

# K1 VENTURES LIMITED

Co. Reg. No. 197000535W  
(Incorporated in the Republic of Singapore)

## FIRST QUARTER 2009 FINANCIAL STATEMENTS

### UNAUDITED RESULTS FOR FIRST QUARTER ENDED 30 SEPTEMBER 2008

The Directors of **k1 Ventures Limited** advise the following unaudited results of the Group for the first quarter ended 30 September 2008.

#### 1. GROUP PROFIT AND LOSS ACCOUNT for the first quarter ended 30 September 2008

	Note	1 Jul 08 to 30 Sep 08 \$'000	1 Jul 07 to 30 Sep 07 \$'000	+ / (-) %
<b>Continuing Operations</b>				
<b>Revenue</b>	1a	<b>26,516</b>	42,987	(38.32)
Staff costs		<b>(3,436)</b>	(3,599)	(4.53)
Depreciation and amortisation		<b>(11,855)</b>	(11,781)	0.63
Other operating expenses		<b>(7,653)</b>	(7,342)	4.24
<b>Operating profit</b>		<b>3,572</b>	20,265	(82.37)
Finance expenses		<b>(4,297)</b>	(9,184)	(53.21)
Foreign exchange gain/(loss)		<b>2,573</b>	(2,927)	NM
Share of results of associated company and joint ventures		<b>3,540</b>	2,132	66.04
<b>Profit before taxation</b>		<b>5,388</b>	10,286	(47.62)
Taxation		<b>(1,184)</b>	(4,166)	(71.58)
<b>Profit from continuing operations</b>		<b>4,204</b>	6,120	(31.31)
<b>Discontinued operations</b>				
Loss from discontinued operations		-	(1,982)	NM
<b>Profit for the period</b>		<b>4,204</b>	4,138	1.59
<b>Attributable to:</b>				
Shareholders of the Company				
Profit from continuing operations		<b>3,869</b>	5,173	(25.21)
Loss from discontinued operations		-	(1,982)	NM
		<b>3,869</b>	3,191	21.25
Minority interests		<b>335</b>	947	(64.63)
		<b>4,204</b>	4,138	1.59
<b>EBITDA *</b>		<b>21,540</b>	31,251	(31.07)
<b>Earnings per ordinary share</b>				
Continuing and discontinued operations				
basic	1d	0.18 cts	0.15 cts	20.00
diluted	1d	0.18 cts	0.15 cts	20.00
Continuing operations				
basic	1d	0.18 cts	0.24 cts	(25.00)
diluted	1d	0.18 cts	0.24 cts	(25.00)

\* EBITDA is defined as profit before tax, finance expenses, depreciation and amortisation for continuing operations.

\*\* NM – Not meaningful

Note:

Discontinued Operations reflect the Group's activities in Mid Pac Petroleum, LLC ("Mid Pac"), the retail gasoline operations in Hawaii.

## NOTES TO GROUP PROFIT AND LOSS ACCOUNT

### 1a. Breakdown of revenue

	1 Jul 08 to 30 Sep 08 \$'000	1 Jul 07 to 30 Sep 07 \$'000	+ / (-) %
<b>Continuing operations</b>			
Revenue from transportation leasing	22,150	31,390	(29.44)
Proceeds from sale of investments	-	3,645	NM
Dividend income	-	934	NM
Interest income from:			
- Related parties	545	1,126	(51.60)
- Others	282	1,400	(79.86)
Others	<u>3,539</u>	<u>4,492</u>	(21.22)
	<u>26,516</u>	<u>42,987</u>	(38.32)
<b>Discontinued operations</b>			
Revenue from gasoline operations	-	45,486	NM
Others	-	397	NM
	-	45,883	NM
Consideration for sale of business	-	69,343	NM
	-	115,226	NM
	<u>26,516</u>	<u>158,213</u>	(83.24)

### 1b. Pre-tax profit of the Group is arrived at after crediting/(charging) the following:

	1 Jul 08 to 30 Sep 08 \$'000	1 Jul 07 to 30 Sep 07 \$'000	+ / (-) %
<b>Continuing operations</b>			
Profit on disposal of fixed assets	2,194	3,317	(33.86)
Profit on sale of investments	-	3,645	NM
Write-back of provision for doubtful debts	6	138	(95.62)
Fair value gain - derivatives	-	17	NM
<b>Discontinued operations</b>			
Profit on disposal of subsidiary	-	2,750	NM
Loss on disposal of fixed assets	-	(164)	NM

