finance lease charges	22	105	1	35
Interest expense	195	1,410	20	153
Interest income	(2,434)	(2,804)	(772)	(940)
Gain on liquidation of a subsidiary	-	(250)	-	-
Gain on disposal of available-for-sale investments	(850)	-	-	-
Gain on disposal of property, plant and equipment	(67)	(2,175)	-	(1,432)
Share based payment expense	73	167	21	43
Impairment (reversal) in value of plant and equipment	7	(115)	-	-
(Reversal) allowance for inventories	(1,874)	334	(1,975)	530
(Reversal) allowance for doubtful trade receivables	(2,864)	6,487	(281)	1,101
Allowance for doubtful other receivables	38	1,770	-	-
Operating loss before working capital changes	(5,907)	(7,236)	(4,239)	(3,201)
Trade receivables	(6,506)	851	(5,696)	(4,325)
Other receivables and prepayments	171	5,287	1,948	(1,475)
Inventories	5,893	18,273	2,686	(565)
Trade payables	(276)	(3,500)	(37)	2,121
Other payables	(3,785)	(4,681)	(1,913)	(2,239)
Cash (used in) generated from operations	(10,410)	8,994	(7,251)	(9,684)
Dividends received	2,042	1,386	1,091	(357)
Income tax paid	(1,474)	(1,773)	(639)	301
Finance lease charges paid	(22)	(105)	(1)	(35)
Interest paid	(114)	(830)	(11)	(49)
Interest received	2,394	2,937	726	911
Net cash (used in) generated from operating activities	(7,584)	10,609	(6,085)	(8,913)
Cash flows from investing activities				
Additions to property, plant and equipment	(290)	(2,384)	(65)	(540)
Net investment in balances from associates	(18)	322	(16)	(2)
Additions to investment properties	-	(133)	-	(75)
Proceeds from disposal of property, plant and equipment	149	2,696	-	1,898
Proceeds from disposal of available-for-sale investments	1,104	-	-	-
Proceeds from disposal of investment properties	-	197	-	99
Cash to minority shareholders	(1,498)	-	(639)	-
Net cash (used in) from investing activities	(553)	698	(720)	1,380
Cash flows from financing activities				
Net proceeds from issue of shares on exercise of employees' share options	275	18	87	-
Proceeds on issue of convertible bonds in rights issue	-	55,840	-	-
Proceeds on issue of ordinary shares in rights issue	-	11,720	-	-
Repayment of finance lease obligations	(289)	(1,195)	(75)	(405)
Proceeds from (repayment of) trust receipts and other borrowings	632	(11,521)	382	(1,882)
Repayment of bank term loans	(155)	(22,645)	(55)	(52)
Net cash from financing activities	463	32,217	339	(2,339)
Net effect of exchange rate changes in consolidating subsidiaries	(2,131)	(7,402)	(929)	(754)
Net (decrease) increase in cash and cash equivalents	(9,805)	36,122	(7,395)	(10,626)
Cash and cash equivalents at beginning of the period	123,981	88,171	121,571	134,919
Cash and cash equivalents at end of the period	114,176	124,293	114,176	124,293

Notes to the Balance Sheet and Consolidated Cash Flow Statement

Note 1:

Inventories reduced from S\$34.4 million as at 31 December 2006 to S\$30.4 million as at 30 September 2007 mainly due to the sale of properties by the property development unit in Wujiang.

Note 2:

Accounts receivable increased from S\$28.6 million as at 31 December 2006 to S\$37.9 million as at 30 September 2007 mainly due to the increased level of business activity.

Note 3:

With the adoption of the fair value model under the new FRS 40 which is effective for periods commencing 1 January 2007, certain leasehold properties previously included as property, plant and equipment have been reclassified to investment property and measured at fair value. In line with the provisions of FRS40, the fair value changes upon the adoption of the FRS have been taken to the opening balance of retained earnings.

Note 4:

Available-for-sale investments increased mainly due to the changes in fair values of investments net of the disposal of an investment during the current period.

