K PLAS
Holdings Limited

Annual Report 2009

K PLAS HOLDINGS LIMITED ANNUAL REPORT 2009

Corporate Profile

K Plas Holdings Limited ("K Plas") is an Integrated Mould Design and Fabrication and Plastic Injection Moulding service provider known for combining reliable services and technical expertise with the best quality products.

K Plas serves consumers mainly from consumer electronics, automotive, healthcare and household application industries. With manufacturing facilities in the People's Republic of China, we focus on two core business competencies in the areas of:

Manufacture and Sale

Using the plastic injection moulding process, we manufacture precision engineering plastic components which are used as mechanisms in end-user products such as cameras, game consoles, motors, VCD & DVD players, audio car stereo and ignition systems.

Design and Fabrication

With in-house expertise, we are able to custom-design and fabricate plastic injection moulds according to the specifications of individual customers using machineries and technologies such as EDM, wire cutting, milling, lathe, and CNC-operated or surface grinding machines. Our moulds are also designed to facilitate the plastic injection moulding processes.

Contents

Chairman's & Managing Director's Message	01
Board of Directors	02
Management Team	04
Corporate Structure	04
Corporate Governance Report	05
Financial Contents	15
Statistic of Shareholdings	57
Notice of Annual General Meeting	59
Proxy Form	
Corporate Information	

*This document has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch ("**Sponsor**") for compliance with the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this document. This document has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document. The contact person for the Sponsor is Ms Tan Cher Ting, Senior Vice President, Corporate Finance, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone: +65 6337 5115.*

Chairman's & Managing Director's Message

Dear Shareholders,

2009 has been a turbulent year for K Plas Holdings Limited (the "**Company**") and its subsidiaries (the "**Group**"), given that the global economic downturn had extended beyond 2008 into the early part of 2009. Almost every industry felt the economic drag, including the consumer electronics, automotive, healthcare and household application industries which the Group served.

Overall, orders for 2009 decreased as a result of the above-mentioned crisis. Being a group that supports the functions of multinational corporations, our performance was closely tied to those of these corporations. As a result, we were also adversely affected. However, we still managed to preserve our operations even amidst stiff competition within the custom-molder industry against the backdrop of the challenging global recession. Not only that, we also manage to stay the course and further aligned our operations with our long-term strategic goals.

During the year, we continued to work closely with our existing customers to enhance our existing product offerings, so as to improve our profit margins. In addition, we also made efforts to expand our existing customer base by exploring new product developments with potential customers to penetrate new product markets.

Furthermore, we also took the chance to review our costs during this difficult period. Some of the cost-cutting measures that have been implemented included adjusting staff costs and other operating expenses. We are glad that our nimble and prudent management, who has been quick to react to the crisis, were able to steer the Group out of these challenging times and the Group remains debt-free.

Performance Review

Revenue from continuing operations decreased year-on-year by S$2.5 million to S$2.4 million in the financial year ended 31 December ("**FY**") 2009 as a result of lower demand due to the global economic downturn. The plastic injection and moulding segment continued to be the Group's main revenue contributor, accounting for 69.3% of the Group's revenue in FY2009 against 64.1% in FY2008, while the mould design and fabrication segment contributed 30.7% of the Group's revenue in FY2009 as compared to 35.9% in FY2008.

Inadvertently, the Group's gross profit in FY2009 decreased by S$1.2 million as compared to FY2008 to S$0.2 million, with gross profit margin declining to 7.6% in FY2009 from 28.8% in FY2008.

The Group's other credits also decreased by S$70,000 or 41.4% from S$169,000 in FY2008 to S$99,000 in FY2009 due to the absence of a one-off gain from the disposal of plant and equipment that took place in FY2008.

Total operating expenses, comprising of marketing and distribution costs, administrative expenses and finance costs, were lower by S$122,000 or 8.1% from S$1.5 million in FY2008 to S$1.4 million in FY2009, mainly because there was lower headcount and no finance costs incurred in FY2009.

As a result, the Group's continuing operations reported a net loss of S$1.1 million in FY2009 as compared to a net profit of S$63,000 in FY2008.

The Company had announced on 28 November 2008 that its subsidiary, C.S.K. Plastic Industries (Shanghai) Co., Ltd ("**CSK**") had ceased operations in December 2008 upon acceptance of a compensation claim of RMB4.2 million from the government to vacate the factory by 31 January 2009. CSK had since received full settlement from all its customers, and made payments to all its suppliers. CSK is currently in the process of preparing for voluntary liquidation.

Net loss from the discontinued operations of CSK in FY2009 was S$64,000, as compared to net loss of S$0.6 million in FY2008, as there were minimal expenses as a dormant company in FY2009 as compared to full year operations in FY2008.

Overall, the Group reported a net loss of S$1.2 million for FY2009.

Looking Ahead

Despite signs of global economic recovery, the Group expects FY2010 to remain challenging as a result of the increasingly intense competition within the plastic injection moulding industry and decreasing demand in our principal customers' electronics industry.

While the Group continues to focus on its two core competencies – plastic injection moulding and mould design and fabrication with manufacturing facilities in the PRC under K Plas Hi-Tech (Shanghai) Co., Ltd and K Plas Hi-Tech Tooling (Shanghai) Co., Ltd, the Group is also looking for opportunities to pursue a diversification strategy to strengthen the Group's operations and financial position.

To strengthen the Group's operations and financial position, the Group has completed a placement of shares to Full Join Holdings Limited and successfully raised S$5.9 million (net of expenses) in February 2010. The Group is currently evaluating various strategic options including diversifying its business to reduce reliance on its existing core business, and may also explore further fundraising if necessary.

Acknowledgements

We would like to extend our gratitude towards our shareholders, business associates and customers for their continual faith in the Group over the years. In addition, we want to extend our appreciation towards our management team and employees for their unwavering support and contribution that have helped us pull through these challenging times.

In addition, we would like to thank our Board of Directors for their invaluable guidance during this difficult period, especially Mr Wong Kok Hoe who had resigned as our Independent Director on 6 April 2010. We would like to welcome Mr Chan Kwong Chung, Bernard who joined us as our Independent Director on the same date.

Finally, we would like to express our deepest appreciation to our Group's Managing Director, Mr Chan Siew Lim, who will be leaving the Group on 4 May 2010 to pursue his other interests and opportunities. We are grateful to him for his relentless dedication towards the Group during his term of service. We would like to wish him all the best in his future endeavours. Meanwhile, Mr Chan's duties will be overseen by the Company's Non-executive Director, Mr Ong Chor Wei@Alan Ong, who will be supported by our head of operations based in China, until a new person has been appointed.

BEN LEE
Non-Executive Chairman

ONG CHOR WEI@ALAN ONG
Non-Executive Director (Acting Managing Director)

April 2010

Board of Directors

Ben Lee

Non-Executive Chairman and Director

Mr Ben Lee is our Non-Executive Chairman, and was appointed in February 2010.

Mr Lee, an Australian national, is the founder and a director of Wang Kei Yip Development Limited and Alco Resources Limited, both companies of which are in the business of the recycling of ferrous and non-ferrous metals ("Metal Recycling") in the Peoples' Republic of China ("PRC").

After he completed his basic education in the PRC in around 1988, Mr Lee worked as a sales executive to promote agricultural products with a Chinese company, 广东省农产品进出口公司, based in Guangdong, PRC. In 1989, Mr Lee left the PRC for Australia and in the same year, he founded a trading company, Chitechnic Pty Ltd, in Australia. From 1989 to 1995, Mr Lee was a director of Chitechnic Pty Ltd. In 1995, he returned to the PRC and founded a metal trading company, 环宇铝业澳洲分公司, in the PRC, the business of which he managed until 1999. In 1999, Mr Lee founded another Metal Recycling business in the PRC, 中国创立澳科再生资源有限公司, the business of which he managed until 2005. In 2005, Mr Lee founded Alco Resources Limited which is principally engaged in Metal Recycling. In 2007, Mr Lee set up Wang Kei Yip Development Limited, another Metal Recycling business.

Mr Lee has over 15 years of experience in the Metal Recycling industry and has extensive relationship with major Metal Recycling companies in the world. Mr Lee was previously a committee member of the Bureau of International Recycling.

Chin Fook Lai

Non-Executive Director

Mr Chin Fook Lai is our Non-Executive Director. Prior to that, Mr Chin was our Non-executive Chairman and a member of the Nominating Committee of our Company until 8 February 2010.

Mr Chin is the founder of the Group, with more than 30 years of experience in the plastic injection moulding industry. Mr Chin is currently the managing director of Cheso Machinery Pte Ltd, which he joined in 1993. Prior to that, he was the sole proprietor of Cheso Engineering Works for over a decade, and held various technical and supervisory positions in the plastic injection moulding industry.

Ong Chor Wei@Alan Ong

Non-Executive Director

Mr Ong Chor Wei@Alan Ong is our Non-Executive Director, and was appointed in February 2010.

Mr Ong is presently a director of UPB International Capital Limited and Net Pacific Finance Limited. He is also the non-executive director of Joyas International Holdings Limited and Jets Technics International Holdings Limited, both of which are listed on the SGX-ST and Man Wah Holdings Limited, a company listed on the Hong Kong Stock Exchange. Mr Ong is also a director on the boards of various unlisted companies in Hong Kong and Singapore. He has over 19 years of experience in finance and accounting. Prior to joining UPB International Capital Limited in 2000, Mr Ong held senior positions responsible for financial and accounting matters at various companies. Mr Ong graduated from The London School of Economics and Political Science, University of London with a Bachelor of Laws degree. He also holds a Master degree in Business Administration jointly awarded by the University of Wales and University of Manchester. Mr Ong is an associate member of the Institute of Chartered Accountants England and Wales and a member of the Hong Kong Institute of Certified Public Accountants.

Kwok Chin Phang

Non-Executive Director

Mr Kwok Chin Phang is our Non-Executive Director, and was appointed in February 2010.

Mr Kwok is currently the managing director of Net Pacific Capital Pte Limited. Mr Kwok was under the employment of Nomura Singapore Limited from May 1994 to June 2009 and has more than 15 years of experience in the investment banking industry. He has extensive experience in the areas of capital market, corporate advisory and merger and acquisitions. Mr Kwok graduated from King's College, University of London, with Bachelor of Engineering Degree (First Class Honours) in Electrical and Electronic Engineering.

Board of Directors

Mr Chin Fah

Non-Executive Director

Mr Chin Fah is our Non-Executive Director. Mr Chin is also a member of the Nominating Committee and Remuneration Committee of our Company. Prior to that, Mr Chin was a member of the Audit Committee and Remuneration Committee of our Company until 8 February 2010.

Mr Chin is currently the administrative director of Cheso Machinery Pte Ltd. He is a member of the Chartered Institute of Marketing (United Kingdom). Mr Chin holds a Diploma in Accounting from London Chamber of Commerce and a Diploma in Marketing from the Institute of Marketing (United Kingdom).

Mr Teo Yi-dar (Zhang Yida)

Independent Director

Mr Teo Yi-dar (Zhang Yida) is our Independent Director and was appointed in February 2010. Mr Teo is also the Chairman for the Audit Committee and Nominating Committee and a member of the Remuneration Committee of our Company.

Mr Teo is an investment partner with SEAVI Advent Corporation Ltd ("SEAVI Advent"), the Asian affiliate of Boston-based Advent International private equity group. He is also the independent director of China Yuanbang Property Holdings Ltd and Yangzijiang Shipbuilding (Holdings) Ltd., both of which are listed on the SGX-ST. Mr Teo manages direct investments in Asia, and focuses on the electronics, chemical, engineering and technology segments. Prior to joining SEAVI Advent, he was with Keppel Corporation Ltd., responsible for conducting business development activities for Keppel's marine and offshore businesses. Mr Teo started his career as an engineer in SGS-Thomson Microelectronics. Mr. Teo holds a Master of Science Degree in Industrial and Systems Engineering (1998) and a Master of Science Degree in Applied Finance (2000) from the National University of Singapore. He graduated from the same university with a Bachelor of Electrical Engineering (Honours) in 1996. Mr Teo was conferred the designation of Chartered Financial Analyst by the CFA Institute, formerly known as Association for Investment Management and Research, in 2001.

Chan Kwong Chung, Bernard

Independent Director

Mr Chan Kwong Chung, Bernard is our Independent Director and was appointed on 6 April 2010. Mr Chan is also the Chairman for the Remuneration Committee and a member of the Audit Committee and Nominating Committee of our Company.

Mr Chan is currently the managing partner of Nuada Limited, a corporate finance firm in Hong Kong where he focuses on advisory work relating to listing on stock exchanges in the United States of America ("USA") and fundraising activities. He is also an independent director of K's Media, a company quoted on the OTC Bulletin Board ("OTCBB") in the USA. Mr. Chan has over 20 years of experience in the areas of financial advisory, direct investments and corporate finance. His previous experience include being a chief financial officer for two companies listed on the OTCBB in the USA, a member of senior management team for several listed companies in Hong Kong as well as the largest private landowner in Hawaii, focusing on direct investments and assets management. Mr Chan has a Master of Business Administration Degree in International Management and Investment Finance, Master of Science Degree in Applied Econometrics and Bachelor of Business Administration Degree in Investment Finance, all from the University of Hawaii at Manoa.

Leong Kin Weng

Independent Director

Mr Leong is our Independent Director. He is currently a member of the Audit Committee of our Company. Prior to that, Mr Leong was the Chairman for the Audit Committee and the Remuneration Committee, and a member of the Nominating Committee of our Company until 8 February 2010.

