Multi-Chem Limited

(Incorporated in Singapore. Registration Number: 198500318Z)

Interim Financial Statements

For The Financial Period Ended 31 March 2007

Multi-Chem Limited
Registration No. 198500318Z

Interim Financial Statements
For the financial period ended 31 March 2007

CONSOLIDATED INCOME STATEMENT

Group	**3 months ended**		
	31/03/2007	**31/03/2006**	**Change**
	$'000	**$'000**	**%**
Revenue	28,435	22,100	29
Cost of sales	(21,510)	(13,998)	54
Gross profit	6,925	8,102	(15)
Other (losses)/gains - net	(42)	65	(165)
Expenses			
- Distribution costs	(803)	(661)	21
- Administrative expenses	(3,470)	(2,733)	27
Finance income - net	200	217	(8)
Share of (loss)/profit of associated company	(85)	9	(1,044)
Profit before income tax	2,725	4,999	(45)
Income tax expense	(854)	(614)	39
Net profit	1,871	4,385	(57)
Attributable to:			
Equity holders of the Company	1,726	4,292	(60)
Minority interests	145	93	56
	1,871	4,385	(57)

Earnings per share attributable to the equity holders of the Company during the period (expressed in cents per share)

- Basic	0.48 cents	1.20 cents
- Diluted	0.47 cents	1.15 cents

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CONSOLIDATED INCOME STATEMENT

The profit for the period from continuing operations includes the following credits less (charges):

Group	3 months ended		
	31/03/2007	**31/03/2006**	**Change**
	$'000	**$'000**	**%**
Other income - net	117	63	86
Interest income	84	34	147
Interest on borrowings	(321)	(36)	792
Foreign exchange gain - borrowings	521	253	106
Finance income - net	**200**	**217**	**(8)**
Depreciation	(2,943)	(1,907)	54
Write back for impairment of debts	163	5	3,160
Bad debts recovered/(written off)	26	(145)	118
(Provision for)/reversal of inventory impairment	(43)	8	(638)
Foreign exchange (loss)/gain - others	(448)	25	(1,892)
Gain on disposal of property, plant and equipment	17	83	(80)

Nm : Not meaningful

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BALANCE SHEET

$'000	Group		Company	
	31/03/2007	31/12/2006	31/03/2007	31/12/2006
Current assets				
Cash and cash equivalents	12,635	17,232	5,820	10,235
Trade and other receivables	32,258	31,139	17,445	18,295
Inventories	10,405	7,312	1,237	1,136
Other current assets	873	677	314	250
	56,171	56,360	24,816	29,916
Non-current assets				
Other non-current assets	165	127	38	-
Investment in an associated company	1,649	1,735	1,050	1,050
Investments in subsidiaries	-	-	47,730	45,595
Property, plant and equipment	66,289	65,982	20,405	19,711
Deferred income tax assets	21	21	-	-
	68,124	67,865	69,223	66,356
Total assets	**124,295**	**124,225**	**94,039**	**96,272**
Current liabilities				
Trade and other payables	19,053	16,459	5,813	5,025
Current income tax liabilities	2,545	2,390	1,282	1,282
Borrowings	20,543	25,063	19,970	24,291
	42,141	43,912	27,065	30,598
Non-Current liabilities				
Borrowings	17,290	18,495	17,290	18,495
Deferred tax liabilities	777	502	777	502
	18,067	18,997	18,067	18,997
Total liabilities	**60,208**	**62,909**	**45,132**	**49,595**
NET ASSETS	**64,087**	**61,316**	**48,907**	**46,677**
Share capital and reserves				
Share capital	37,288	36,559	37,288	36,559
Other reserves	(1,363)	(1,534)	172	221
Retained earnings	26,607	24,881	11,447	9,897
	62,532	59,906	48,907	46,677
Minority interests	1,555	1,410	-	-
Total equity	**64,087**	**61,316**	**48,907**	**46,677**