Note 5:

The unsecured convertible bonds were issued on 16 February 2006. The bonds are convertible into ordinary shares of the Company at any time between the date of issue of the bonds and 30 days prior to their maturity date. On issue, the bonds were convertible to 10 shares per S\$0.80 bond.

As per the redemption notice announced on 18 October 2007, if the bonds are not converted, they will be redeemed on 30 November 2007 at S\$0.80 per bond plus accrued interest at 2% per annum.

During the nine months, 14,667,983 bonds were converted into ordinary shares.

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

Nine months ended 30 Sep 2007

S\$'000

	Total shareholders' equity						Minority interests	Total equity	
	Issued capital	Revaluation reserve	Options reserve	Convertible bonds reserve	Translation reserve	Retained earnings			Total
Group									
Balance at 1 Jan 2007	190,402	58,348	686	766	(6,106)	2,818	246,914	5,449	252,363
Effect of adoption of FRS 40	-	112	-	-	(275)	2,161	1,998	-	1,998
Net fair value changes in available-for-sale investments	-	(10,682)	-	-	-	-	(10,682)	-	(10,682)
Translation loss arising on consolidation	-	-	-	-	(1,772)	-	(1,772)	(16)	(1,788)
Net loss recognised directly in equity	-	(10,682)	-	-	(1,772)	-	(12,454)	(16)	(12,470)
Realisation of revaluation reserve on disposal of available-for-sale investments	-	(836)	-	-	-	-	(836)	-	(836)
Net profit for the quarter	-	-	-	-	-	217	217	127	344
Total recognised (loss) profit	-	(11,518)	-	-	(1,772)	217	(13,073)	111	(12,962)
Recognition of share-based payments	-	-	28	-	-	-	28	-	28
Ordinary shares issued upon conversion of bonds	43	-	-	(3)	-	-	40	-	40
Issue of shares on exercise of employees' share options	3	-	-	-	-	-	3	-	3
Dividend paid to minority interests	-	-	-	-	-	-	-	(845)	(845)
Balance at 31 Mar 2007	190,448	46,942	714	763	(8,153)	5,196	235,910	4,715	240,625
Net fair value changes in available-for-sale investments	-	18,336	-	-	-	-	18,336	-	18,336
Translation gain arising on consolidation	-	-	-	-	537	-	537	130	667
Net gain recognised directly in equity	-	18,336	-	-	537	-	18,873	130	19,003
Net profit for the quarter	-	-	-	-	-	1,624	1,624	477	2,101
Total recognised profit	-	18,336	-	-	537	1,624	20,497	607	21,104
Ordinary shares issued upon conversion of bonds	5,960	-	-	(357)	-	-	5,603	-	5,603
Issue of shares on exercise of employees' share options	207	-	(22)	-	-	-	185	-	185
Recognition of share-based payments	-	-	24	-	-	-	24	-	24
Balance as at 30 Jun 2007	196,615	65,278	716	406	(7,616)	6,820	262,219	5,322	267,541
Net fair value changes in available-for-sale investments	-	(5,180)	-	-	-	-	(5,180)	-	(5,180)
Translation loss arising on consolidation	-	-	-	-	(1,656)	-	(1,656)	(99)	(1,755)
Net loss recognised directly in equity	-	(5,180)	-	-	(1,656)	-	(6,836)	(99)	(6,935)
Net loss for the quarter	-	-	-	-	-	(1,707)	(1,707)	(57)	(1,764)
Total recognised loss	-	(5,180)	-	-	(1,656)	(1,707)	(8,543)	(156)	(8,699)
Ordinary shares issued upon conversion of bonds	5,912	-	-	(350)	-	-	5,562	-	5,562
Issue of shares on exercise of employees' share options	92	-	(5)	-	-	-	87	-	87
Recognition of share-based payments	-	-	21	-	-	-	21	-	21
Dividends paid to minority interests	-	-	-	-	-	-	-	(653)	(653)
Balance as at 30 Sep 2007	202,619	60,098	732	56	(9,272)	5,113	259,346	4,513	263,859