Mr Leong is a sole proprietor of his own public accounting firm, Leong Kin Weng & Co. He is an associate of The Institute of Chartered Secretaries and Administrators (London), and has been a Certified Public Accountant of Singapore since 1990. Mr Leong holds a Bachelor of Accountancy degree from the University of Singapore.

Management Team

Tan Kim Liang
Head of Operations, K Plas Hi-Tech (Shanghai) Co Ltd & K Plas Hi-Tech Tooling (Shanghai) Co Ltd

Mr Tan Kim Liang is the Head of Operations for K Plas Hi-Tech (Shanghai) Co Ltd and K Plas Hi-Tech Tooling (Shanghai) Co Ltd, and is responsible for managing the overall operations of these subsidiaries of the Company.

Mr Tan has more than 30 years of experience in the plastic injection moulding industry. Prior to joining the Group as Factory Manager in 2005, Mr Tan was operating his own company from 1986 to 2002, and working as factory managers with various companies in the plastic injection moulding industry from 2002 to 2005.

Chong Kian Lee
Financial Controller / Company Secretary

Ms Chong Kian Lee is our Financial Controller, and is responsible for the overall financial and accounting functions of the Group. Prior to joining the Group in 2003, Ms Chong held various positions covering auditing, accounting and financial positions in the commercial, manufacturing and public accounting sectors in Singapore and Taiwan.

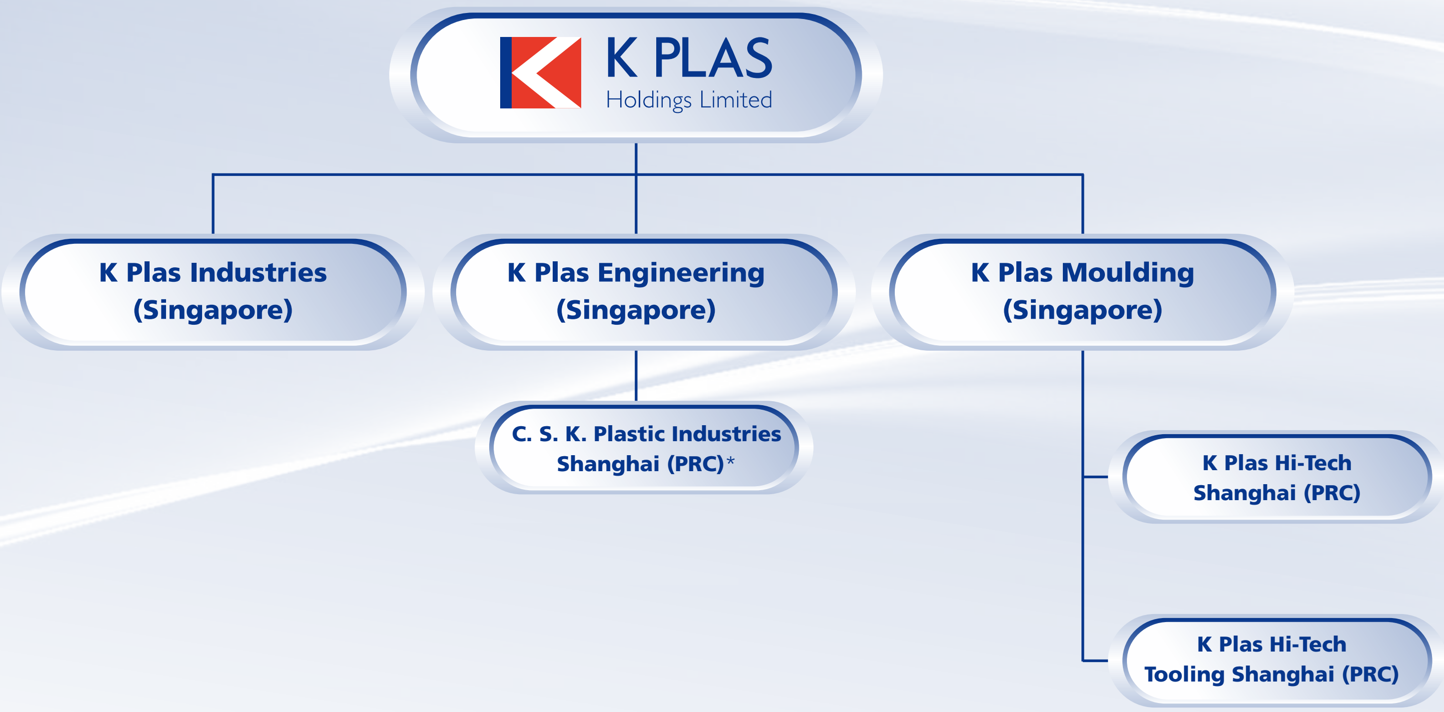
Ms Chong is a Certified Public Accountant with the Institute of Certified Public Accountants of Singapore and holds a Bachelor of Accountancy degree from the National University of Singapore.

Chin Nyok Tow
Administrative Manager

Ms Chin Nyok Tow is our Administrative Manager. With more than 15 years of experience in the field of administrative and human resource, Ms Chin provides administrative and human resource support to the various operations of the Group,

Ms Chin holds a diploma in Business & Human Resource Management from Singapore Human Resources Institute (SHRI) and a diploma in Information Technology from Informatics. She is the sister of the Company's Non-executive Director, Mr Chin Fook Lai.

Corporate Structure



* Note: C.S.K. Plastic Industries (Shanghai) Co., Ltd is in the process of preparing for voluntary liquidation

Corporate Governance Report

The board of directors ("**Board**") of **K Plas Holdings Limited** (the "**Company**") recognises the importance of achieving a high standard of corporate governance and is committed to developing procedures and policies within the Company and its subsidiaries (the "**Group**") in conformity with the Code of Corporate Governance 2005 ("the **Code**"). This report describes the corporate governance framework and practices of the Company with specific reference to each of the principles of the Code in respect of the financial year ended 31 December 2009 ("**FY2009**").

BOARD MATTERS

Principle 1 The Board's conduct of its affair

The Board is entrusted with the responsibility of the overall corporate governance and management of the Group. It establishes the corporate strategies of the Group and supervises the management on the business and affairs of the Group to enhance shareholders' value.

Apart from statutory responsibilities, the Board reviews and approves the Group's policies, strategies and directions, major investments and funding decisions. It also reviews and evaluates the Group's financial performance to ensure that proper internal controls and risk management processes are in place. The Board also oversees the selection of directors of the Company ("**Directors**") and monitors the conduct and performance of the Board and evaluates the performance and remuneration of key management executives of the Group.

To assist in the execution of its responsibilities, certain functions have been delegated by the Board to various Board committees namely the Audit Committee (the "**AC**"), the Nominating Committee (the "**NC**") and the Remuneration Committee (the "**RC**"), each of which has its own written terms of reference.

The Board meets on a regular basis and as and when necessary to discuss and address any significant matters. Other matters may also be put to the Board for approval by way of circulating resolutions in writing in between meetings. To ensure meetings are held regularly with maximum participation from Directors, the Company's Articles of Association ("**Articles**") allows a Director to participate at Board meetings *via* telephone or video-conference or other communication medium which will permit all Directors participating in the meeting to communicate with each other simultaneously.

The number of Board and Board committees meetings held during FY2009 and the details of attendance by each Director are as follows[1]:

	BOARD		AUDIT COMMITTEE		REMUNERATION COMMITTEE		NOMINATING COMMITTEE	
	No	No.	No	No.	No	No.	No	No.
Name of Director	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Mr Chin Fook Lai	4	4	NA	NA	NA	NA	2	2
Mr Chan Siew Lim	4	4	NA	NA	NA	NA	NA	NA
Mr Chin Fah	4	4	4	4	2	2	NA	NA
Mr Wong Kok Hoe	4	4	4	4	2	2	2	2
Mr Leong Kin Weng	4	4	4	4	2	2	2	2

Note:

(1) Subsequent to end of FY2009, on 8 February 2010, Mr Chan Siew Lim resigned as a Director. Mr Ben Lee was appointed as Non-executive Chairman, Mr Ong Chor Wei@Alan Ong was appointed as Non-executive Director, Mr Kwok Chin Phang was appointed as Non-executive Director and Mr Teo Yi-dar (Zhang Yida) was appointed as Independent Director. The AC, NC and RC were also reconstituted accordingly.

Following the above, on 6 April 2010, Mr Wong Kok Hoe resigned as an Independent Director and Mr Chan Kwong Chung, Bernard was appointed as an Independent Director. The AC, NC and RC were further reconstituted accordingly.

Principle 2 Board's composition and balance

During FY2009, the Board comprised five (5) members as follows:

Name	Position
Mr Chin Fook Lai	Non-Executive Chairman
Mr Chin Fah	Non-Executive Director
Mr Chan Siew Lim	Managing Director
Mr Leong Kin Weng	Independent Director
Mr Wong Kok Hoe	Independent Director

Upon the completion of the placement of 100,000,000 new ordinary shares in the capital of the Company to Full Join Holdings Limited on 8 February 2010 ("**Placement**"), Mr Ben Lee, Mr Ong Chor Wei@Alan Ong, Mr Kwok Chin Phang and Mr Teo Yi-dar (Zhang Yida) were appointed onto the Board and Mr Chan Siew Lim has also resigned as a Director.

Further to the above and with the change in control arising from the Placement, on 6 April 2010, Mr Wong Kok Hoe resigned as an Independent Director for his own personal reasons. Mr Chan Kwong Chung, Bernard was appointed as an Independent Director on 6 April 2010.

As at the date of this report, the Board has eight (8) members, comprising five (5) non-executive and non-independent Directors and three (3) non-executive independent Directors:

Name	Position
Mr Ben Lee	Non-Executive Chairman
Mr Ong Chor Wei@Alan Ong	Non-Executive Director
Mr Kwok Chin Phang	Non-Executive Director
Mr Chin Fook Lai	Non-Executive Director
Mr Chin Fah	Non-Executive Director
Mr Teo Yi-dar (Zhang Yida)	Independent Director
Mr Leong Kin Weng	Independent Director
Mr Chan Kwong Chung, Bernard	Independent Director

During FY2009, with two (2) out of five (5) members of the previous Board being independent, the Company maintained a satisfactory independent element on the Board. With three (3) out of eight (8) members of the existing Board being independent, the Company currently maintains a satisfactory independent element on the Board.

Principle 3 Chairman and Chief Executive Officer

In FY2009, the Group was headed by its Non-Executive Chairman, Mr Chin Fook Lai and Managing Director, Mr Chan Siew Lim.

Mr Chin Fook Lai was responsible for the workings of the Board, and together with the AC, in ensuring the Board's compliance with the corporate governance process, while Mr Chan Siew Lim had full executive responsibilities in the overall management, investment decisions, direction and policies, as well as expansion and growth of the Group.

Following the completion of the Placement, Mr Ben Lee was appointed as the Non-Executive Chairman of the Company and Mr Chan Siew Lim resigned as a Director. Mr Chan had on 5 March 2010, tendered his resignation as the Managing Director of the Company, with his last day of service being 4 May 2010.

In the interim period until the appointment of a new Managing Director, the roles and responsibilities of the Managing Director will be undertaken by Mr Ong Chor Wei@Alan Ong, the Company's Non-Executive Director appointed on 8 February 2010, and supported by the Group's head of operations based in China.

Given the current size and scope of operations of the Group, the current Board is of the view that there is an adequate independent element on the Board for objective judgement of the corporate affairs of the Group.

Principle 4 Board membership

Principle 5 Board performance

In FY2009, the NC comprised the following members, the majority of whom, including the chairman of the NC, were independent Directors.

Name	Position
Wong Kok Hoe	Chairman, Independent Director
Leong Kin Weng	Member, Independent Director
Chin Fook Lai	Member, Non-Executive Chairman

Following the completion of the Placement, the NC was reconstituted as follows and the majority of whom, including the chairman of the NC, are independent Directors:

Name	Position
Teo Yi-dar (Zhang Yida)	Chairman, Independent Director
Kwok Chin Phang	Member, Non-Executive Director
Wong Kok Hoe	Member, Independent Director

As at the date of this report, the NC comprised the following members, the majority of whom, including the chairman of the NC, are independent Directors:

Name	Position
Teo Yi-dar (Zhang Yida)	Chairman, Independent Director
Chan Kwong Chung, Bernard	Member, Independent Director
Chin Fah	Member, Non-Executive Director

The NC is responsible for all matters pertaining to Board appointments and re-nominations, having regard to the experience and background for new appointments, and contribution and performance of each Director for re-appointments. The NC also evaluates the Board's performance as a whole and the contribution of each Director to the effectiveness of the Board in accordance with the assessment process, and determines annually whether or not a Director is independent.

The Articles requires one third of the Directors to retire from office at every annual general meeting of the Company ("**AGM**"), and all newly appointed Directors are required to retire at the next AGM. The retiring Directors are eligible to offer themselves for re-election.

The current NC (saved that a member shall abstain from recommending his own re-election), has recommended to the Board the re-election of six (6) Directors namely Mr Chin Fook Lai who is retiring by rotation pursuant to Article 107 and Mr Ben Lee, Mr Teo Yi-dar (Zhang Yida), Mr Ong Chor Wei@Alan Ong, Mr Kwok Chin Phang and Mr Chan Kwong Chung, Bernard, all of whom are retiring by rotation pursuant to Article 117 at the forthcoming AGM. The Board has accepted the NC's recommendation. Accordingly, all the above-mentioned Directors will be offering themselves for re-election at the upcoming AGM.