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Interim Financial Statements
For the financial period ended 31 March 2007

CONSOLIDATED CASHFLOW STATEMENT

S$'000	3 months ended	
	31/03/2007	**31/03/2006**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit	1,871	4,385
Adjustments for:		
- Income tax	854	614
- Depreciation	2,943	1,907
- Finance income - net	(200)	(217)
- Interest income	(117)	(34)
- Gain on disposal of property, plant and equipment	(17)	(83)
- Share of results from an associated company	85	(9)
- Unrealised currency exchange losses - net	448	334
Operating cashflow before working capital changes	5,867	6,897
Change in operating assets and liabilities		
- Inventories	(3,093)	(1,014)
- Trade and other receivables	(1,119)	1,350
- Other assets	(196)	(15)
- Trade and other creditors and accruals	2,594	(381)
	(1,814)	(60)
Cash generated from operating activities	4,053	6,837
Interest received	117	34
Income tax paid	(424)	(328)
Net cash inflow from operating activities	3,746	6,543

CONSOLIDATED CASHFLOW STATEMENT

S$'000	3 months ended	
	31/03/2007	**31/03/2006**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(3,489)	(2,732)
Purchase of club memberships	(38)	-
Dividends from an associated company	-	230
Proceeds from disposals of property, plant and equipment	199	300
Net cash outflow from investing activities	(3,328)	(2,202)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bills payable	2,609	1,640
Repayments of lease liabilities	(72)	(51)
Repayments of borrowings	(1,266)	(239)
Repayments of bills payable	(5,937)	(3,469)
Interest paid	(295)	(36)
Net cash outflow from financing activities	(4,961)	(2,155)
Net (decrease)/increase in cash and cash equivalents	(4,543)	2,186
Cash and cash equivalents at beginning of the period	17,232	5,446
Effects of exchange rate changes on cash and cash equivalents	(54)	(103)
Cash and cash equivalents at end of the period	12,635	7,529

STATEMENTS OF CHANGES IN EQUITY

Group

	Attributable to equity holders of the Company					
	Share capital	**Other reserves**	**Retained earnings**	**Total**	**Minority interests**	**Total equity**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Balance at 1 January 07	36,559	(1,534)	24,881	59,906	1,410	61,316
Net loss recognised directly in equity						
- Currency translation differences	-	220	-	220	-	220
Net profit for the year	-	-	1,726	1,726	145	1,871
Total recognised gains for the year	**-**	**220**	**1,726**	**1,946**	**145**	**2,091**
Conversion of convertible notes	729	(49)	-	680	-	680
Balance at 31 March 07	**37,288**	**(1,363)**	**26,607**	**62,532**	**1,555**	**64,087**
Balance at 1 January 06	35,604	810	18,486	54,900	723	55,623
Net loss recognised directly in equity						
- Currency translation differences	-	(751)	-	(751)	-	(751)
Net profit for the year	-	-	4,292	4,292	93	4,385
Total recognised (losses)/gains for the year	**-**	**(751)**	**4,292**	**3,541**	**93**	**3,634**
Balance at 31 March 06	**35,604**	**59**	**22,778**	**58,441**	**816**	**59,257**

STATEMENTS OF CHANGES IN EQUITY

Company

	Share capital	Other reserves	Retained earnings	Total equity
	$'000	$'000	$'000	$'000
Balance at 1 January 07	36,559	221	9,897	46,677
Net profit for the year	-	-	1,550	1,550
Conversion of convertible notes	729	(49)	-	680
Balance at 31 March 2007	**37,288**	**172**	**11,447**	**48,907**
Balance at 1 January 06	35,604	1,111	7,414	44,129
Net profit for the year	-	-	1,378	1,378
Balance at 31 March 2006	**35,604**	**1,111**	**8,792**	**45,507**

REVIEW OF PERFORMANCE OF THE GROUP

REVENUE

The Group achieved revenue of $28.4m for the three months ended 31 March 2007 ("1Q2007"), an increase of 28.7% or $6.3m compared to the revenue of $22.1m for the three months ended 31 March 2006 ("1Q2006"). Comparing 1Q2007 to three months ended 31 December 2006 ("4Q2006"), the Group revenue increased by 5.7% or $1.5m, from $26.9m to $28.4m. The better revenue performance was mainly due to the robust growth in the IT distribution business.