### 1c. There was no material adjustment for under or over provision of tax in respect of prior years.

1d. Earnings per ordinary share

	GROUP		
	1 Jul 08 to 30 Sep 08	1 Jul 07 To 30 Sep 07	+/(-)%
<b>From continuing and discontinued operations</b>			
Earnings per Ordinary share of the Group based on net profit attributable to shareholders:-			
(i) Based on weighted average number of shares	<b>0.18 cts</b>	0.15 cts	20.00
- Weighted average number of shares ('000)	<b>2,165,603</b>	2,127,603	1.79
(ii) On a fully diluted basis	<b>0.18 cts</b>	0.15 cts	20.00
- Adjusted weighted average number of shares ('000)	<b>2,165,718</b>	2,139,500	1.23
<b>From continuing operations</b>			
Earnings per Ordinary share of the Group based on net profit attributable to shareholders:-			
(i) Based on weighted average number of shares	<b>0.18 cts</b>	0.24 cts	(25.00)
- Weighted average number of shares ('000)	<b>2,165,603</b>	2,127,603	1.79
(ii) On a fully diluted basis	<b>0.18 cts</b>	0.24 cts	(25.00)
- Adjusted weighted average number of shares ('000)	<b>2,165,718</b>	2,139,500	1.23

1e. There was no extraordinary item during the period.

1f. Discontinued operations

Discontinued operation reflects the Group's activities in Mid Pac. Mid Pac engages in the business of acquiring, distributing and marketing petroleum products in Hawaii through 51 retail gas stations and sub-marketers and resellers.

On 17 August 2007, the Company announced that an agreement was entered into for the sale of Mid Pac. The sale was completed on 31 August 2007.

i) An analysis of the results of discontinued operations, based on preliminary closing up to 31 August 07, is as follows:

	2 months to 31 Aug 07 \$'000
<b><u>Operations</u></b>	
Revenue	45,883
Expenses	(45,966)
Profit before tax	<u>(83)</u>
<b><u>Profit from sale of business</u></b>	
Consideration	69,343
Net carrying value of assets disposed	(66,593)
Gain on disposal of discontinued operations	<u>2,750</u>
Profit before tax for the year	2,667
Taxation	(4,649)
Loss after tax	<u>(1,982)</u>

ii) The impact of the discontinued operations on the cashflows of the Group is as follows:

	2 months to 31 Aug 07 \$'000
Operating cashflows	1,207
Investing cashflows	2,487
Financing cashflows	(12,205)
Net cashflows	<u>(8,511)</u>

## 2. BALANCE SHEETS as at 30 September 2008

	<b>Group</b>		<b>Company</b>	
	<b>As at 30 Sep 08 \$'000</b>	<b>As at 30 Jun 08 \$'000</b>	<b>As at 30 Sep 08 \$'000</b>	<b>As at 30 Jun 08 \$'000</b>
<b>Share capital</b>	<b>196,437</b>	196,437	<b>196,437</b>	196,437
<b>Reserves</b>	<b>368,278</b>	353,729	<b>228,728</b>	225,401
<b>Share capital &amp; reserves</b>	<b>564,715</b>	550,166	<b>425,165</b>	421,838
<b>Minority interests</b>	<b>53,522</b>	50,358	-	-
<b>Capital employed</b>	<b>618,237</b>	600,524	<b>425,165</b>	421,838
<b>Represented by:</b>				
<b>Fixed assets</b>	<b>443,236</b>	439,394	<b>2</b>	2
<b>Subsidiaries</b>	-	-	<b>288,314</b>	287,127
<b>Associated company and joint ventures</b>	<b>44,225</b>	39,376	-	-
<b>Available-for-sale investments</b>	<b>173,865</b>	177,736	<b>20,701</b>	20,455
<b>Other assets</b>	<b>4,344</b>	4,468	-	-
<b>Intangibles</b>	<b>205,628</b>	195,740	-	-
	<b>871,298</b>	856,714	<b>309,017</b>	307,584
<b>Current assets</b>				
Stocks	<b>15,388</b>	16,487	-	-
Amount due from:				
- associated company and joint ventures	-	309	-	-
Debtors	<b>10,185</b>	18,597	<b>62</b>	304
Bank balances, deposits & cash	<b>248,687</b>	278,504	<b>162,080</b>	166,247
	<b>274,260</b>	313,897	<b>162,142</b>	166,551
<b>Current liabilities</b>				
Creditors	<b>9,049</b>	15,942	<b>34,879</b>	35,167
Amounts due to:				
- subsidiaries	-	-	<b>708</b>	6,749
- associated company and joint ventures	<b>300</b>	428	-	-
Term loans	<b>2,882</b>	3,065	-	-
Provision for taxation	<b>39,865</b>	60,587	<b>2,055</b>	2,029
	<b>52,096</b>	80,022	<b>37,642</b>	43,945
<b>Net current assets</b>	<b>222,164</b>	233,875	<b>124,500</b>	122,606
<b>Non-current liabilities</b>				
Term loans	<b>275,548</b>	293,684	-	-
Deferred liabilities	<b>567</b>	4,444	-	-
Deferred taxation	<b>199,110</b>	191,937	<b>8,352</b>	8,352
	<b>475,225</b>	490,065	<b>8,352</b>	8,352
<b>Net assets</b>	<b>618,237</b>	600,524	<b>425,165</b>	421,838