THAKRAL CORPORATION LTD AND SUBSIDIARIES

Nine months ended 30 Sep 2006

S\$'000

	Total shareholders' equity							Minority interests	Total equity	
	Issued capital	Share premium	Investment revaluation reserve	Options reserve	Convertible bonds reserve	Translation reserve	Retained earnings			
Group										
Balance at 1 Jan 2006	88,106	46,944	74,203	518	-	6,970	22,061	238,802	6,950	245,752
Net fair value changes in available-for-sale investments	-	-	(9,355)	-	-	-	-	(9,355)	-	(9,355)
Translation loss arising on consolidation	-	-	-	-	-	(4,705)	-	(4,705)	(90)	(4,795)
Net loss recognised directly in equity	-	-	(9,355)	-	-	(4,705)	-	(14,060)	(90)	(14,150)
Net loss for the quarter	-	-	-	-	-	-	(7,279)	(7,279)	(228)	(7,507)
Total recognised loss	-	-	(9,355)	-	-	(4,705)	(7,279)	(21,339)	(318)	(21,657)
Adjustment arising from abolition of par value of shares	46,944	(46,944)	-	-	-	-	-	-	-	-
Ordinary shares issued pursuant to rights issue	11,649	-	-	-	-	-	-	11,649	-	11,649
Recognition of equity component of convertible bonds	-	-	-	-	3,409	-	-	3,409	-	3,409
Ordinary shares issued upon conversion of bonds	71	-	-	-	(4)	-	-	67	-	67
Recognition of share-based payments	-	-	-	126	-	-	-	126	-	126
Issue of shares on exercise of employees' share options	18	-	-	-	-	-	-	18	-	18
Balance as at 31 Mar 2006	146,788	-	64,848	644	3,405	2,265	14,782	232,732	6,632	239,364
Net fair value changes in available-for-sale investments	-	-	(13,207)	-	-	-	-	(13,207)	-	(13,207)
Translation (loss) gain arising on consolidation	-	-	-	-	-	(3,104)	-	(3,104)	125	(2,979)
Net gain (loss) recognised directly in equity	-	-	(13,207)	-	-	(3,104)	-	(16,311)	125	(16,186)
Net loss for the quarter	-	-	-	-	-	-	(1,102)	(1,102)	(48)	(1,150)
Total recognised (loss) profit	-	-	(13,207)	-	-	(3,104)	(1,102)	(17,413)	77	(17,336)
Ordinary shares issued upon conversion of bonds	813	-	-	-	(50)	-	-	763	-	763
Recognition of share-based payments	-	-	-	(2)	-	-	-	(2)	-	(2)
Liquidation of a subsidiary	-	-	-	-	-	-	-	-	(250)	(250)
Balance as at 30 Jun 2006	147,601	-	51,641	642	3,355	(839)	13,680	216,080	6,459	222,539
Net fair value changes in available-for-sale investments	-	-	(6,713)	-	-	-	-	(6,713)	-	(6,713)
Translation loss arising on consolidation	-	-	-	-	-	(412)	-	(412)	(177)	(589)
Net loss recognised directly in equity	-	-	(6,713)	-	-	(412)	-	(7,125)	(177)	(7,302)
Net loss for the quarter	-	-	-	-	-	-	(3,841)	(3,841)	(29)	(3,870)
Total recognised loss	-	-	(6,713)	-	-	(412)	(3,841)	(10,966)	(206)	(11,172)
Ordinary shares issued upon conversion of bonds	42,765	-	-	-	(2,587)	-	-	40,178	-	40,178
Recognition of share-based payments	-	-	-	43	-	-	-	43	-	43
Balance as at 30 Sep 2006	190,366	-	44,928	685	768	(1,251)	9,839	245,335	6,253	251,588

THAKRAL CORPORATION LTD AND SUBSIDIARIES

Nine months ended 30 Sep 2007

S\$'000

Company

Balance as at 1 Jan 2007

Net fair value changes in available-for-sale investments
 Ordinary shares issued upon conversion of bonds
 Issue of shares on exercise of employees' share options
 Recognition of share-based payments
 Net loss for the quarter