In 1Q2007, the Group experienced an overall slow down in the manufacturing business in both Singapore and China. The business of distributing PCB specialty chemicals and related products was also affected. However, the Group still managed to achieve a better quarter-to-quarter revenue as the IT distribution business recorded a strong growth of 87.4%, from $8.7m to $16.2m.

In 1Q2007, the manufacturing service business accounted for about 38% of Group revenue, while the distribution business, comprising the distribution of PCB-related materials and IT distribution, accounted for the remaining 62%.

REVIEW OF PERFORMANCE OF THE GROUP

REVENUE

Manufacturing Service Division

Revenue in this Division decreased marginally by 4.7% or $524,000, from $11.2m in 1Q2006 to $10.7m in 1Q2007, mainly due to the slow down of our manufacturing services in Singapore, which more than offset the better revenue performance in China. Comparing 1Q2007 to 4Q2006, revenue decreased by 18.7% or $2.5m from $13.2m in 4Q2006 to $10.7m in 1Q2007.

The Group's drilling service business in China recorded revenue of $5.8m in 1Q2007, an increase of 12.8% or $654,000 from $5.1m in 1Q2006. The better performance was mainly due to more diverse customer base in China, an increase in the Group's mechanical drilling capacity from an average of 101 mechanical drilling machines in 1Q2006 to 162 in 1Q2007 as well as higher efficiency from more advanced machines. Despite the growth in China, drilling services for the Group decreased marginally by 5.5% or $563,000, from $10.2m in 1Q2006 to $9.6m in 1Q2007 due to the slow down in Singapore, a contrast of the situation in China. The drilling service business in Singapore decreased by 24.1% or $1.2m from $5.0m in 1Q2006 to $3.8m in 1Q2007.

The routing service business for the Group increased by 11.6% or $110,000, from $945,000 in 1Q2006 to $1.1m in 1Q2007 as the Group increased its routing capacity from an average of 38 routing machines in 1Q2006 to 57 in 1Q2007.

Comparing 1Q2007 to 4Q2006, revenue in this Division decreased by 18.7% or $2.5m from $13.2m in 4Q2006 to $10.7m in 1Q2007 as traditionally, the first quarter of the year is usually not a strong quarter. The manufacturing service business in China slowed down after three consecutive quarters of growth and recorded revenue of $6.8m in 1Q2007 as compared to $8.6m recorded in 4Q2006. The manufacturing service business in Singapore recorded revenue of $3.9m in 1Q2007 as compared to $4.5m in 4Q2006.

REVIEW OF PERFORMANCE OF THE GROUP

Distribution Division

The Group achieved a strong revenue growth of 63.1% or $6.9m, from $10.9m in 1Q2006 to $17.7m in 1Q2007 for the Distribution Division. Comparing 1Q2007 to 4Q2006, revenue increased by 28.7% or $3.9m from $13.8m to $17.7m. The increase in revenue was contributed by growth in the IT business, offset by the decrease in revenue from the distribution of PCB specialty chemicals and related products.

PCB

Revenue derived from the distribution of PCB specialty chemicals and related materials dropped by 32.2% from $2.2m in 1Q2006 to $1.5m in 1Q2007. Comparing 1Q2007 to 4Q2006, this business decreased marginally by 5.0% or $79,000 from $1.6m in 4Q2006. The performance of the PCB distribution business started to weaken in 1Q2006 and did not pick up. The weaker performance was mainly due to the continuing price reduction pressure from customers.