In the event that a vacancy on the Board arises, the NC may identify suitable candidates for appointment as new Directors through the business network of the Board members or engage independent professional advisers to assist in the search for suitable candidates. The NC will generally identify suitable candidates skilled in core competencies such as accounting or finance, business or management expertise, or industry knowledge. If the NC decides that the candidate is suitable, the NC then recommends its choice to the Board. Meetings with such candidates may be arranged to facilitate open discussion. Upon appointment, arrangements will be made for the new Director to attend various briefings with the management team. New Directors will also receive relevant training to familiarise themselves with the roles and responsibilities of a Director of a listed company on the SGX-ST.

Principle 6 Board Members to be provided with complete, adequate and timely information

The Board is from time to time furnished by management with detailed and relevant information on the Group to enable them to be fully informed of the decisions and actions of the management to enable the Board to fulfill its responsibilities. The Board is also provided with on-going reports on material operational and financial matters of the Group. All Directors have free and independent access to the management and company secretaries on all matters whenever they deem necessary. In addition, the Board or an individual Board member may seek independent professional advice, if necessary, at the Company's expense.

The company secretaries attend Board meetings and are responsible to ensure that Board procedures are followed. Management works closely with the company secretaries to ensure compliance with all relevant rules and regulations which are applicable to the Company, in particular the Companies Act, Chapter 50 of Singapore ("**Act**") and the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist ("**Catalist Rules**").

Principle 7 Procedures for developing remuneration policies

In FY2009, the RC comprised the following members, the majority of whom, including the chairman of the NC, were independent Directors.

Name	Position
Leong Kin Weng	Chairman, Independent Director
Wong Kok Hoe	Member, Independent Director
Chin Fah	Member, Non-Executive Director

Following the completion of the Placement, the RC was reconstituted as follows and the majority of whom, including the chairman of the RC, are independent Directors:

Name	Position
Teo Yi-dar (Zhang Yida)	Chairman, Independent Director
Ong Chor Wei@Alan Ong	Member, Non-Executive Director
Wong Kok Hoe	Member, Independent Director

As at the date of this report, the RC comprised of the following members, the majority of whom, including the chairman of the RC, are independent Directors:

Name	Position
Chan Kwong Chung, Bernard	Chairman, Independent Director
Teo Yi-dar (Zhang Yida)	Member, Independent Director
Chin Fah	Member, Non-Executive Director

The RC is responsible for all matters pertaining to remuneration including Directors' fees, salaries, allowances, bonuses, options and benefits-in-kind, which include review and recommend to the Board a framework of remuneration and to determine specific remuneration package for Executive Directors. The RC also considers the remuneration packages and procedure for determining the remuneration packages of key executives based on responsibilities, skills, experience and contributions to the Group to be competitive and sufficient enough to attract, retain and motivate them to run the Group effectively. In carrying out the above, the RC may obtain independent external legal and other professional advice as it deem necessary. The expense of such advice will be borne by the Company.

Principle 8 Level and mix of remuneration

Principle 9 Disclosure on remuneration

Non-Executive Directors are paid basic Directors' fees in accordance with their level of contributions, taking into account factors such as responsibilities, effort and time spent for serving on the Board and Board committees. The RC has recommended that fees of S$60,000 be payable to the four (4) Non-Executive Directors who served in FY2009. The Board has duly accepted the RC's recommendation and proposed the same for approval by shareholders of the Company at the forthcoming AGM.

Executive Directors do not receive Director's fees. The remuneration package for the Managing Director of the Company was based on the service agreement entered into with the Company. The Company's Managing Director, Mr Chan Siew Lim, has a service agreement dated 1 December 2006 for an initial period of 3 years with the Company, which was renewed for another year with effect from 1 December 2009. Mr Chan Siew Lim had since resigned as a Director on 8 February 2010.

The following table shows the level and mix of remuneration (in percentage terms) in FY2009 for the Directors and top 3 key executives of the Group in office during FY2009:

Remuneration Bands	Salary	Bonus	Fees	Other benefits	Total
	(%)	(%)	(%)	(%)	(%)
Directors					
Below S$250,000					
Chin Fook Lai	–	–	100	–	100
Chan Siew Lim	91	4	–	5	100
Chin Fah	–	–	100	–	100
Wong Kok Hoe	–	–	100	–	100
Leong Kin Weng	–	–	100	–	100
Key executives					
Below S$250,000					
Tan Kim Liang	82	14	–	4	100
Chong Kian Lee	93	7	–	–	100
Chin Nyok Tow[1]	93	7	–	–	100

Note:

(1) Ms Chin Nyok Tow is the sister of Mr Chin Fook Lai, the Company's Non-Executive Director.

There are no employees whose remuneration for FY2009 exceeded S$150,000 who were related to any of the Directors or substantial shareholders of the Company.

Principle 11 Audit committee ("AC")

In FY2009, the AC comprised the following members, the majority of whom, including the chairman of the AC, were independent Directors:

Name	Position
Leong Kin Weng	Chairman, Independent Director
Wong Kok Hoe	Member, Independent Director
Chin Fah	Member, Non-Executive Director

Following the completion of the Placement, the AC was reconstituted as follows and the majority of whom, including the chairman of the AC, are independent Directors:

Name	Position
Teo Yi-dar (Zhang Yida)	Chairman, Independent Director
Ong Chor Wei@Alan Ong	Member, Non-Executive Director
Leong Kin Weng	Member, Independent Director

As at the date of this report, the AC comprised the following members, all of whom are independent Directors:

Name	Position
Teo Yi-dar (Zhang Yida)	Chairman, Independent Director
Leong Kin Weng	Member, Independent Director
Chan Kwong Chung, Bernard	Member, Independent Director

The duties and responsibilities of the AC are:

(a) Reviewing with the internal and external auditors of the Company the audit plans, their evaluation of the system of internal controls of the Group, their audit reports, their management letters and management's responses;

(b) Reviewing the half-year and full-year financial statements of the Group before submission to the Board for approval;

(c) Reviewing problems and concerns, if any, arising from the audits, and any matters which the external auditors of the Company may wish to discuss with the AC without the presence of the management at least annually;

(d) Reviewing the independence and objectivity of the external auditors of the Company annually especially where the external auditors of the Company also provide non-audit services to the Company to ensure that independence and objectivity is not impaired;

(e) Examining the scope of internal audit procedures and the results of the internal audit;

(f) Reviewing with management and the internal and external auditors of the Company the adequacy and effectiveness of the Company's internal controls and matters arising from and requiring the attention of Board;

(g) Reviewing transactions falling within Chapter 9 of the Catalist Rules;

(h) Undertaking such other reviews or projects as may be requested by the Board, by statue or the Catalist Rules; and

(i) Making recommendation to the Board on the appointment or re-appointment of the external auditors of the Company, the audit fees and matters relating to their resignation or dismissal.

In discharging the above duties, the AC meets at least twice a year to review the half-year and full-year results announcements of the Company before being approved by the Board for release to the SGX-ST. The AC confirms that it has full access to and co-operation of the management of the Company and is given full discretion to invite any Directors to attend its meetings.

As at the date of this report, the AC has met with the external auditors of the Company twice during FY2009 to review any area of audit concern and review of non-audit services.

The Company has in place a whistle-blowing policy to enable employees of the Group a channel to raise concerns about possible corporate improprieties in matters of financial reporting or other matters to the AC. There was no complaint received up to the date of this report.

Principle 12 Internal controls

Principle 13 Internal audit

The Board recognises the importance of maintaining a sound system of internal controls to safeguard the interests of shareholders of the Company and the Group's assets. The AC is tasked to oversee and review the effectiveness of material internal controls within the Group with the assistance of the external and internal auditors of the Company.

The Company has appointed Mazars LLP, an independent professional firm to review the internal control procedures on certain critical areas of the Group's operations. The internal auditors report directly to the chairman of the AC on all internal audit matters, and reports to the Financial Controller of the Company on administrative-related matters. The internal audit works are to determine whether the Group's risk management, control and governance processes, as designed by the Company, is adequate and functioning in the required manner.

The internal auditors of the Company have met the standards as set out by the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

The AC, having reviewed the findings of the internal and external auditors for the year under review, is satisfied that there are adequate internal controls in the Company.

The AC has also reviewed the volume of non-audit services provided by the external auditors of the Company, Baker Tilly TFWLCL, to the Group during FY2009 and notes that the fees charged by the external auditors of the Company for the provision of non-audit services in FY2009 amounted to S$3,500. Accordingly, the AC is of the opinion that the provision of non-audit services in FY2009 by the external auditors will not affect the independence and objectivity of the external auditors. Accordingly, the AC has recommended to the Board the nomination of Baker Tilly TFWLCL for re-appointment as the external auditors of the Company at the forthcoming AGM.

Principle 10 Accountability and Audit

Principle 14 Communications with shareholders

Principle 15 Greater shareholder participation

The Company's disclosure policy requires timely and full disclosure of all material information of major developments that impact the Group by way of public releases or announcements through the SGXNET and investor relations channels on our website (http://www.kplas.com.sg).

All shareholders of the Company will receive the annual report of the Company and notice of AGM within the mandatory period. The Board regards the AGM as an opportunity to communicate directly with the Company's shareholders and encourages shareholders' participation at the AGM. The chairman of the various Board committees as well as the external auditors of the Company are normally present at the AGMs to address shareholders' queries, if any.

Dealing in securities

The Company has adopted an internal code which prohibits dealings in the Company's securities by Directors, management and officers of the Company who have access to price sensitive information during the period commencing one month before the announcement of the Group's half-year and full-year results and ending on the date of the announcement of such results. Directors and executives of the Company are also advised not to deal with the Company's shares for short-term considerations and are expected to observe the insider trading laws at all times even when dealing in the Company's securities within the permitted trading period.

Risk management

The Company regularly reviews and improves its business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. In addition, whenever new projects are embarked, all necessary steps to manage risks in projects will be taken with assistance of the finance team of the Group.

The Company reviews significant control policies and procedures and highlights all significant matters to the AC.

Interested person transactions

The Company has set out procedures governing all interested person transactions to ensure that they are carried out on an arm's length basis, on normal commercial terms and will not be prejudicial to the interests of the Company and its shareholders. All interested person transactions will be subject to periodic reviews by the AC.

The Company confirms that there was no interested person transaction which exceeded S$100,000 in value during the year under review.

Name of interested person	Aggregate value of all interested person transactions conducted during the financial year under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding less than $100,000)
–	–	–

Corporate Governance Report

Material contracts

There were no other material contracts entered into by the Company or any of its subsidiaries involving the interests of any Directors, or controlling shareholder of the Company either still subsisting as at the end of the financial year under review or if not subsisting, were entered into since the end of the previous financial year.

Use of proceeds

Pursuant to the Placement, the Company issued 100,000,000 new ordinary shares in the capital of the Company at S$0.06 each on 8 February 2010. The total net proceeds of S$5.9 million raised from the Placement remain unutilised as at the date of this report.

Sponsor

During FY2009, the Company paid S$10,000 to its sponsor, CIMB Bank Berhad, Singapore Branch ("**Sponsor**"), being advisory fees paid to the Sponsor in connection with the Placement. Save as disclosed above, there were no fees relating to non-sponsor activities paid to the Sponsor, during FY2009.

Financial Contents

Directors' Report	16
Statement by Directors	18
Independent Auditor's Report	19
Consolidated Statement of Comprehensive Income	20
Balance Sheets	21
Consolidated Statement of Changes in Equity	22
Consolidated Statement of Cash Flows	23
Notes to the Financial Statements	24
Statistics of Shareholdings	57
Notice of Annual General Meeting	59
Proxy Form	

Directors' Report

The directors are pleased to present their report to the members together with the audited consolidated financial statements of the K Plas Holdings Limited (the "Company") and its subsidiaries (the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2009.

1. DIRECTORS

The directors in office at the date of this report are:

Ben Lee	(Non-Executive Chairman)	(Appointed on 8 February 2010)
Ong Chor Wei@Alan Ong	(Non-Executive Director)	(Appointed on 8 February 2010)
Kwok Chin Phang	(Non-Executive Director)	(Appointed on 8 February 2010)
Chin Fook Lai	(Non-Executive Director)	
Chin Fah	(Non-Executive Director)	
Teo Yi-dar (Zhang Yida)	(Independent Director)	(Appointed on 8 February 2010)
Leong Kin Weng	(Independent Director)	
Wong Kok Hoe	(Independent Director)	

2. ARRANGEMENT TO ENABLE DIRECTORS TO ACQUIRE BENEFITS

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

3. DIRECTORS' INTEREST IN SHARES OR DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the shares and debentures of the Company and related companies as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Companies Act, Cap. 50 except as follows:

	Number of ordinary shares			
	Shareholdings registered in their own names		Shareholdings in which a director is deemed to have an interest	
Name of director	**At 1.1.2009**	**At 31.12.2009**	**At 1.1.2009**	**At 31.12.2009**
The Company				
Chin Fook Lai	12,000,000	20,194,800	15,894,800	7,700,000
Chin Fah	8,128,700	8,128,700	–	–
Leong Kin Weng	50,000	50,000	–	–
Wong Kok Hoe	50,000	50,000	–	–

The director, Chin Fook Lai, by virtue of Section 7 of the Companies Act, Cap. 50, is deemed to have an interest in all the wholly-owned subsidiaries of the Company.

The above-mentioned directors' interests in the shares of the Company at 21 January 2010 were the same at 31 December 2009.