Balance as at 31 Mar 2007

Net fair value changes in available-for-sale investments
 Ordinary shares issued upon conversion of bonds
 Issue of shares on exercise of employees' share options
 Recognition of share-based payments
 Net profit for the quarter

Balance as at 30 Jun 2007

Net fair value changes in available-for-sale investments
 Ordinary shares issued upon conversion of bonds
 Issue of shares on exercise of employees' share options
 Recognition of share-based payments
 Net loss for the quarter

Balance as at 30 Sep 2007

	Issued capital	Investment revaluation reserve	Options reserve	Convertible bonds reserve	Accumulated losses	Total
Balance as at 1 Jan 2007	190,402	46,158	686	766	(30,713)	207,299
Net fair value changes in available-for-sale investments	-	(10,738)	-	-	-	(10,738)
Ordinary shares issued upon conversion of bonds	43	-	-	(3)	-	40
Issue of shares on exercise of employees' share options	3	-	-	-	-	3
Recognition of share-based payments	-	-	28	-	-	28
Net loss for the quarter	-	-	-	-	(4,226)	(4,226)
Balance as at 31 Mar 2007	190,448	35,420	714	763	(34,939)	192,406
Net fair value changes in available-for-sale investments	-	9,711	-	-	-	9,711
Ordinary shares issued upon conversion of bonds	5,960	-	-	(357)	-	5,603
Issue of shares on exercise of employees' share options	207	-	(22)	-	-	185
Recognition of share-based payments	-	-	24	-	-	24
Net profit for the quarter	-	-	-	-	3,415	3,415
Balance as at 30 Jun 2007	196,615	45,131	716	406	(31,524)	211,344
Net fair value changes in available-for-sale investments	-	(4,879)	-	-	-	(4,879)
Ordinary shares issued upon conversion of bonds	5,912	-	-	(350)	-	5,562
Issue of shares on exercise of employees' share options	92	-	(5)	-	-	87
Recognition of share-based payments	-	-	21	-	-	21
Net loss for the quarter	-	-	-	-	(2,909)	(2,909)
Balance as at 30 Sep 2007	202,619	40,252	732	56	(34,433)	209,226

THAKRAL CORPORATION LTD AND SUBSIDIARIES

Nine months ended 30 Sep 2006

SS'000

Company	Issued capital	Share premium	Investment revaluation reserve	Options reserve	Convertible bonds reserve	Retained earnings	Total
Balance as at 1 Jan 2006	88,106	46,944	66,145	518	-	29,050	230,763
Net fair value changes in available-for-sale investments	-	-	(6,620)	-	-	-	(6,620)
Adjustment arising from abolition of par value of shares	46,944	(46,944)	-	-	-	-	-
Ordinary shares issued pursuant to rights issue	11,649	-	-	-	-	-	11,649
Recognition of equity component of convertible bonds	-	-	-	-	3,409	-	3,409
Ordinary shares issued upon conversion of bonds	71	-	-	-	(4)	-	67
Recognition of share-based payments	-	-	-	126	-	-	126
Issue of shares on exercise of employees' share options	18	-	-	-	-	-	18
Net loss for the quarter	-	-	-	-	-	(14,394)	(14,394)
Balance as at 31 March 2006	146,788	-	59,525	644	3,405	14,656	225,018
Net fair value changes in available-for-sale investments	-	-	(14,120)	-	-	-	(14,120)
Ordinary shares issued upon conversion of bonds	813	-	-	-	(50)	-	763
Recognition of share-based payments	-	-	-	(2)	-	-	(2)
Net loss for the quarter	-	-	-	-	-	(3,823)	(3,823)
Balance as at 30 June 2006	147,601	-	45,405	642	3,355	10,833	207,836
Net fair value changes in available-for-sale investments	-	-	(9,293)	-	-	-	(9,293)
Ordinary shares issued upon conversion of bonds	42,765	-	-	-	(2,587)	-	40,178
Recognition of share-based payments	-	-	-	43	-	-	43
Net loss for the quarter	-	-	-	-	-	(1,366)	(1,366)
Balance as at 30 September 2006	190,366	-	36,112	685	768	9,467	237,398

(Note) In accordance with The Companies (Amendment) Act 2005 effective from 30 January 2006, the concept of authorized share capital and par value has been abolished and accordingly, share premium was transferred to the Company's share capital.