IT

The IT distribution business reported a significant increase in revenue of 87.4% or $7.6m from $8.7m in 1Q2006 to $16.2m in 1Q2007. This Division achieved its record quarterly revenue of $16.2m in 1Q2007, which was an increase of 33.0% or $4.0m, from the revenue of $12.2m in 4Q2006

The growth in this business was largely due to the addition of several products and the expansion of the regional businesses. Offices in China (Guangzhou), Philippines (Manila) and Hong Kong, which commenced operations for less than a year also contributed to the revenue. The addition to sales and pre-sales personnel and new products to the Group's product portfolio also played a part in the revenue growth.

While Singapore remains as the main market for the IT business in 1Q2007, the regional subsidiaries of the Company are as a whole becoming more significant through expansion. In 1Q2007, revenue from regional markets increased by 124% or $5.3m, from $4.3m in 1Q2006 to $9.6m in 1Q2007.

REVIEW OF PERFORMANCE OF THE GROUP

PROFIT BEFORE TAX ("PBT")

The Group achieved a PBT of $2.7m in 1Q2007, a decrease of 45.5% or $2.3m over the PBT of $5.0m achieved in 1Q2006.

The decrease in PBT was due to the following:-

(1) Lower gross profit margin from the manufacturing service business in Singapore and China due to the low machine utilisation rate and high fixed costs. The high fixed costs resulted from increase in machinery depreciation from the addition of new machines and the change in the depreciation estimate on machinery useful lives;

(2) An increase in payroll-related expenses of $642,000 from $2.0m in 1Q2006 to $2.6m in 1Q2007 due mainly to provision for directors' share of profits, as provided for in their respective service agreements, and higher headcount from the expansion of the regional businesses;

(3) An increase in interest on borrowings from $36,000 in 1Q2006 to $321,000 in 1Q2007 due to the draw down of $25.2m loan from the Bank in the second half of year 2006; and

(4) A reduction in foreign exchange gain from $278,000 in 1Q2006 to $73,000 in 1Q2007 mainly due to effect of the weaker US dollar on the Group, offset by the effect of the weaker Chinese renminbi vis-à-vis the Singapore dollar.

The decrease in PBT was offset by the write back of impairment of debts of $189,000 in 1Q2007 compared to bad debts written off of $140,000 in 1Q2006.

Comparing 1Q2007 to 4Q2006, the Group PBT decreased by 36.8% or $1.6m, from $4.3m to $2.7m which was mainly due to the lower gross profit attained by the manufacturing service business in both Singapore and China and the business of distributing PCB specialty chemicals and related products, which continued to be pressured by price reduction.

REVIEW OF PERFORMANCE OF THE GROUP

PROFIT AFTER TAX ("PAT")

Group PAT decreased by 57.3% or $2.5m, from $4.4m in 1Q2006 to $1.9m in 1Q2007. These were largely in line with the changes in Group PBT.

Comparing 1Q2007 to 4Q2006, PAT decreased by 43.2% or $1.4m, from $3.3m to $1.9m. Despite a lower PBT in 1Q2007 as compared to 1Q2006, income tax expense increased by $240,000 or 39.1% from $614,000 in 1Q2006 to $854,000 in 1Q2007. The increase was mainly due to provision for deferred tax at the Company level on the timing difference from the change of machinery useful lives from 5 years to 8 years and higher tax rate for Multi-Chem (Suzhou) Co., Ltd as it no longer enjoy 50% tax-free status.

Multi-Chem Laser Technology (Suzhou) Co., Ltd currently enjoys tax-free status on profits and Multi-Chem Electronics (Wuxi) Co., Ltd enjoys tax-free status on 50% of its profits.

BALANCE SHEET REVIEW

Below is a review of material changes in the key balance sheet items for the year period ended 31 March 2007.