4. DIRECTORS' CONTRACTUAL BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest, except that certain directors have received remuneration from the subsidiary in their capacity as directors and/or executive of those related corporations.

5. SHARE OPTIONS

No option to take up unissued shares of the Company or its subsidiaries was granted during the financial year.

The Company does not have any employee share option scheme or share scheme.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries whether granted before or during the financial year.

There were no unissued shares of the Company or its subsidiaries under option at the end of the financial year.

6. AUDIT COMMITTEE

The members of the Audit Committee during the year are:

Leong Kin Weng	(Independent Director)
Wong Kok Hoe	(Independent Director)
Chin Fah	(Non-executive Director)

The members of the Audit Committee at the date of this report are:

Teo Yi-dar (Zhang Yida)	(Independent Director)	(Appointed on 8 February 2010)
Ong Chor Wei@Alan Ong	(Non-Executive Director)	(Appointed on 8 February 2010)
Leong Kin Weng	(Independent Director)	(Appointed on 8 February 2010)

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Companies Act, the Listing Manual and the Code of Corporate Governance. The functions are detailed in the "Corporate Governance Report" in the Group's Annual Report.

The Audit Committee is satisfied with the independence and objectivity of the external auditor and has nominated Baker Tilly TFWLCL for re-appointment as auditors of the Company at the forthcoming Annual General Meeting.

7. INDEPENDENT AUDITOR

The independent auditor, Baker Tilly TFWLCL, has expressed its willingness to accept re-appointment.

On behalf of the directors

CHIN FOOK LAI	**CHIN FAH**
Director	Director

10 March 2010

Statement by Directors

In the opinion of the Directors:

(i) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company as set out on pages 20 to 56 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2009 and of the results, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended; and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the directors

CHIN FOOK LAI	**CHIN FAH**
Director	Director

10 March 2010

Independent Auditor's Report

To the Members of K Plas Holdings Limited

(Incorporated in Singapore)

We have audited the accompanying financial statements of K Plas Holdings Limited (the "Company") and its subsidiaries (the "Group") as set out on pages 20 to 56, which comprise the balance sheets of the Group and the Company as at 31 December 2009, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss account and balance sheets and to maintain accountability of assets; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion,

a) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and the Company as at 31 December 2009 and of the results, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended on that date; and

b) the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditor, have been properly kept in accordance with the provisions of the Act.

Baker Tilly TFWLCL

Public Accountants and
Certified Public Accountants
Singapore

Partner: Foong Daw Ching
(Appointed on 31 October 2008)

10 March 2010

Consolidated Statement of Comprehensive Income

For the Financial Year ended 31 December 2009

	Note	2009 $'000	2008 $'000
Continuing operations			
Revenue		**2,379**	4,871
Cost of sales		**(2,198)**	(3,469)
Gross profit		**181**	1,402
Other income		**1**	6
Other credits	4	**99**	169
Marketing and distribution expenses		**(75)**	(79)
Administrative expenses		**(1,306)**	(1,384)
Other charges	5	**(32)**	(19)
Finance costs	6	**–**	(40)
(Loss)/profit before tax	7	**(1,132)**	55
Tax credit	9	**19**	8
(Loss)/profit from continuing operations, net of tax		**(1,113)**	63
Loss from discontinued operations, net of tax	10	**(64)**	(640)
Loss for the year		**(1,177)**	(577)
Other comprehensive (loss)/income:			
Currency translation differences arising on consolidation		**(74)**	303
Other comprehensive (loss)/income for the year, net of tax		**(74)**	303
Total comprehensive loss for the year		**(1,251)**	(274)
Loss attributable to:			
Equity holders of the Company		**(1,121)**	(324)
Minority interest		**(56)**	(253)
Loss for the year		**(1,177)**	(577)
Total comprehensive loss attributable to:			
Equity holders of the Company		**(1,191)**	(67)
Minority interest		**(60)**	(207)
		(1,251)	(274)
(Loss)/earnings per share (cents):			
Basic and diluted – continuing operations	11	**(1.12)**	0.07
Basic and diluted – discontinued operations	11	**(0.01)**	(0.42)

The accompanying notes form an integral part of these financial statements.

Balance Sheets

At 31 December 2009

	Note	Group		Company	
		2009	2008	**2009**	2008
		$'000	$'000	**$'000**	$'000
ASSETS					
Non–current assets					
Plant and equipment	12	**2,177**	2,717	**4**	10
Investment in subsidiaries	13	**–**	–	**5,115**	5,540
Total non–current assets		**2,177**	2,717	**5,119**	5,550
Current assets					
Inventories	15	**153**	263	**–**	–
Trade receivables	16	**657**	1,462	**–**	–
Other receivables	17	**189**	66	**236**	236
Assets held for sale	18	**55**	–	**–**	–
Cash and bank balances	19	**1,590**	1,070	**409**	130
		2,644	2,861	**645**	366
Current assets associated with discontinued operations	14(a)	**942**	2,380	**–**	–
Total current assets		**3,586**	5,241	**645**	366
Total assets		**5,763**	7,958	**5,764**	5,916
EQUITY AND LIABILITIES					
Equity					
Share capital	20	**9,055**	9,055	**9,055**	9,055
Other reserves	21	**80**	150	**–**	–
Accumulated losses		**(4,594)**	(3,473)	**(3,936)**	(3,349)
Equity attributable to equity holders of the Company, total		**4,541**	5,732	**5,119**	5,706
Minority interests		**457**	784	**–**	–
Total equity		**4,998**	6,516	**5,119**	5,706
Current liabilities					
Trade payables		**158**	434	**–**	–
Other payables	22	**579**	524	**643**	198
Tax payable		**2**	12	**2**	12
		739	970	**645**	210
Current liabilities associated with discontinued operations	14(b)	**26**	472	**–**	–
Total current liabilities		**765**	1,442	**645**	210
Total equity and liabilities		**5,763**	7,958	**5,764**	5,916

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes In Equity

For the Financial Year ended 31 December 2009

Group	Attributable to equity holders of the Company Share capital $'000	Other reserves $'000	Accumulated losses $'000	Total $'000	Minority interest $'000	Total $'000
Balance at 1 January 2008	8,546	(107)	(3,149)	5,290	991	6,281
Issue of shares	540	–	–	540	–	540
Share issue expenses	(31)	–	–	(31)	–	(31)
Total comprehensive loss for the year	–	257	(324)	(67)	(207)	(274)
Balance at 31 December 2008	9,055	150	(3,473)	5,732	784	6,516
Total comprehensive loss for the year	–	(70)	(1,121)	(1,191)	(60)	(1,251)
Dividends to minority shareholder by a subsidiary	–	–	–	–	(267)	(267)
Balance at 31 December 2009	**9,055**	**80**	**(4,594)**	**4,541**	**457**	**4,998**

Company	Share capital $'000	Accumulated losses $'000	Total $'000
Balance at 1 January 2008	8,546	(2,124)	6,422
Issue of shares	540	–	540
Share issue expenses	(31)	–	(31)
Total comprehensive loss for the year	–	(1,225)	(1,225)
Balance at 31 December 2008	9,055	(3,349)	5,706
Total comprehensive loss for the year	–	(587)	(587)
Balance at 31 December 2009	**9,055**	**(3,936)**	**5,119**

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the Financial Year ended 31 December 2009

	2009 $'000	2008 $'000
Cash flows from operating activities:		
Loss before tax	**(1,196)**	(585)
Adjustments for:		
Depreciation of plant and equipment	**499**	802
Loss/(gain) on disposal of plant and equipment	**7**	(43)
Plant and equipment written off	**7**	145
Gain on disposal of assets held for sale	**(93)**	–
Impairment loss on plant and equipment	**–**	217
Interest expenses	**–**	52
Interest income	**(9)**	(14)
Operating cash flow before movements in working capital	**(785)**	574
Inventories	**110**	535
Trade receivables	**1,164**	455
Other receivables	**262**	(181)
Trade payables	**(370)**	(476)
Other payables	**(45)**	(53)
Currency translation adjustments of subsidiary companies	**9**	194
Cash generated from operations	**345**	1,048
Income tax refunded	**9**	97
Interest income received	**9**	14
Net cash generated from operating activities	**363**	1,159
Cash flows from investing activities:		
Purchase of plant and equipment	**(5)**	(10)
Proceeds from disposal of plant and equipment	**2**	153
Proceeds from disposal of assets held for sale	**196**	–
Net cash generated from investing activities	**193**	143
Cash flows from financing activities:		
Proceeds from issuance of shares	**–**	540
Share issue expenses	**–**	(31)
Dividend paid to minority interest of a subsidiary	**(267)**	–
Repayment of borrowings	**(252)**	(367)
Interest paid	**–**	(52)
Net cash (used in)/generated from financing activities	**(519)**	90
Net increase in cash and cash equivalents	**37**	1,392
Cash and cash equivalents at beginning of the financial year	**2,365**	1,052
Effect of exchange rate changes on cash and cash equivalents	**(34)**	(79)
Cash and cash equivalents at end of the financial year	**2,368**	2,365
Cash and cash equivalents are represented by:		
Cash and bank balances from continuing operations	**1,590**	1,070
Cash and bank balances from discontinued operations (note 14a)	**778**	1,295
	2,368	2,365

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

For the Financial Year ended 31 December 2009

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. CORPORATE INFORMATION

The Company (Registration no: 200300326D) is incorporated and domiciled in Singapore.

The address of its registered office is at 1 Tampines Central 5 #02-06, CPF Tampines Buildings, Singapore 529508.

The principal activities of the Company are investment holding and provision of management service to its subsidiaries. It is listed on the Catalist which is a market on Singapore Exchange Securities Trading Limited. The principal activities of its subsidiaries are described in Note 13 to the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Group and the balance sheet and statement of changes in equity of the Company, expressed in Singapore dollars which is the Company's functional currency, have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of the financial statements in conformity with FRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3 to the financial statements.

The carrying amount of cash and cash equivalent, trade and other receivables and trade and other payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (cont'd)

In the current financial year, the Group has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the current financial year.

The adoption of these new/revised FRSs has no material effect on the consolidated financial statements except for the adoption of the following new or revised FRS which are relevant to the Group.

(i) FRS 1 (revised) Presentation of financial statements

The revised FRS 1 requires an entity to present, in a statement of changes in equity, all owner changes in equity. All non-owner changes in equity (ie comprehensive income) are required to be presented in one statement of comprehensive income or in two statements (a separate income statement and a statement of comprehensive income). Components of comprehensive income are not permitted to be presented in the statement of changes in equity. The Group has chosen to adopt the former alternative.

(ii) FRS 108 Operating Segments

FRS 108 supersedes FRS 14 Segment Reporting and requires the Group to report the financial performance of its operating segments based on the information used internally by management for evaluating segment performance and deciding on allocation of resources. The Group has determined that the reportable operating segments are the same as the business segments previously identified under FRS 14. Additional disclosures as required by FRS 108 are shown in Note 26 including comparative information.

(iii) Amendment to FRS 107 Improving disclosures about financial instruments

The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. The adoption of the amendment results in additional disclosures but does not have an impact on the accounting policies and measurement bases adopted by the Group.

At the date of the balance sheet, the following FRSs and INT FRSs were issued, revised or amended but not effective:

FRS 27	Consolidated and Separate Financial Statements
FRS 103	Business Combinations
INT FRS 117	Distributions of Non-cash Assets to Owners
INT FRS 118	Transfers of Assets from Customers
Amendments to FRS 32	Classification of Rights Issues
Amendments to FRS 39	Financial Instruments: Recognition and Measurement-Eligible Hedged Items
Amendments to FRS 101	Additional Exemptions for First-time Adopters
Amendments to FRS 102	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 105	Non-Current Assets Held for Sale and Discontinued Operations
Improvements to FRSs 2009	

The Group anticipates that the adoption of these FRSs and INT FRSs (where applicable) in future periods will have no material financial impact on the financial statements of the Company and the consolidated financial statements of the Group.

Notes to the Financial Statements

For the Financial Year ended 31 December 2009

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the balance sheet date. The financial statements of the subsidiaries are prepared for the same reporting date as the parent company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

Intragroup balances and transactions, including income, expenses and dividends, are eliminated in full. Profits and losses resulting from intragroup transactions that are recognised in assets, such as inventory and plant and equipment, are eliminated in full.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Acquisitions of subsidiaries are accounted for using the purchase method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest.

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group. They are presented in the consolidated balance sheet within equity, separately from the parent shareholders' equity, and are separately disclosed in the profit or loss of the Group.

(c) Subsidiaries

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities. The Group generally has such power when it directly or indirectly, holds more than 50% of the issued share capital, or controls more than half of the voting power, or controls the composition of the board of directors.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less accumulated impairment losses.

(d) Revenue recognition

Revenue comprises the fair value for the sale of goods and rendering of services, net of goods and services tax, rebates and discounts, and after eliminating sales within the Group. Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the entity, and the amount of revenue and related cost can be reliably measured.

(i) Sale of goods

Revenue from sale of goods is recognised when a Group's entity has delivered the products to the customer and significant risks and rewards of ownership of the goods have been passed to the customer.

(ii) Rendering of services

Revenue from services is recognised during the financial year in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be performed.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Revenue recognition (cont'd)

(iii) Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

(iv) Dividend income

Dividend income is recognised when the right to receive payment is established.

(e) Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the profit or loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by the way of penalty is recognised as an expense in the period in which termination takes place.

(f) Borrowing costs

All borrowing costs that are interest and other costs incurred in connection with the borrowing of funds are recognised as an expenses in the period in which they are incurred.