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.

Since the beginning of the financial year, 2,080,000 share options were granted and accepted under the Thakral Corporation Employees' Share Option Scheme 2001 (the "2001 Scheme"). A total of 1,460,500 share options lapsed while 3,321,750 share options were exercised during the first nine months of the current financial year.

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 Sep 2007	As at 30 Sep 2006
Outstanding options	38,010,500	41,777,750

The number of shares that may be issued on conversion of all the outstanding convertible bonds issued on 16 February 2006 is as follows:-

	As at 30 Sep 2007	As at 30 Sep 2006
Convertible bonds	11,629,710	158,769,540

During the period, the share capital of the Company increased as follows:

	No. of shares	S\$'000
Issued capital as at 1 January 2007	2,455,805,668	190,402
- Issue of ordinary shares arising from the conversion of convertible bonds	146,679,830	11,915
- Issue of ordinary shares arising from the exercise of share options granted under the 2001 scheme	3,321,750	302
Total as at 30 September 2007	2,605,807,248	202,619

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 financial year ended 31 December 2006.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

In 2007, the Group and the Company adopted all the new and revised Singapore Financial Reporting Standards ("FRS") and Interpretations issued by the Council on Corporate Disclosure and Governance which became effective for the Group from 1 January 2007. The Group was mainly affected by the following new or revised FRS:

FRS 40	Investment Property
FRS 107	Financial Instruments: Disclosures

Amendments to FRS 1 Presentation of Financial Statements on Capital Disclosures

THAKRAL CORPORATION LTD AND SUBSIDIARIES

Description of changes

Set out below is a brief description of those FRS which have a significant impact on the financial statements of the Group and the Company.

a. FRS 40 – Investment Property

Before the adoption of FRS 40, the Group used the revaluation model. Under the revaluation model, increases in carrying amounts above a cost-based measure are recognized as revaluation surplus in the revaluation reserve. With the adoption of the fair value model under FRS 40, the Group carries investment properties at fair value. Changes in fair value are recognized in the profit and loss statement except the changes arising upon the adoption of the FRS on its effective date which are directly taken to the opening balance of retained earnings.

As a result of the adoption of the FRS, the depreciation charge for the current period was lower by S\$113,000.

b. FRS 107 – Financial Instruments : Disclosure and Amendment to FRS 1 (Revised) – Presentation of Financial Statements (Capital Disclosures)

FRS 107 requires the Group and the Company to disclose the qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk. The amendment to FRS 1 requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital.

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 discontinuing operations	Nine months ended 30 Sep 2007	Nine months ended 30 Sep 2006
(i) Basic earnings (loss) per share	0.01 cents	(0.64) cents
(ii) Fully diluted earnings (loss) per share	0.01 cents	(0.64) cents
From continuing operations	Nine months ended 30 Sep 2007	Nine months ended 30 Sep 2006
(i) Basic earnings (loss) per share	0.03 cents	(0.25) cents
(ii) Fully diluted earnings (loss) per share	0.03 cents	(0.25) cents
From continuing and discontinuing operations	Three months ended 30 Sep 2007	Three months ended 30 Sep 2006
(i) Basic earnings (loss) per share	(0.07) cents	(0.19) cents
(ii) Fully diluted earnings (loss) per share	(0.07) cents	(0.19) cents
From continuing operations	Three months ended 30 Sep 2007	Three months ended 30 Sep 2006
(i) Basic earnings (loss) per share	(0.06) cents	(0.20) cents
(ii) Fully diluted earnings (loss) per share	(0.06) cents	(0.20) cents

Basic earnings per share is computed on the loss / profit for the period after taxation and deduction of minority interests divided by 2,497,878,853 and 2,540,161,966 being the weighted average number of shares in issue during the nine months and the quarter ended 30 September 2007 respectively. Basic loss per share is computed on the loss for the period after taxation and deduction of minority interests divided by 1,925,561,521 and 1,987,513,764 being the weighted average number of shares in issue during the nine months and quarter ended 30 September 2006 respectively.