Cash and cash equivalents at the Group level decreased from $17.2m to $12.6m. At the Company level, cash and cash equivalents decreased from $10.2m to $5.8m. The decreases at both the Group and Company level were mainly due to repayments for drilling machines of $6.4m and repayment of borrowings of $1.4m.

Trade and other receivables of the Group increased from $31.1m to $32.3m. At the Company level, trade and other receivables decreased from $18.3m to $17.4m. The changes were mainly due to the growth in IT business, offset by lower revenue at the Company level.

Inventories at the Group level increased from $7.3m to $10.4m mainly due to the increase in IT inventory resulting from the growth of the IT business in Singapore and regionally. At the Company level, inventories which comprised PCB specialty chemicals and related materials increased marginally from $1.1m to $1.2m.

Investment in an associated company decreased from $1.7m to $1.6m mainly due to the share of losses in 1Q2007. There is no change at the Company level as the investment is accounted for at cost, as opposed to the equity method at Group level.

Property, plant and equipment increased from $66.0m to $66.3m at the Group level and increased from $19.7m to $20.4m at the Company level. The increase is mainly due to the addition of 7 units of new CNC drilling machines and 10 new routing machines for the China operations, offset by the sale of 1 unit of used CNC drilling machine in China to a third party and the depreciation charged.

Trade and other payables increased from $16.5m to $19.1m at the Group level due mainly to the increase in payables to principals of the IT distribution business, resulting from the higher business volume. The increase in payables at Company level from $5.0m to $5.8m includes stock purchase for PCB distribution business.

Bills payable to banks decreased from $14.4m to $10.7m at both the Group and the Company level. The decrease is mainly due to repayment of bills payable offset by financing on the purchase of new machines.

Borrowings decreased at both the Group and Company levels mainly due to repayment of bank borrowings and finance leases.

CASH FLOW ANALYSIS

The Group generated a net cash of $3.7m from operating activities in 1Q2007, a decrease of $2.8m, from $6.5m in 1Q2006. This was mainly due to the lower profit after tax achieved in 1Q2007, increase in inventories, due to the expansion of the IT distribution business and increase in trade and other receivables due to increase in revenue.

Net cash of $3.3m was used in investing activities in 1Q2007, up from $2.2m in 1Q2006. This was due to $3.5m invested in the purchase of machinery in 1Q2007, which was also partly financed by bills payable, offset by proceeds from disposal of property, plant and equipment (mainly the older productive equipment) of $199,000.

Net cash of $5.0m was used in financing activities in 1Q2007, an increase of $2.8m, from $2.2m in 1Q2006. This was mainly due to the repayment of borrowings and bills payable.

Cash and cash equivalent stood at $12.6m as at end of 31 March 2007, up from $7.5m as at end of 31 March 2006.

COMMENTARY ON CURRENT YEAR PROSPECTS

PCB

The Group witnessed a record year in 2006 in terms of revenue and profitability for its PCB-related business due primarily to a buoyant electronics industry and addition of machines to cope with the demand. However the strong momentum did not continue into 1Q2007. The revenue for this quarter from China and Singapore manufacturing business decreased by 4.7% and 18.7%, as compared to 1Q2006 and 4Q2006 respectively.

In the US, the North American PCB industry book-to-bill ratio was 1.00 for March 2007. A ratio of more than 1.00 suggests current demand is ahead of supply, which indicates probably near term growth. Even though the outlook in the near term in North America does not indicate growth, PCB producers in Asia, especially those based in China, continues to remain bullish.

The Group is currently the leading PCB drilling and routing service provider in terms of capacity and technology in Singapore and Eastern China. Its main manufacturing facilities in China are located in the Suzhou, Kunshan and Wuxi regions of the Jiangsu province. As the Group continues to serve the leading PCB manufacturers in Eastern China, it is well positioned to benefit from any additional capacity requirements of the PCB manufacturers based in those areas. China is now the Group's largest manufacturing base in terms of sales, capacity and customer base and accounted for 63% of the Group revenue in the manufacturing service division in 1Q2007.