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. The interest expenses are calculated using the effect interest method.

(g) Employee benefits

(i) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. Contributions to national pension schemes are recognised as an expense in the period in which the related service is performed.

Such state-managed retirement benefit schemes are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

(ii) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave as a result of service rendered by employees up to the balance sheet date.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the profit or loss except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is provided using the liability method, on all temporary differences at the balance sheet date arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investment in subsidiaries, except where the timing of the reversal of temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred taxes are charged or credited to equity if the tax relates to items that are credited or charged, in the same or a different period, directly to equity.

(i) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The initial cost of plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing an asset to its working condition and location for its intended use less any trade discounts and rebates.

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the assets only when it is probable that future economic benefits associated with the item will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised in profit or loss during the financial year in which it is incurred.

Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

On disposal of a plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss; any amount in revaluation reserve relating to that asset is transferred to retained earnings.

Depreciation is calculated on a straight-line basis to write off the cost of all plant and equipment, less any estimated residual value over their estimated useful lives, using the straight-line method as follows:

	Years
Leasehold improvements	3
Plant and equipment	5 – 10

Fully depreciated assets are retained in the financial statements until they are no longer in use.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Impairment of non-financial assets

At each balance sheet date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit or loss unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(k) Financial assets

(i) Classification

The Group classifies its financial assets according to the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are classified within "trade and other receivables" and "cash and cash equivalents" on the balance sheet.

Financial assets, available-for-sale

Financial assets, available-for-sale are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in current assets as management intends to dispose of the assets within 12 months after the balance sheet date.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Financial assets (cont'd)

(ii) Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a financial asset, the difference between the net sale proceeds and its carrying amount is recognised in profit or loss. Any amount in the fair value reserve relating to that asset is also taken to profit or loss.

(iii) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs.

(iv) Subsequent measurement

Loans and receivables are carried at amortised cost using the effective interest method.

Available-for-sale financial assets are subsequently carried at fair value. Interest income on financial assets is recognised separately in profit or loss.

(v) Impairment

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account, and the amount of the loss is recognised in profit or loss. The allowance amount is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

Financial assets, available-for-sale

When there is objective evidence that an available-for-sale financial asset is impaired, the cumulative loss that was recognised directly in the fair value reserve is reclassified to profit or loss. The cumulative loss is measured as the difference between the acquisition cost (net of any principal repayments and amortisation) and the current fair value, less any impairment loss on that financial asset previously recognised.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of finished goods and work-in-progress comprises direct materials and, where applicable, direct labour costs, other direct costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is determined using weighted average method. Net realisable value represents the estimated selling price in the ordinary course of business, less the cost of completion and selling expenses.

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

(n) Financial liabilities

Financial liabilities include trade and other payables. Financial liabilities are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

(o) Financial guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due. Financial guarantees are classified as financial liabilities.

Financial guarantee contracts are initially recognised at their fair values plus transaction costs.

Subsequent to initial measurement, the financial guarantees are stated at the higher of the initial fair value less cumulative amortisation and the amount that would be recognised if they were accounted for as contingent liabilities. Financial guarantees contracts are amortised in profit or loss over the period of the guarantee.

(p) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that the Group will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(q) Foreign currencies

Functional and presentation currency

The individual financial statements of each entity in the Group are measured in the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements of the Group and the balance sheet and changes in equity of the Company are presented in Singapore Dollars, which is the Company's functional and presentation currency.

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss, except for currency translation differences on net investment in foreign operations and borrowings and other currency instruments qualifying as net investment hedges for foreign operations, which are included in the other reserves within equity in the consolidated financial statements.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

Translation of Group entities' financial statements

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities are translated at the closing rates at the date of the balance sheet;

(ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the date of the transactions); and

(iii) All resulting exchange differences are taken to the currency translation reserve within equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations (including monetary items that, in substance, form part of the net investment in foreign entities), are taken to the other reserves.

Fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(r) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incurs expenses, including revenues and expenses that relate to transactions with other components of the Group. Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker for making decisions about allocating resources and assessing performance of the operating segments.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(s) Current assets/liabilities associated with discontinued operations

Current assets/liabilities associated with discontinued operations, that are expected to be recovered primarily through a sale transaction rather than through continuing use, are classified as held for sale.

The assets, or disposal group, are measured at the lower of carrying amount and fair values less costs to sell. Impairment losses on initial classification as held for sale and subsequent gains or losses on re-measurement are recognised in profit or loss.

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held for sale and

(i) represents a separate major line of business or geographical area of operations; or

(ii) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or

(iii) is a subsidiary acquired exclusively with a view of resale.

(t) Dividend

Interim dividends are recorded during the financial year in which they are declared payable.

Final dividends are recorded in the Group's financial statements in the period in which they are approved by the Company's shareholders.

(u) Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

(v) Government grant

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the balance sheet and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

When the grant relates to an expense item, it is recognised in profit or loss over the period necessary to match them on a systematic basis to the costs that it is intended to compensate.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCE OF ESTIMATION UNCERTAINTY

Critical judgement in applying the Group's and Company's accounting policies

In the process of applying the Group's and Company's accounting policies, which are described in Note 2, management has made the following judgements that have the most significant effect on the amounts recognised in the financial statements.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCE OF ESTIMATION UNCERTAINTY (CONT'D)

Impairment of investment in subsidiaries

When a subsidiary is in net equity deficit and has suffered operating losses, a test is made whether the investment in the investee had suffered any impairment, in accordance with the stated accounting policy. This determination requires significant judgement. An estimate is made of the future profitability of the subsidiaries, and the financial health of and near-term business outlook for the subsidiaries, including factors such as industry and sector performance, and operational and financing cash flow. The amount of the relevant investment is $5,115,000 (2008: $5,540,000) at the balance sheet date. It is impracticable to disclose the extent of the possible effects.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Allowance for doubtful receivables

An allowance is made for doubtful receivables for estimated losses resulting from subsequent inability of the customers make required payments. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required in future period. Management specifically analyses accounts receivables, historical bad debts, customer concentrations, customer credit worthiness, current economic trends and changes in customer payment terms when evaluating the adequacy of the allowance for doubtful receivables. At the balance sheet date, the receivables are measured at fair value and their fair values might change materially within the next financial year but these changes would not arise from assumptions or other sources of estimation uncertainty at the balance sheet date. The carrying amount of the Group's trade receivables at the reporting date are $657,000 (2008: $1,462,000).

(ii) Net realisable value of inventories

A review is made periodically on inventory for excess inventory, obsolescence and declines in net realisable value below costs and an allowance is recorded against the inventory balance for any such declines. These reviews require management to estimate future demand for the products. In any case, the realisable value represents the best estimate of the recoverable amount and is based on the most reliable evidence available at the balance sheet date and inherently involves estimates regarding the future expected realisable value. The benchmarks for determining the amount of allowance or write-down include ageing analysis, technical assessment and review of subsequent sales volumes and inventory balances. In general, such an evaluation process requires significant judgement and might materially affects the carrying amount of inventories at the balance sheet date. Possible changes in these estimates could result in revisions to the carrying value of inventory. The amount of carrying value at the balance sheet date was $153,000 (2008: $263,000).

(iii) Impairment of plant and equipment

The Group and Company has plant and equipment stated at carrying value of $2,177,000 (2008: $2,717,000) and $4,000 (2008: $10,000) respectively. An assessment is made at each reporting date whether there is any indication that the assets may be impaired. If any such indication exists, an estimate is made of the recoverable amount of the asset. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates. If the revised estimated gross margin is less favourable than that used in the calculations there would be a need to provide for impairment. It is impracticable to disclose the extent of the possible effects.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCE OF ESTIMATION UNCERTAINTY (CONT'D)

Key sources of estimation uncertainty (cont'd)

(iv) Depreciations of plant and equipment

Management estimate the useful lives of the Group's and the Company's plant and equipment to be within 3 – 10 years.

The estimates for the useful lives and related depreciation charges for plant and equipment is based on commercial and production factors which could change significantly as a result of technical innovations and competitor actions in response to severe market conditions. The depreciation charge is increased where useful lives are less than previously estimated useful lives or the carrying amounts written off or written down for being technically obsolete or non-strategic assets that have been abandoned or sold. If the actual useful lives of these plant and equipment were to differ from management's estimates, it could result in revisions to the carrying value of plant and equipment.

4. OTHER CREDITS

	Group	
	2009	2008
	$'000	$'000
Gain on disposal of plant and equipment	**–**	68
Foreign currencies exchange differences	**23**	40
Write back for doubtful receivables	**–**	33
Chuan Sha Industrial Park Incentives	**61**	23
Others	**15**	5
	99	169

5. OTHER CHARGES

	Group	
	2009	2008
	$'000	$'000
Loss on disposal of plant and equipment	**7**	–
Plant and equipment written off	**7**	–
Write down of inventories	**18**	19
	32	19

6. FINANCE COSTS

	Group	
	2009	2008
	$'000	$'000
Interest on bank loans	**–**	40

7. (LOSS)/PROFIT BEFORE TAX

(Loss)/ profit before tax is determined after charging/(crediting) the following:

	Group	
	2009	2008
	$'000	$'000
Cost of inventories included in cost of sales	**731**	1,386
Interest income	**(1)**	(6)
Depreciation of plant and equipment	**499**	490
Rental expenses	**200**	174
Personnel expenses (Note 8)	**1,428**	2,039
Fees for non-audit services by auditors of the Company	**4**	35

8. PERSONNEL EXPENSES

	Group	
	2009	2008
	$'000	$'000
Salaries, wages and bonuses	**1,280**	2,553
Defined contribution benefits	**138**	224
Other staff related expenses	**92**	146
	1,510	2,923
Less: Amount attributable to discontinued operations	**(82)**	(884)
	1,428	2,039

Directors' and key management personnel's remunerations included in personnel expenses are as follows:

	Group	
	2009	2008
	$'000	$'000
Directors of the Company		
– Salaries and bonuses	**151**	166
– Fees	**60**	60
Key management personnel (non-directors)		
– Salaries and bonuses	**301**	246
– Defined contribution benefits	**18**	8
– Other related expenses	**14**	7
	544	487

9. TAX CREDIT

	Group	
	2009	2008
	$'000	$'000
Tax credit attributable to loss before income tax is made up of:		
From continuing operations		
Income tax		
Current year provision	**2**	–
Over-provision in prior years	**(21)**	(8)
	(19)	(8)

The income tax credit on the results of the financial year varies from the amount of income tax determined by applying the applicable corporate income tax rate to (loss)/profit before income tax from operations due to the following factors:

	Group	
	2009	2008
	$'000	$'000
(Loss)/profit before tax from:		
– continuing operations	**(1,132)**	55
– discontinued operations (Note 10)	**(64)**	(640)
	(1,196)	(585)
Tax calculated at tax rate of 17% (2008: 18%)	**(203)**	(105)
Effect of different tax rate in other countries	**(49)**	(6)
Income not subject to tax	**(12)**	(21)
Expenses not deductible for tax purposes	**203**	13
Deferred tax benefit not recognised	**66**	205
Singapore statutory stepped income tax exemption	**(3)**	–
Tax exemption in other countries	**–**	(86)
Over provision in prior years	**(21)**	(8)
Tax credit	**(19)**	(8)

The Group has unutilised tax losses and other temporary differences of approximately $673,000 and $4,000 respectively (2008: $25,000 and $Nil). The use of these balances is subject to the agreement of the relevant tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies in the Group operates.

No deferred tax asset has been recognised as it is not probable that future taxable profits will be sufficient to allow the related tax benefits to be realised.

Notes to the Financial Statements

For the Financial Year ended 31 December 2009

10. DISCONTINUED OPERATIONS

Following the approval of the Board of Directors on 25 November 2008, C.S.K. Plastic Industries (Shanghai) Co., Ltd ("C.S.K.") has ceased its operations in December 2008. The results of C.S.K. have been presented separately on the consolidated statement of comprehensive income as "Discontinued operations".

An analysis of the results of discontinued operations is as follows:

	Group	
	2009	2008
	$'000	$'000
Revenue	**–**	2,909
Cost of sales	**–**	(2,802)
Gross profit	**–**	107
Other income	**8**	8
Other credits	**174**	862
Marketing and distribution expenses	**(13)**	(53)
Administrative expenses	**(150)**	(697)
Other charges	**(83)**	(855)
Finance costs	**–**	(12)
Loss before tax from discontinued operations	**(64)**	(640)
Tax expenses	**–**	–
Loss after tax from discontinued operations	**(64)**	(640)

The impact of the discontinued operations on the cash flows of the Group is as follows:

	Group	
	2009	2008
	$'000	$'000
Operating activities	**406**	672
Investing activities	**(267)**	109
Financing activities	**(252)**	(25)
Net (decrease)/increase in cash and cash equivalents	**(113)**	756
Cash and cash equivalent at beginning of the financial year	**1,295**	586
Effect of exchange rate changes on cash and cash equivalents	**10**	(47)
Dividend paid to holding company and eliminated at Group's consolidated financial statements	**(414)**	–
Cash and cash equivalents at end of the financial year	**778**	1,295

11. (LOSS)/EARNINGS PER SHARE

From continuing and discontinued operations

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	Group	
	2009	2008
Net loss for the year attributable to equity holders of the Company ($'000)	**(1,121)**	(324)
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share ('000)	**99,000**	91,677

From continuing operations

The calculation of the basic and diluted earnings per share from continuing operations attributable to the ordinary equity holders of the parent entity is based on the following data:

Earnings figures are calculated as follows:

	Group	
	2009	2008
	$'000	$'000
Loss for the year attributable to equity holders of the Company	**(1,121)**	(324)
Less: loss for the year from discontinued operation	**8**	387
(Loss)/profit for the purposes of basic earnings per share from continuing operations	**(1,113)**	63

The denominators used are the same as those detailed above for both basic and diluted earnings per share.