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Fully diluted earnings per share from continuing operations for the period ended 30 September 2007 is computed on the profit after taxation and deduction of minority interests divided by 2,497,878,853 being the weighted average number of shares in issue during the nine months ended 30 September 2007. The dilutive effect of potentially exercisable options outstanding as at that date are 4,993,047 being the weighted average number of shares in issue during the nine months ended 30 September 2007. The dilutive effect of the convertible bonds outstanding as at 30 September 2007 is 11,629,710 shares.

Fully diluted loss per share for the quarter ended 30 September 2007 is computed on the loss after taxation and deduction of minority interests divided by 2,540,161,966 being the weighted average number of shares in issue during the quarter ended 30 September 2007. Employee share options to purchase 22,020,500 ordinary shares at S\$0.06 to S\$0.12 were outstanding as at 30 September 2007 but were not included in the computation of the diluted loss per share because these options were antidilutive. The options expire between 27 May 2008 and 2 April 2016. Convertible bonds which mature on 16 February 2009 convertible into 11,629,710 ordinary shares were outstanding as at 30 September 2007 but were not included in the computation of the diluted loss per share because these bonds were antidilutive.

Fully diluted loss per share for the period ended 30 September 2006 is computed on the loss after taxation and deduction of minority interests divided by 1,925,561,521 and 1,987,513,764 being the weighted average number of shares in issue during the nine months and quarter ended 30 September 2006 respectively. Employee share options to purchase 8,630,000 and 1,050,000 ordinary shares at S\$0.06 and S\$0.08 were outstanding as at 30 September 2006 but were not included in the computation of the diluted loss per share because these options were antidilutive. The options expire on 6 April 2013 and 27 May 2008. Convertible bonds which mature on 16 February 2009 convertible into 158,769,540 ordinary shares were outstanding as at 30 September 2006 but were not included in the computation of the diluted loss per share because these bonds were antidilutive.

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 period reported on and (b) immediately preceding financial year

(a) current period reported on and (b) immediately preceding financial year

Net Asset Value

	As at 30 Sep 2007	As at 31 Dec 2006
Group	9.95 cents	10.05 cents
Company	8.03 cents	8.44 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 – nine months ended 30 September 2007

Turnover & Profitability

The Group had changed its financial year end from 31 March to 31 December during the preceding financial year. As such, the results for the last quarter of the financial year ended 31 March 2006 and the first two quarters of the 9 months ended 31 December 2006 have been combined and are presented for comparison purposes only.

Group turnover increased by S\$23.5 million for the 9 months ended 30 September 2007 to S\$215.0 million, an increase of 12% from S\$191.5 million in the previous corresponding period. This was wholly on account of the growth in turnover during the quarter of S\$28.6 million, an increase of 57% compared to the previous corresponding quarter. This increase has come mainly from the Supply Chain Management ("SCM") and Electronic Manufacturing Services ("EMS") divisions and reflects, to some degree, the initial success of the efforts being made to turn around these businesses.

THAKRAL CORPORATION LTD AND SUBSIDIARIES

However, gross profit margins remain under pressure in the SCM division and registered a significant decline as compared to the previous corresponding period. Furthermore, with the increasing measures taken by the PRC Government to cool the over-heated property market in China, sales at the property development unit in Wujiang, which did well in the first half of the year, have been slow in the latest quarter, therefore negatively impacting the Group's margins. Accordingly, gross profit for the latest 9 months was S\$13.9 million and remained flat compared to the previous corresponding period.

Gains from the disposal of properties and other assets declined significantly to S\$0.9 million as against S\$2.2 million realized during the previous corresponding period due to lower asset sales. The Group disposed of an investment in India during the current 9 months period, which realized a gain of about S\$0.85 million. In addition, provisions made in previous years for amounts due from a related party amounting to S\$2.5 million were reversed following the receipt of payments during this period.