The PCB-related business of the Group is dependent on the overall electronics cycle. With a wider customer base and the available capacity, the Group is well poised to meet any increase in demand for the services we provide.

As at 31 March 2007, the Group has 242 CNC drilling machines, 6 laser drilling machines and 60 routing machines. Included in the Group's machines currently are 108 drilling machines capable of drilling at speeds of 200,000 rpm, which can achieve higher accuracy for micro vias, particularly for hole-sizes of 0.2mm and below.

IT

For the IT distribution business, the Group, through the M.Tech group, will continue to focus on the best-of-breed internet security products. The Group currently carries industry leading products from top IT security vendors, including Nokia, Check Point, RSA Security, TippingPoint and BlueCoat.

In addition to its current product business, the Group is also involved in providing certified IT training through M.Tech Training Centre Pte Ltd, which is authorised to conduct training for Nokia, Check Point and RSA courses. In China, the Group is also an authorised training provider for Nokia courses. This business is complementary to the core IT distribution business and is expected to bring about more awareness and technical knowledge through the courses conducted.

As at 31 March 2007, the Group's IT business has a total of 11 offices in 8 countries. For growth, the Group will focus on its best-of-breed products and will continue to look out for opportunities for regional expansion. The Group will also be selective of the products we carry so as to be able to do the best for the principals that the M.Tech companies represent. The Group intends to work closely with key partners to further promote the products we carry.

IT has become an integral part of doing business and awareness of IT has been growing. Reliance on IT has been growing exponentially and applications of IT are now not confined only to the business area but to homes and travels as well. Governments around the region are also strong advocates of IT. With this higher reliance on IT comes the need for security.

The higher need for IT security also comes in the form of legislation. In the US, the Sarbanes-Oxley Act of 2002 was introduced in response to the US corporate scandals and has requirements for stringent internal controls, which includes IT controls. Chief information officers are responsible for the security, accuracy and the reliability of the systems that manage and report the financial data. Following the lead from the US, Japan has also introduced J-SOX, effective for fiscal years beginning on or after 1 April 2008. J-SOX has similar requirements for internal controls, including a section on IT support, which was added as an internal control element to reflect the importance of the IT environment to effective internal control.

With the standards imposed by the corporations themselves or by legislation, the needs for IT security are expected to grow. Also, as economies mature and awareness grows, an increasing amount of the total IT budget is expected to be incurred for IT security. These developments can only augur well for the Group.

COMMENTARY ON CURRENT YEAR PROSPECTS

Risk Factors

The Group is exposed to the cyclical nature and uncertainty of the electronics products sector. Any downturn in the electronics cycle will result in a cutback in outsourcing which will impact the Group negatively. Additionally, with the typically heavy capital investment required in the manufacturing service business, the Group will be adversely affected should there be a downturn in the electronics business due to the high fixed costs in this business.

The Group's success in the China market will depend on our ability to maintain our technological, quality assurance, capacity and pricing advantage over our competitors. Additionally, we have to monitor trade debts closely as collection of accounts receivable generally takes longer in China.

The Group, with significant investment in China, is also exposed to the political, legal and economic climates of the country. Such risks pertaining to the political, legal and economic climates extend to the other markets which the Group is operating in.

We are also exposed to foreign exchange risks as we mainly transact with our suppliers, vendors and customers in Singapore dollars, US dollars, Chinese renminbi, and to a lesser extent, European euro, Thailand baht, Malaysia ringgit, Indonesia rupiah, Philippines peso and Hong Kong dollars. The Company may, from time to time, enter into borrowing and foreign exchange arrangements as currency hedges.