From discontinued operations

Basic and diluted earnings per share for the discontinued operation is based on the loss for the year from the discontinued operation of $8,000 (2008: $387,000) and the denominators detailed above for both basic and diluted earnings per share.

Notes to the Financial Statements

For the Financial Year ended 31 December 2009

12. PLANT AND EQUIPMENT

Group	Leasehold improvements $'000	Plant and equipment $'000	Total $'000
Cost			
At 1 January 2008	925	8,787	9,712
Exchange adjustment	26	428	454
Additions	–	10	10
Disposals	–	(831)	(831)
Written off	(684)	(619)	(1,303)
Reclassified to discontinued operations	–	(3,101)	(3,101)
At 31 December 2008	267	4,674	4,941
Exchange adjustment	(5)	(92)	(97)
Additions	–	5	5
Disposals	–	(17)	(17)
Written off	–	(18)	(18)
At 31 December 2009	**262**	**4,552**	**4,814**
Accumulated depreciation			
At 1 January 2008	898	4,604	5,502
Exchange adjustment	30	233	263
Depreciation charge	17	785	802
Written off	–	(721)	(721)
Disposals	(680)	(478)	(1,158)
Impairment	–	217	217
Reclassified to discontinued operations	–	(2,681)	(2,681)
At 31 December 2008	265	1,959	2,224
Exchange adjustment	(5)	(54)	(59)
Depreciation charge	1	498	499
Disposals	–	(16)	(16)
Written off	–	(11)	(11)
At 31 December 2009	**261**	**2,376**	**2,637**
Net book value			
At 31 December 2008	2	2,715	2,717
At 31 December 2009	**1**	**2,176**	**2,177**

12. PLANT AND EQUIPMENT (CONT'D)

	Office equipment	
	2009	2008
Company	**$'000**	$'000
Cost		
At 1 January	**18**	18
Additions	**5**	–
Written off	**(18)**	–
At 31 December	**5**	18
Accumulated depreciation		
At 1 January	**8**	4
Depreciation charge	**4**	4
Written off	**(11)**	–
At 31 December	**1**	8
Net book value		
At 31 December	**4**	10

13. INVESTMENT IN SUBSIDIARIES

	Company	
	2009	2008
	$'000	$'000
Unquoted equity shares, at cost	**4,917**	4,917
Cost from fair value on financial guarantee	**70**	70
Quasi-equity loan[1]	**4,340**	4,335
	9,327	9,322
Less: Allowance for impairment	**(4,212)**	(3,782)
	5,115	5,540
Movement in allowance for impairment:		
At 1 January	**(3,782)**	(3,098)
Additions	**(430)**	(684)
At 31 December	**(4,212)**	(3,782)

[1] This loan is an interest free quasi-equity loan from the Company to its subsidiary, K Plas Moulding Pte Ltd ("KMPL") and it is not expected to be repaid in the foreseeable future. KMPL has in turn invested substantially the proceeds from the quasi-equity loan as paid up capital of K Plas Hi-Tech (Shanghai) Co., Ltd and K Plas Hi-Tech Tooling (Shanghai) Co., Ltd.

Notes to the Financial Statements

For the Financial Year ended 31 December 2009

13. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation	Principal activities	Effective % ownership held by the Company 2009 & 2008
K Plas Industries Pte Ltd**	Singapore	Dormant	100%
K Plas Engineering Pte Ltd**	Singapore	Investment holding	100%
K Plas Moulding Pte Ltd**	Singapore	Investment holding	100%
Held through K Plas Moulding Pte Ltd			
K Plas Hi-Tech (Shanghai) Co., Ltd ***	Shanghai, The People's Republic of China ("PRC")	Manufacture of plastic components	100%
K Plas Hi-Tech Tooling (Shanghai) Co., Ltd ***	Shanghai, PRC	Manufacture of plastic injection moulds	100%
Held through K Plas Engineering Pte Ltd			
C.S.K. Plastic Industries (Shanghai) Co., Ltd ***	Shanghai, PRC	Manufacture of plastic components and plastic injection moulds	60.8%

** Audited by Baker Tilly TFWLCL.

*** Audited by Baker Tilly TFWLCL for the sole purpose of inclusion in the consolidated financial statements.

14. CURRENT ASSETS AND LIABILITIES ASSOCIATED WITH DISCONTINUED OPERATIONS

a) Current assets

		Group	
		2009	2008
		$'000	$'000
Assets held for sale	(i)	**–**	420
Trade receivables	(ii)	**–**	359
Other receivables	(iii)	**164**	306
Cash and bank balances		**778**	1,295
		942	2,380

14. CURRENT ASSETS AND LIABILITIES ASSOCIATED WITH DISCONTINUED OPERATIONS (CONT'D)

a) Current assets (cont'd)

(i) Assets held for sale

The assets held for sale comprise the following:

	Group	
	2009	2008
	$'000	$'000
Plant and equipment	**–**	420

Assets held for sale under finance lease have been discharged during the financial year ended 31 December 2009 (see Note 14(b)(iii)).

(ii) Trade receivables

	Group	
	2009	2008
	$'000	$'000
Gross amount	**–**	419
Less: Allowance for doubtful receivables	**–**	(60)
	–	359
Movement in the above allowance are as follows:		
At 1 January	**60**	–
Reclassed from continuing operations (Note 16)	**–**	15
(Write back)/additions	**(60)**	58
Written off	**–**	(15)
Exchange adjustment	**–**	2
At 31 December	**–**	60

(iii) Other receivables

	Group	
	2009	2008
	$'000	$'000
Amount due from a related party	**162**	–
Deposits	**1**	24
Other receivables	**–**	267
Prepayments	**1**	15
	164	306

The amount due from a related party is unsecured, interest-free and repayable on demand.

14. CURRENT ASSETS AND LIABILITIES ASSOCIATED WITH DISCONTINUED OPERATIONS (CONT'D)

b) Current liabilities

		Group	
		2009	2008
		$'000	$'000
Trade payables	(i)	**–**	94
Other payables	(ii)	**26**	115
Other financial liabilities	(iii)	**–**	263
		26	472

(i) Trade payables

	Group	
	2009	2008
	$'000	$'000
Third parties	**–**	77
Related party	**–**	17
	–	94

(ii) Other payables

	Group	
	2009	2008
	$'000	$'000
Advances from customers	**–**	25
Accrued operating expenses	**26**	72
Tax payables	**–**	18
	26	115

(iii) Other financial liabilities

The minimum lease payment under the finance lease liabilities are as follows:

	Group	
	2009	2008
	$'000	$'000
Not later than one financial year	**–**	283
Less: Future finance charges	**–**	(20)
Present value of finance lease liabilities	**–**	263

The weighted average effective interest rate of the finance lease liabilities at 31 December 2009 is nil (2008: 4.77%) per annum.

The finance lease liabilities had been fully settled in the financial year ended 31 December 2009 and the assets held for sale have then been discharged.

15. INVENTORIES

	Group 2009 $'000	Group 2008 $'000
Raw materials and consumables	**87**	83
Work-in-progress	**14**	64
Finished goods	**52**	116
	153	263

Raw materials and finished goods are stated at net realisable value after write down of $42,000 and $20,000 (2008: $31,000 and $6,000) respectively.

16. TRADE RECEIVABLES

	Group 2009 $'000	Group 2008 $'000
Third parties	**657**	1,462
Less: Allowance for doubtful receivables	**–**	–
	657	1,462
Movement in the above allowance are as follows:		
At 1 January	**–**	47
Reclassed to discontinued operations (Note 14(a)(iii))	**–**	(15)
Write-back of allowance	**–**	(33)
Exchange adjustment	**–**	1
At 31 December	**–**	–

Trade receivables are non-interest bearing and are up to 90 days credit term. The credit term varies from customers to customers after taking into consideration their payment track record, financial background, length of business relationship and size of transactions.

They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The table below is an analysis of trade receivables as at the balance sheet date:

	Group 2009 $'000	Group 2008 $'000
Not past due and not impaired	**559**	1,323
Past due but not impaired	**98**	139
	657	1,462

16. TRADE RECEIVABLES (CONT'D)

The aging analysis of trade receivables which is past due but not impaired is as follows:

	Group	
	2009	2008
	$'000	$'000
Past due less than 3 months	**98**	139
Concentration of trade receivable customers:		
Top 1 customer	**229**	409
Top 2 customers	**315**	689
Top 3 customers	**376**	911

17. OTHER RECEIVABLES

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Advance payment to suppliers	**20**	11	**–**	–
Deposits	**32**	17	**30**	14
Other receivables	**10**	21	**5**	4
Prepayments	**46**	17	**5**	6
Amount due from subsidiaries	**–**	–	**196**	212
Amount due from a related party	**81**	–	**–**	–
	189	66	**236**	236

The amounts due from subsidiaries and a related party are non-trade in nature, unsecured, interest-free and are receivable on demand.

18. ASSETS HELD FOR SALE

	Group	
	2009	2008
	$'000	$'000
At 1 January	**–**	–
Additions	**250**	–
Disposal	**(195)**	–
At 31 December	**55**	–

19. CASH AND CASH EQUIVALENTS

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Cash at bank and on hand	**1,550**	970	**369**	30
Fixed deposits	**40**	100	**40**	100
	1,590	1,070	**409**	130

The effective interest rate of the fixed deposits and certain balances with bank ranging from 0.1% to 0.36% (2008: 0.72% to 1.72%) per annum. Fixed deposits are placed with banks and mature in varying periods within 12 months after the balance sheet date.

20. SHARE CAPITAL

	Group and Company			
	2009		2008	
	No. of shares	**$'000**	No. of shares	$'000
Issued and paid up capital				
– ordinary shares with no par value				
At 1 January	**99,000,000**	**9,055**	90,000,000	8,546
Issue of shares	**–**	**–**	9,000,000	540
Share issue expenses	**–**	**–**	–	(31)
At 31 December	**99,000,000**	**9,055**	99,000,000	9,055

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

In 2008, the Company issued 9,000,000 ordinary shares for total cash consideration of $540,000 to provide funds for the working capital. The newly issued shares rank *pari passu* in all respects with the previously issued shares.

21. OTHER RESERVES

	Statutory reserve	Translation reserve	Total
	$'000	**$'000**	**$'000**
Group			
At 1 January 2008	74	(181)	(107)
Exchange difference	–	257	257
At 31 December 2008	74	76	150
Exchange difference	–	(70)	(70)
At 31 December 2009	**74**	**6**	**80**

21. OTHER RESERVES (CONT'D)

Statutory reserve

In accordance with relevant PRC regulations, subsidiaries which are incorporated in the PRC are required to transfer 10% of their respective net profits to the statutory reserve until the reserve reaches 50% of their registered capital. The transfer to this reserve must be made before the payment of dividends to shareholders.

The statutory reserve can only be used to set off against losses, to expand the subsidiary's production operations or to increase the share capital of the subsidiary. The subsidiary may convert its statutory reserve into share capital provided that the remaining balance of such reserve is not less than 25% of the registered share capital.

This statutory reserve is not available for dividend appropriate to the shareholders.

Translation reserve

The translation reserve accumulates all foreign exchange differences on translating the results and net assets of foreign operations that the Group controls during the year.

22. OTHER PAYABLES

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Advance from subscriber	**270**	–	**270**	–
Advance receipts from customers	**–**	4	**–**	–
Accrued operating expenses	**301**	420	**169**	185
Amount due to subsidiaries	**–**	–	**204**	13
Other payables	**8**	100	**–**	–
	579	524	**643**	198

Advance from subscriber is deposits received from subscriber in relation to the placement exercise (Note 28).

The amounts due to subsidiaries are non-trade in nature, unsecured, interest-free and are payable on demand.

23. OPERATING LEASE COMMITMENTS

The Group and the Company leases various factories and warehouses from non-related parties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

Commitments in relation to non-cancellable operating leases contracted for at the balance sheet date, but not recognised as liabilities, are payable as follows:

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
No later than one financial year	**87**	190	**48**	47
Later than one financial year but not later than five financial years	**40**	30	**40**	–
	127	220	**88**	47

24. RELATED PARTY TRANSACTIONS

A related party is an entity or person that directly or indirectly through one or more intermediaries controls, is controlled by, or is under common or joint control with, the Group or that has an interest in the Group that gives it significant influence over the Group's financial and operating policies. It also includes members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence for which significant voting power in the Group resides with, directly or indirectly.

In addition to information disclosed elsewhere in the financial statements, the following related party transactions took place between the Group and related parties who are not members of the Group during the financial year on terms agreed by the parties concerned:

	Group	
	2009	2008
	$'000	$'000
Dividends paid to minority shareholder of a subsidiary	**267**	–
Purchase of spare parts and services	**–**	9
Sales of plant and equipment	**–**	(34)
Management fee paid to minority shareholders of a subsidiary	**50**	–
Sales of assets held for sale to minority shareholder of a subsidiary	**(248)**	–

Intra-group transactions that have been eliminated in the financial statements are not disclosed as related party transactions.

25. CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk. The Group sets the amount of capital in proportion to risk. The management manages the capital structure and makes adjustments to it in light of changes in economics conditions and the risk characteristics of the underlying assets. In order to maintain or achieve an optimal capital structure, the management may adjust the amount of dividends payment, return capital to shareholders, issue new shares or sell assets to reduce debts.