Exchange gains from the translation of monetary assets and liabilities denominated in foreign currencies for the period amounted to S\$1.06 million against an exchange gain of S\$1.2 million in the previous corresponding period. However, the Group incurred a translation exchange loss of S\$0.8 million in the current quarter as compared to a gain of S\$0.8 million in the previous corresponding period. This arose mainly due to the weakening of the US Dollar against the Group's functional currencies.

Accordingly, the Group achieved a net profit of S\$0.7 million for the 9 months ended 30 September 2007 as against a loss of S\$12.5 million incurred in the previous corresponding period. For the latest quarter, which has traditionally been a slow quarter, the loss has narrowed down by 54% to S\$1.8 million from S\$3.9 million incurred in the previous corresponding period.

Expenses

The Group continued to maintain a tight rein on expenses. Distribution expenses declined significantly by 39% to S\$2.9 million in the current period from S\$4.7 million in the previous corresponding period. This decline was helped in part by the reversal of a previous accrual under a now discontinued sales incentive scheme in a PRC subsidiary. Excluding this reversal, expenses still declined by 28%.

Administrative expenses in this quarter include S\$0.5 million paid as withholding tax on the distribution of dividends by a subsidiary in Japan. Excluding provisions, reversals and the withholding tax, administrative expenses for the latest 9 months declined by 17% to S\$13.5 million from S\$16.3 million in the previous corresponding period.

Net finance income increased by about 72% to S\$2.2 million from S\$1.3 million in the previous corresponding period. This was mainly due to savings in interest expenses on the long-term syndicated bank loan which was fully repaid in March 2006. In addition, there was lower interest expense on the Group's convertible bonds due to various bond conversions.

Group income tax arose mainly due to taxable profits at the Group's property development unit in Wujiang.

Working Capital

Inventories reduced to S\$30.4 million as at 30 September 2007 from S\$34.4 million as at 31 December 2006, mainly due to the sales of properties by the unit in Wujiang.

Trade receivables increased to S\$37.9 million as at 30 September 2007 from S\$28.6 million as at 31 December 2006, mainly due to the higher level of business in the latest quarter.

Net Asset Value

Despite the increase in net assets, Group net asset value per share declined to 9.95 cents as at 30 September 2007 from 10.05 cents as at 31 December 2006, primarily due to the higher number of shares in issue following the conversion of various convertible bonds during the current period.

Performance Summary – Continuing Operations

Supply Chain Management (“SCM”)

The SCM division saw turnover improve to S\$188.9 million during the current 9 months as compared to S\$177.5 million in the previous corresponding period, an increase of 6%. Turnover in the latest quarter was about 59% higher than that achieved by this division in the previous corresponding period.

Segmental loss was S\$1.6 million in the current 9 months, representing a significant improvement from a loss of S\$5.0 million in the previous corresponding period. However, margins remain thin and the division incurred a loss of S\$0.3 million in the quarter.

Electronic Manufacturing Services (“EMS”)

Turnover at this division rose to S\$17.9 million in the latest period as compared to S\$10.7 million in the previous corresponding period, an increase of about 68%.

Lower margins coupled with additional inventory provisions made has resulted in a segmental loss for the latest quarter. However, for the latest 9 months period, the division reported a significantly reduced segmental loss of S\$1.1 million as compared to a loss of S\$2.4 million for the previous corresponding period.

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 performance in the nine-month period has been consistent with what had been previously announced on 2 August 2007.

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.

Management is continuing efforts to widen the product and brand portfolio for the SCM division, as well as to boost sales for the existing brands. In addition, the division continues to expand its distribution network in order to create more value. However, the Group expects to continue operating under difficult market conditions due to intense competition and declining margins.

Results of past efforts at turning around the EMS division have been encouraging and the Group expects to continue with this improvement. However, competition in this segment is very intense.

The strategic review of the Group is still in progress.