In the area of IT distribution, the Group is subject to risk of reliance on a few key vendors, in respect of their channel strategies, as well as product roadmap. The Group is also exposed to the risks of inventory obsolescence in respect of the hardware carried. Despite such risks, the Group has taken steps to align with the leading names in the IT arena and as such, there is a good probability that such companies will take steps to ensure that their products maintain the technological edge. The Group also monitors its stock on a quarterly basis and will make provisions where necessary.

NOTES TO THE FINANCIAL STATEMENTS

1. AGGREGATE AMOUNT OF GROUP'S BORROWINGS AND DEBT SECURITIES

Amount repayable in one year or less, or on demand

As at 31 Mar 07		As at 31 Dec 06	
Secured	Unsecured	Secured	Unsecured
202,000	20,341,000	202,000	24,861,000

Amount repayable after one year

As at 31 Mar 07		As at 31 Dec 06	
Secured	Unsecured	Secured	Unsecured
980,000	16,310,000	1,052,000	17,443,000

Additional information and details of any collateral
The finance leases are secured on the Group's eight drilling machines.
Note: The unsecured amount includes convertible notes of USD1,500,000 (SGD equivalent: $2,382,000)

2. SHARE CAPITAL

Group	Authorised shares '000	Issued shares '000	Share capital $'000	Share premium $'000	Total share capital $'000
Balance at 1 January 07		**356,981**	**36,559**	**-**	**36,559**
Share issue pursuant to conversion of convertible notes	**-**	3,400	729	-	729
Balance at 31 March 2007	**-**	**360,381**	**37,288**	**-**	**37,288**
Balance at 1 January 06	600,000	356,381	17,819	17,785	35,604
Effects of Companies (Amendment) Act 2005	(600,000)	**-**	17,785	(17,785)	**-**
Balance at 31 March 2006	**-**	**356,381**	**35,604**	**-**	**35,604**

NOTES TO THE FINANCIAL STATEMENTS

3. ACCOUNTING POLICIES

There are no substantial changes to the accounting policies applied from the accounting policies in the Group's most recently audited financial statements for the year ended 31 December 2006.

4. OTHER INFORMATION

The figures presented in the announcement have not been audited or reviewed by our auditors.

5. EARNINGS PER ORDINARY SHARE

Group	3 months ended	
	31-Mar-07	**31-Mar-06**
Earnings per share attributable to the equity holders of the Company during the period (expressed in cents per share)		
(i) Based on weighted average number of shares	0.48 cents	1.20 cents
- Weighted average number of shares ('000)	358,643	356,381
(ii) On fully diluted basis	0.47 cents	1.15 cents
- Adjusted weighted average number of shares ('000)	370,643	372,551

6. NET ASSET VALUE

	Group		Company	
	31-Mar-07	**31-Dec-06**	**31-Mar-07**	**31-Dec-06**
Net asset value per share based on existing issued share capital as at the respective period	17.35 cents	16.78 cents	13.57 cents	13.07 cents

The net asset value per ordinary share at the end of the current period and the immediately preceding financial year have been calculated based on 360,381,000 ordinary shares and 356,981,000 ordinary shares respectively.

7. DIVIDEND

(a) Current Financial Period Reported On

No dividend has been declared/ recommended for 1Q2007.

(b) Dividend for financial year ended 31 December 2006

Name of dividend	Summary of dividend proposed per share	Amount $'000	Payment date
Interim	Tax exempt (one-tier) dividend of 0.84 cents per ordinary share	2,994	31 August 2006

BY ORDER OF THE BOARD

Foo Suan Sai
Chairman and Chief Executive Officer
27 April 2007

CONFIRMATION BY THE BOARD

We, Foo Suan Sai and Han Juat Hoon being two directors of Multi-Chem Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the 1Q2007 financial results to be false or misleading.

On behalf of the board of directors

Foo Suan Sai
Chairman and Chief Executive Officer
Singapore, 27 April 2007

Han Juat Hoon
Chief Operating Officer
Singapore, 27 April 2007