The capital of the Group consists of share capital, other reserves and retained earnings, and the Group's overall strategy remains unchanged from 2008.

26. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

Financial instruments as at balance sheet date are as follows:

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Financial assets				
Loans and receivables	**3,478**	4,778	**615**	352
Assets held for sale	**55**	420	**–**	–
Financial liabilities				
Measured at amortised cost	**765**	1,413	**375**	210

(b) Financial risk management

The Group is exposed to financial risks arising from its operations. The key financial risks include foreign currency risk, credit risk, interest rate risk and liquidity and cash flow risk. The Group's overall risk management strategy seeks to minimise adverse effects from these financial risks on the Group's financial performance. The Group's overall risk management policy is to ensure adequate financial resources are available for the development of the Group's business whilst managing its risk. The Group's overall risk management is determined and carried out by the board of directors.

(i) Foreign currency risk

The Group has currency exposures arising from transactions, assets and liabilities that are denominated in currencies other than the respective functional currencies of entities of the Group. The foreign currencies in which the Group's currency risk arises are mainly United States dollar ("USD") and Japanese Yen ("JPY"). The Group does not use forward contracts to hedge their exposure to foreign currency risk in the local functional currency.

The Group maintains their respective books and accounts in their functional currencies. As a result, the Group is subject to transaction and translation exposures resulting from currency exchange rate fluctuations. It is not the Group's policy to takes speculative positions in foreign currencies.

26. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (cont'd)

(i) Foreign currency risk (cont'd)

At the balance sheet date, the Group have the following financial assets and financial liabilities denominated in foreign currencies based on the information provided by management is as follows:

	2009		2008	
	USD	**JPY**	USD	JPY
	$'000	**$'000**	$'000	$'000
Financial assets				
Trade and other receivables	**255**	**–**	310	–
Cash and bank balances	**635**	**1**	539	1
	890	**1**	849	1
Financial liabilities				
Trade payables	**26**	**–**	86	–
Other payables	**–**	**–**	–	263
	26	**–**	86	263
Financial assets/(liabilities) denominated in foreign currencies	**864**	**1**	763	(262)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the USD and JPY exchange rate against the respective functional currencies of the Group's entities, with all other variables held constant, of the Group's profit after tax as follows:

	Profit after tax	
	2009	2008
	$'000	$'000
USD – strengthened 2% (2008: 2%)	**15**	15
– weakened 2% (2008: 2%)	**(15)**	(15)
JPY – strengthened 2% (2008: 2%)	**–**	(5)
– weakened 2% (2008: 2%)	**–**	5

26. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (cont'd)

(ii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk.

As the Group and the Company does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Group and the Company. Cash and bank balances are placed with reputable financial institutions with high credit ratings and no history of default.

Financial assets that are either past due or impaired

There is no other class of financial assets that is past due and/or impaired except for trade receivables as disclosed in Note 16 to the financial statements.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from cash deposits placed with the financial institution. The Group managed the interest rate risks by placing cash deposits with reputable financial institutions on varying maturities and interest rate terms.

As the Group and Company have no material interest-bearing assets, the Group and the Company's income are substantially independent of changes in market interest rate.

The sensitivity analysis for changes in interest rate is not disclosed as the effect on profit or loss is considered not significant.

(iv) Liquidity and cash flow risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group and the Company manages the liquidity risk by maintaining sufficient cash to enable them to meet their operating commitments.

(c) Fair value financial assets and financial liabilities

The carrying amounts of cash and bank balances, assets held for sale, trade and other receivables and trade and other payable approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

27. SEGMENT INFORMATION

For management purposes, the Group is organised into two business units based on its products and services. The reportable segments are plastic injection moulding and mould design and fabrication. Management monitors the operating results of its business units separately for making decisions about allocation of resources and assessment of performances of each segment.

The plastic injection moulding segment ("injection moulding") is a manufacturer of precision engineering plastic components of varying shapes and sizes. These components are used as parts or segments of finished products such as cameras, game console, motors, VCD & DVD players, audio car systems and ignition systems.

The mould design and fabrication segment ("mould fabrication") is a manufacturer of the plastic injection mould according to the specification of the customers. The mould is also designed to facilitate the plastic injection moulding and assembly process. Once the design of the mould has been approved by the customers, the mould is fabricated with the aid of a combination of CNC operated machines, EDM, wire cutting, milling, lathe, surface grinding machines and other machineries.

The Group generally accounts for inter-segment sales and transfers as if the shares or transfers were to third parties at current market prices.

Segment information provided to management for reportable segment are as follows:

	Injection moulding		Mould fabrication		Unallocated		Total	
	2009	2008	**2009**	2008	**2009**	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Continuing operations								
Revenue by segments								
Total revenue by segments	**1,648**	3,121	**867**	2,009	**–**	–	**2,515**	5,130
Inter-segments sales	**–**	–	**(136)**	(259)	**–**	–	**(136)**	(259)
External revenue	**1,648**	3,121	**731**	1,750	**–**	–	**2,379**	4,871
Segment (loss)/profit	**(439)**	163	**(102)**	453	**(591)**	(521)	**(1,132)**	95
Finance costs	**–**	(15)	**–**	(4)	**–**	(21)	**–**	(40)
(Loss)/profit before tax	**(439)**	148	**(102)**	449	**(591)**	(542)	**(1,132)**	55
Tax credit	**–**	–	**–**	–	**19**	8	**19**	8
Net (loss)/profit for the year	**(439)**	148	**(102)**	449	**(572)**	(534)	**(1,113)**	63
Other segment information:								
Capital Expenditure	**–**	(9)	**–**	(1)	**(5)**	–	**(5)**	(10)
Depreciation	**(287)**	(281)	**(208)**	(205)	**(4)**	(4)	**(499)**	(490)
Write down of inventories	**(13)**	(13)	**(5)**	(6)	**–**	–	**(18)**	(19)
(Loss)/gain on disposal of plant and equipment	**2**	–	**–**	–	**(9)**	68	**(7)**	68
Write back for doubtful receivables	**–**	33	**–**	–	**–**	–	**–**	33
Plant and equipment written off	**–**	–	**–**	–	**(7)**	–	**(7)**	–

27. SEGMENT INFORMATION (CONT'D)

	Injection moulding 2009 $'000	Injection moulding 2008 $'000	Mould fabrication 2009 $'000	Mould fabrication 2008 $'000	Unallocated 2009 $'000	Unallocated 2008 $'000	Total 2009 $'000	Total 2008 $'000
Discontinued operations								
Revenue by segments								
Total revenue by segments	–	2,797	–	112	–	–	–	2,909
Inter-segment sales	–	(81)	–	–	–	–	–	(81)
External revenue	–	2,716	–	112	–	–	–	2,828
Segment loss	–	(567)	–	(61)	**(64)**	–	**(64)**	(628)
Finance costs	–	(12)	–	–	–	–	–	(12)
Loss before tax	–	(579)	–	(61)	**(64)**	–	**(64)**	(640)
Income tax	–	–	–	–	–	–	–	–
Net loss for the year	–	(579)	–	(61)	**(64)**	–	**(64)**	(640)
Other segment information:								
Depreciation	–	(264)	–	(48)	–	–	–	(312)
Plant and equipment written off	–	(145)	–	–	–	–	–	(145)
Impairment loss on plant and equipment	–	(217)	–	–	–	–	–	(217)
Loss on disposal of plant and equipment	–	(25)	–	–	–	–	–	(25)
Gain on disposal of asset held for sale	–	–	–	–	**93**	–	**93**	–
Writeback/(provision) for doubtful receivables	–	(58)	–	–	**60**	–	**60**	(58)

27. SEGMENT INFORMATION (CONT'D)

	Injection moulding		Mould fabrication		Unallocated		Eliminations		Consolidated	
	2009	2008	**2009**	2008	**2009**	2008	**2009**	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Segment assets	**2,660**	3,321	**1,481**	2,051	**699**	225	**(19)**	(19)	**4,821**	5,578
Assets associated with discontinued operations	**–**	2,074	**–**	–	**942**	306	**–**	–	**942**	2,380
Consolidated total assets									**5,763**	7,958
Segment liabilities	**147**	398	**139**	350	**453**	211	**–**	11	**739**	970
Liabilities associated with discontinued operations	**–**	343	**–**	14	**26**	115	**–**	–	**26**	472
Consolidated total liabilities									**765**	1,442

Segment results

Performance of each segment is evaluated based on segment profit or loss which is measured differently from the net profit or loss before tax in the consolidated financial statements. Interest income and finance expenses are not allocated to segments as Group financing is managed on a group basis.

A reconciliation of segment (loss)/profit to the consolidated (loss)/profit before tax is as follows:

	2009	2008
	$'000	$'000
Segment (loss)/profit	**(541)**	597
Unallocated expenses	**(591)**	(521)
Interest expenses on bank loans	**–**	(21)
(Loss)/profit before tax and discontinued operations	**(1,132)**	55

Segment assets

The amounts provided to management with respect to total assets are measured in a manner consistent with that of the financial statements. Management monitors the assets attributable to each segment for the purposes of monitoring segment performance and for allocating resources between segments. All assets are allocated to reportable segments other than certain other receivables and cash and bank balances which are classified as unallocated assets.

Segment liabilities

The amounts provided to management with respect to total liabilities are measured in a manner consistent with that of the financial statements. All liabilities are allocated to the reportable segments based on the operations of the segments other than certain other payables and income tax payable. These liabilities are classified as unallocated liabilities.

27. SEGMENT INFORMATION (CONT'D)

Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Sales to external customers		Non-current assets	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
PRC	**2,379**	4,871	**2,173**	2,707
Singapore	**–**	–	**4**	10
	2,379	4,871	**2,177**	2,717

Non-current assets information presented above are non-current assets as presented on the consolidated balance sheet.

Information about major customer

Revenue of approximately $362,000 (2008: $743,000) are derived from a single external customer and are attributable to the plastic injection moulding segment.

28. SUBSEQUENT EVENTS

On 8 February 2010, the Company issued 100,000,000 new ordinary shares for total cash consideration of $6 million pursuant to a placement exercise. The newly issued shares rank *pari passu* in all respects with the previously issued shares.

29. AUTHORISATION OF FINANCIAL STATEMENTS

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2009 were authorised for issue in accordance with a resolution of the directors dated 10 March 2010.

Statistics of Shareholdings

As at 22 March 2010

Number of shares	–	199,000,000
Class of shares	–	Ordinary shares
Voting rights of ordinary shareholders	–	One vote per share

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 999	2	0.47	350	0.00
1,000 – 10,000	165	38.46	872,000	0.44
10,001 – 1,000,000	251	58.51	21,915,650	11.01
1,000,001 AND ABOVE	11	2.56	176,212,000	88.55
TOTAL	429	100.00	199,000,000	100.00

SHAREHOLDING HELD IN HANDS OF PUBLIC

Based on the register of shareholders and to the best of knowledge of the Company, as at 22 March 2010, approximately 20.55% of the total issued ordinary shares of the Company is held by the public, and therefore, the Company is in compliant with Rule 723 of the SGX-ST Listing Manual Section B: Rules of Catalist.

The Company has no treasury shares as at 22 March 2010.

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	FULL JOIN HOLDINGS LIMITED	100,000,000	50.25
2	CHIN FOOK LAI	20,194,800	10.15
3	BEH KIM LING	13,050,000	6.56
4	STONE CANYON CAPITAL PTE LTD	9,000,000	4.52
5	CHIN FAH	8,128,700	4.08
6	HONG LEONG FINANCE NOMINEES PTE LTD	7,920,000	3.98
7	CHIN FOOK CHOY	7,501,000	3.77
8	LIM SENG LEONG	6,002,400	3.02
9	SIN YUE LEE	1,707,900	0.86
10	CHIN NYOK TOW	1,428,600	0.72
11	CHIN FOOK YUEN	1,278,600	0.64
12	TONG CHEE KEONG	913,000	0.46
13	HUANG SHU HUA	714,000	0.36
14	BNP PARIBAS NOMINEES SINGAPORE PTE LTD	699,000	0.35
15	OCBC SECURITIES PRIVATE LTD	655,000	0.33
16	LIM TENG SAY	632,000	0.32
17	CHIA SER SIN	624,300	0.31
18	KIM ENG SECURITIES PTE. LTD.	580,000	0.29
19	TAN CHAY LONG	547,000	0.27
20	KANEISHI SHOHO	500,000	0.25
	TOTAL	182,076,300	91.49

Statistics of Shareholdings

As at 22 March 2010

SUBSTANTIAL SHAREHOLDERS AS AT 22 MARCH 2010

(as recorded in the Register of Substantial Shareholders)

	Number of ordinary shares			
Name of Substantial Shareholders	**Direct Interest**	**Deemed Interest**	**Total**	**%**
Chin Fook Lai (1)	20,194,800	7,700,000	27,894,800	14.02
Full Join Holdings Limited	100,000,000	–	100,000,000	50.25
Net Pacific International Limited (2)	–	100,000,000	100,000,000	50.25
Win Wealth Group Limited (3)	–	100,000,000	100,000,000	50.25
Ben Lee (4)	–	100,000,000	100,000,000	50.25
Kwok Chin Phang (5)	–	100,000,000	100,000,000	50.25
Ong Chor Wei@Alan Ong (6)	–	100,000,000	100,000,000	50.25
Cheung Ting Chor (7)	–	100,000,000	100,000,000	50.25
Beh Kim Ling	13,050,000	–	13,050,000	6.56

Note:

(1) Chin Fook Lai's deemed interest arises from shares held in the name of Hong Leong Finance Nominees Pte Ltd.