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 2006, 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:

- a) Supply chain management, marketing & brand building
- b) Electronic manufacturing services
- c) Property holding
- d) Others (those activities which do not fall into the above categories)

S\$'000**Nine months ended 30 Sep 2007**

	Supply Chain Management	Electronic Manufacturing Services	Property Holding	Others	Consolidated total
Revenue					
External sales from continuing operations	188,883	17,904	6,605	1,591	214,983
Result					
Segment result from continuing operations	(1,573)	(1,106)	2,376	202	(101)
Unallocated corporate expenses					(989)
Finance income					2,434
Finance costs					(217)
Foreign exchange gain					1,063
Profit before income tax and share of results of associates					2,190
Share of results of associates					164
Profit before income tax					2,354
Income tax expense					(983)
Profit after tax from continuing operations					1,371
Loss from discontinuing operations	(690)				(690)
Net profit for the period					681

Other information					
Capital expenditure:					
Property, plant and equipment	130	159	-	1	290
Depreciation expense of continuing operations	528	1,271	133	9	1,941

Assets					
Segment assets	100,111	15,354	25,547	145,219	286,231
Assets of discontinuing operations	517				517
Deferred tax asset					399
Investment in associates					1,610
Total assets					288,757
Liabilities					
Segment liabilities	14,571	4,671	2,664	575	22,481
Liabilities of discontinuing operations	981				981
Income tax payable					533
Unallocated liabilities					903
Total liabilities					24,898

THAKRAL CORPORATION LTD AND SUBSIDIARIES

S\$'000

Nine months ended 30 Sep 2006

	Supply Chain Management	Electronic Manufacturing Services	Property Holding	Others	Consolidated total
Revenue					
External sales from continuing operations	177,487	10,662	1,742	1,602	191,493
Result					
Segment result from continuing operations	(5,004)	(2,377)	(222)	(63)	(7,666)
Unallocated corporate expenses					(2,364)
Gain on disposal of properties					2,237
Finance income					2,804
Finance costs					(1,514)
Foreign exchange gain					1,201
Loss before income tax and share of results of associates					(5,302)
Share of results of associates					148
Loss before income tax					(5,154)
Income tax expense					8
Loss after tax from continuing operations					(5,146)
Loss from discontinuing operations	(7,381)				(7,381)
Net loss for the period					(12,527)

Other information

Capital expenditure:					
Property, plant and equipment	1,998	354	(1)	-	2,351
Depreciation expense of continuing operations	522	1,254	326	16	2,118

Assets					
Segment assets	107,611	20,319	27,211	136,036	291,177
Assets of discontinuing operations	2,207				2,207
Deferred tax asset					172
Investment in associates					1,271
Total assets					294,827
Liabilities					
Segment liabilities	19,097	6,639	2,258	610	28,604
Liabilities of discontinuing operations	1,582				1,582
Income tax payable					996
Unallocated liabilities					12,057
Total liabilities					43,239

Secondary reporting – geographical segments

S\$'000

Continuing and discontinuing operations	Revenue		Capital Expenditure		Total Assets	
	30 Sep		30 Sep		30 Sep	
	2007	2006	2007	2006	2007	2006
People's Republic of China (including Hong Kong)	209,887	185,236	213	2,325	162,443	152,567
Others	5,625	11,487	77	26	126,314	142,260
	215,512	196,723	290	2,351	288,757	294,827

The basis of the information stated under the geographical segment above is the aggregate of the relevant figures from companies incorporated in those countries.

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

THAKRAL CORPORATION LTD AND SUBSIDIARIES

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 nine months ended 30 September 2007 under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual upto 26 April 2007)	Aggregate value of all interested person transactions conducted under shareholders' mandate (upto 26 April 2007) 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		
Sales, net of returns	813	NIL
Purchases, net of returns	7,583	4,733
Sajuna Ltd		
Operating lease charges paid / payable	305	NIL

BY ORDER OF THE BOARD

Lim Chee Ying
Tan Ping Ping
Company Secretaries
13 November 2007

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 9 months ended 30 September 2007 to be false or misleading.

ON BEHALF OF THE BOARD

Kartar Singh Thakral
Chairman

Jasvinder Singh Thakral
Director
13 November 2007