(2) Net Pacific International Limited is deemed interested in the shares held by Full Join Holdings Limited by virtue of it owning 20.0% of the shareholding interest of Full Join Holdings Limited.

(3) Win Wealth Group Limited is deemed interested in the shares held by Full Join Holdings Limited by virtue of it owning 80.0% of the shareholding interest of Full Join Holdings Limited.

(4) Ben Lee is deemed interested in the shares held by Full Join Holdings Limited by virtue of him owning 100.0% of the shareholding interest of Win Wealth Group Limited, which in turn owns 80.0% of the shareholding interest of Full Join Holding Limited.

(5) Kwok Chin Phang is deemed interested in the shares held by Full Join Holdings Limited by virtue of him owning 25.0% of the shareholding interest of Net Pacific International Limited, which in turn owns 20.0% of the shareholding interest of Full Join Holding Limited.

(6) Ong Chor Wei@Alan Ong is deemed interested in the shares held by Full Join Holdings Limited by virtue of him owning 50.0% of the shareholding interest of Net Pacific International Limited, which in turn owns 20.0% of the shareholding interest of Full Join Holding Limited.

(7) Cheung Ting Chor is deemed interested in the shares held by Full Join Holdings Limited by virtue of him owning 25.0% of the shareholding interest of Net Pacific International Limited, which in turn owns 20.0% of the shareholding interest of Full Join Holding Limited.

Notice of Annual General Meeting

Registration No: 200300326D

NOTICE IS HEREBY GIVEN that the Annual General Meeting of K Plas Holdings Limited (the "**Company**") will be held at 8 Wilkie Road, #03-01 Wilkie Edge, Singapore 228095 on Wednesday, 28 April 2010 at 9:30 a.m. to transact the following businesses:

ORDINARY BUSINESS:

1. To receive and consider the Directors' Report and audited accounts of the Company for the financial year ended 31 December 2009 and the Auditors' Report thereon. Resolution 1

2. To re-elect Mr Chin Fook Lai, who is retiring by rotation in accordance with Article 107 of the Company's Articles of Association, as a director of the Company ("**Director**"). Resolution 2

3. To re-elect Mr Ben Lee, who is retiring by rotation in accordance with Article 117 of the Company's Articles of Association, as a Director. Resolution 3

4. To re-elect Mr Kwok Chin Phang, who is retiring by rotation in accordance with Article 117 of the Company's Articles of Association, as a Director. Resolution 4

5. To re-elect Mr Ong Chor Wei@Alan Ong, who is retiring by rotation in accordance with Article 117 of the Company's Articles of Association, as a Director. Resolution 5

6. To re-elect Mr Teo Yi-dar (Zhang Yida), who is retiring by rotation in accordance with Article 117 of the Company's Articles of Association, as a Director.

   [Mr Teo Yi-dar (Zhang Yida) will, upon re-election as a Director, remain as the chairman of the Audit Committee of the Company and will be considered independent for the purposes of Rule 704(7) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**").] Resolution 6

7. To re-elect Mr Chan Kwong Chung, Bernard who is retiring by rotation in accordance with Article 117 of the Company's Articles of Association, as a Director. Resolution 7

   [Mr Chan Kwong Chung, Bernard will upon re-election as a Director, remain as a member of the Audit Committee of the Company and will be considered independent for the purposes of Rule 704(7) of the Catalist Rules.]

8. To approve the Directors' fees of S$60,000.00 for the financial year ended 31 December 2009 (2008: S$60,000.00) Resolution 8

9. To re-appoint Messrs Baker Tilly TFWLCL as the auditors of the Company and to authorise the Directors to fix their remuneration. Resolution 9

Notice of Annual General Meeting

Registration No: 200300326D

SPECIAL BUSINESS:

To consider and, if thought fit, to pass with or without any modifications, the following resolutions as Ordinary Resolutions:

10. **Ordinary Resolution: Authority to allot and issue shares in the capital of the Company** Resolution 10

That pursuant to Section 161 of the Companies Act, Cap. 50. and Rule 806 of the Catalist Rules, authority be and is hereby given to the Directors to allot and issue shares ("**Shares**") and convertible securities in the capital of the Company (whether by way of rights, bonus or otherwise) at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit provided that:–

(a) the aggregate number of Shares and convertible securities to be issued by way of a pro-rata renounceable rights issue pursuant to this resolution does not exceed one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of Shares and convertible securities to be issued other than on a pro-rata basis to shareholders of the Company does not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (b) below);

(b) subject to such manner of calculations as may be prescribed by the SGX-ST, for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (a) above, the percentage of the total number of issued Shares (excluding treasury shares) shall be based on the total number of issued Shares (excluding treasury shares) at the time this resolution is passed after adjusting for:–

(i) new Shares arising from the conversion or exercise of any convertible securities;

(ii) new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of this resolution, provided that the share options or share awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(iii) any subsequent bonus issue, consolidation or sub-division of Shares;

(c) unless revoked or varied by the Company in general meeting, the authority conferred by this resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier. [See Explanatory Note (i)].

11. **Ordinary Resolution: Authority to issue Shares other than on a pro-rata basis pursuant to the aforesaid share issue mandate at discounts not exceeding twenty per centum (20%) to the weighted-average price of the Shares for trades done on the SGX-ST.** Resolution 11

That subject to and pursuant to the aforesaid share issue mandate in Resolution 10 being obtained, the Directors be hereby authorised and empowered to issue Shares other than on a pro-rata basis at a discount not exceeding twenty per centum (20%) to the weighted-average price of the Shares for trades done on the SGX-ST for the full market day on which the placement or subscription agreement in relation to such Shares is executed (or if not available for a full market day, the weighted-average price must be based on the trades done on the preceding market day up to the time the placement or subscription agreement is executed), provided that:–

(a) in exercising the authority conferred by this resolution, the Company complies with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association of the Company; and

(b) unless revoked or varied by the Company in general meeting, such authority shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, or 31 December 2010 or such other deadlines as may be extended by SGX-ST, whichever is earlier. [See Explanatory Note (ii).]

12. To transact any other business which may be properly transacted at an annual general meeting.

Explanatory Note:

(i) The proposed Resolution 10, if passed, will empower the Directors from the date of the above Meeting until the date of the next annual general meeting, to allot and issue Shares and convertible securities in the Company. The number of Shares and convertible securities, which the Directors may allot and issue under this resolution shall not exceed 100% of the total number of issued Shares (excluding treasury shares) at the time of passing of this resolution. For allotment and issue of Shares and convertible securities other than on a pro-rata basis to all shareholders of the Company, the aggregate number of Shares and convertible securities to be allotted and issued shall not exceed 50% of the total number of issued Shares (excluding treasury shares). This authority will, unless previously revoked or varied at a general meeting, expire at the next annual general meeting or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.

Notice of Annual General Meeting

Registration No: 200300326D

(ii) The proposed Resolution 11 is pursuant to measures implemented by the SGX-ST as stated in a press release entitled "SGX introduces further measures to facilitate fund raising" dated 19 February 2009 which became effective on 20 February 2009 and will expire on 31 December 2010 unless extended. Under the measures implemented by the SGX-ST, issuers will be allowed to undertake non pro-rata placements of new shares priced at discounts of up to 20% to the weighted average price for trades done on the SGX-ST for a full market day on which the placement or subscription agreement in relation to such shares is executed, subject to the conditions that (a) shareholders' approval be obtained in a separate resolution (the "Resolution") at a general meeting to issue new shares on a non pro-rata basis at discount exceeding 10% but not more than 20%; and (b) that the resolution seeking a general mandate from shareholders for issuance of new shares on a non pro-rata basis is not conditional upon the Resolution.

It should be noted that under the Catalist Rules, shareholders' approval is not required for placements of new shares, on a non pro-rata basis pursuant to a general mandate, at a discount of up to 10% to the weighted-average price for trades done on the SGX-ST for a full market day on which the placement or subscription agreement in relation to such shares is executed.

BY ORDER OF THE BOARD

Chong Kian Lee
Low Mei Mei Maureen
Company Secretaries

Singapore
12 April 2010

Proxies:

1. A member of the Company entitled to attend and vote at the above meeting may appoint not more than two proxies to attend and vote instead of him.

2. Where a member appoints two proxies, he shall specify the proportion of his shareholding to be represented by each proxy in the instrument appointing the proxies. A proxy need not be a member of the Company.

3. If the member is a corporation, the instrument appointing the proxy must be under seal or the hand of an officer or attorney duly authorized.

4. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 1 Tampines Central 5, #02-06 CPF Tampines Building, Singapore 529508 not less than 48 hours before the time set for the annual general meeting of the Company.

PROXY FORM

K Plas Holdings Limited

(Registration No.: 200300326D)

(Incorporated in Singapore)

IMPORTANT
1. For investors who have used their CPF monies to buy the Company's shares, this annual report is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We____

of____

being a member/members of K Plas Holdings Limited (the "**Company**") hereby appoint

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and, if necessary, to demand a poll at the Annual General Meeting of the Company to be held at 8 Wilkie Road, #03-01 Wilkie Edge, Singapore 228095 on Wednesday, 28 April 2010 at 9:30 a.m. and at any adjournment thereof.

(Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be cast for or against the resolutions as set out in the Notice of Annual General Meeting. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the Annual General Meeting.)

No.	Resolutions	For	Against
	ORDINARY BUSINESS		
1	To receive and consider the Directors' Report and the Auditors' Reports and audited accounts for the financial year ended 31 December 2009		
2	To re-elect Mr Chin Fook Lai as a director of the Company (Article 107)		
3.	To re-elect Mr Ben Lee as a director of the Company (Article 117)		
4.	To re-elect Mr Kwok Chin Phang as a director of the Company (Article 117)		
5.	To re-elect Mr Ong Chor Wei@Alan Ong as a director of the Company (Article 117)		
6.	To re-elect Mr Teo Yi-dar (Zhang Yida) as a director of the Company (Article 117)		
7.	To re-elect Mr Chan Kwong Chung, Bernard as a director of the Company (Article 117)		
8.	To approve the Directors' fees of S$60,000 for the financial year ended 31 December 2009		
9.	To re-appoint Baker Tilly TFWLCL as the external auditors of the Company and authorise the directors of the Company to fix their remuneration		
	SPECIAL BUSINESS		
10.	To authorise directors of the Company to allot and issue shares and convertible securities in the capital of the Company		
11.	To authorise directors of the Company to allot and issue shares other than on a pro-rata basis at discounts not exceeding 20%		

Dated this ______ day of ____________ 2010

Total number of Shares held

____

Signature(s) of member(s) or common seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

NOTES:

1. Please insert the total number of shares in the capital of the Company ("**Shares**") held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares. If no number is inserted, this form of proxy will be deemed to relate to all the Shares held by you.

2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.

3. Where a member appoints more than one proxy, he shall specify the proportion of his shareholding to be represented by each proxy.

4. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer.

5. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Annual General Meeting of the Company, in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore.

6. The instrument appointing a proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be deposited at the registered office of the Company at 1 Tampines Central 5, #02-06 CPF Tampines Building, Singapore 529508 not less than 48 hours before the time set for the Annual General Meeting of the Company.

7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members of the Company whose Shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register as at 48 hours before the time appointed for holding the Annual General Meeting of the Company as certified by The Central Depository (Pte) Limited to the Company.

Corporate Information

BOARD OF DIRECTORS	:	Ben Lee (Non-Executive Chairman) Ong Chor Wei@Alan Ong (Non-Executive Director) Kwok Chin Phang (Non-Executive Director) Chin Fook Lai (Non-Executive Director) Chin Fah (Non-Executive Director) Teo Yi-dar (Zhang Yida) (Independent Director) Leong Kin Weng (Independent Director) Chan Kwong Chung, Bernard (Independent Director)
AUDIT COMMITTEE	:	Teo Yi-dar (Zhang Yida) (Chairman) Leong Kin Weng Chan Kwong Chung, Bernard
REMUNERATION COMMITTEE	:	Chan Kwong Chung, Bernard (Chairman) Teo Yi-dar (Zhang Yida) Chin Fah
NOMINATING COMMITTEE	:	Teo Yi-dar (Zhang Yida) (Chairman) Chan Kwong Chung, Bernard Chin Fah
COMPANY SECRETARIES	:	Low Mei Mei Maureen, MBA, LLB (Hons) (London), ACIS Chong Kian Lee, CPA
REGISTERED OFFICE	:	No. 1 Tampines Central 5 #02-06 CPF Tampines Building Singapore 529508 Tel: (65) 6542 3488 Fax: (65) 6542 1933 Email: webmaster@kplas.com.sg
SHARE REGISTRAR	:	Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623 Tel: (65) 6536 5355
AUDITORS	:	Baker Tilly TFWLCL Public Accountant and Certified Public Accountants, Singapore 15 Beach Road #03-10 Beach Centre Singapore 189677 Partner-in-charge: Foong Daw Ching (A member of the Institute of Certified Public Accountants of Singapore) (Appointed with effect from 31 October 2008)

K Plas Hi-Tech (Shanghai) Co., Ltd
科精祥星精密注塑(上海)有限公司

K Plas Hi-Tech Tooling (Shanghai) Co Ltd
科精祥星精密模具(上海)有限公司

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上海浦东川沙经济园区2号厂房
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Company Registration Number: 200300326D