## NOTES TO BALANCE SHEETS

### 2a. Group's borrowings and debt securities

#### (i) Amount repayable in one year or less, or on demand

As at 30 Sep 08		As at 30 Jun 08	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
2,882	-	3,065	-

#### (ii) Amount repayable after one year

As at 30 Sep 08		As at 30 Jun 08	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
275,548	-	293,684	-

#### (iii) Details of any collateral

The term loans pertained to debt financing taken up by Helm and are pledged against the assets of Helm. The net book value of the fixed assets and other assets pledged to financial institutions amounted to \$727 million (June 2008: \$728 million).

### 2b. Net asset value

	GROUP			COMPANY		
	As at 30 Sep 08	As at 30 Jun 08	+/(-)%	As at 30 Sep 08	As at 30 Jun 08	+/(-)%
Net asset value per Ordinary Share #	\$0.26	\$0.25	4.00	\$0.20	\$0.19	5.26
Net tangible asset value per Ordinary Share #	\$0.17	\$0.16	6.25	\$0.20	\$0.19	5.26

# Based on issued share capital of 2,165,603,003 ordinary shares as at the end of the financial period (June 2008: 2,165,603,003).

### 2c. Balance sheet review

Group shareholders' funds increased from \$550.2 million as at 30 June 2008 to \$564.7 million as at 30 September 2008. The \$14.5 million increase was driven by a net increase in translation reserves as a result of currency fluctuations in the US dollar and retained profits for the period partially offset by a downward revaluation of the Group's investment in McMoRan Exploration Co. ("MMR").

Group total assets of \$1.15 billion at 30 September 2008 were \$25.1 million less than at 30 June 2008. The decrease in total assets was primarily due to a decrease of \$29.8 million in cash, principally related to the pay down of Helm's term loan and payment of income taxes, and the reduction in valuation of the Group's investment in MMR partially offset by positive foreign translation adjustments.

Group total liabilities decreased by \$42.8 million to \$527.3 million as of 30 September 2008 as compared to \$570.1 million at 30 June 2008. This decrease was driven by the reduction of Helm's term loan and a decrease in the provision for taxation.

### 3. CONSOLIDATED CASHFLOW STATEMENT for the first quarter ended 30 September 2008

	Note	1 Jul 08 to 30 Sep 08 \$'000	1 Jul 07 to 30 Sep 07 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating profit		3,572	22,932
Adjustments:			
Depreciation and amortisation		11,855	12,331
Dividend income (non cash)		-	(934)
Profit on disposal of subsidiary		-	(2,750)
Profit on disposal of fixed assets		(2,194)	(3,153)
Profit on sale of investments		-	(3,645)
Cash flow from operations before changes in working capital		<u>13,233</u>	<u>24,781</u>
Working capital changes:			
Stocks		5,111	(5,816)
Debtors		9,499	(1,462)
Creditors		(11,261)	3,425
Translation of foreign subsidiaries and others		3,023	(1,331)
		<u>19,605</u>	<u>19,597</u>
Interest paid		(4,165)	(10,083)
Income taxes paid		<u>(22,060)</u>	<u>(300)</u>
<b>Net cash (used in)/from operating activities</b>		<u>(6,620)</u>	<u>9,214</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Disposal of subsidiaries	3a	-	68,353
Purchase of fixed assets		(785)	(5,944)
Proceeds from disposal of fixed assets		9,382	6,173
Proceeds from distribution from associated company		1,046	-
Net proceeds from disposal and capital distribution of investments		-	4,318
Purchase of investment		<u>(246)</u>	<u>-</u>
<b>Net cash from investing activities</b>		<u>9,397</u>	<u>72,900</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from term loans		-	4,084
Repayment of term loans		<u>(34,817)</u>	<u>(16,677)</u>
<b>Net cash used in financing activities</b>		<u>(34,817)</u>	<u>(12,593)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(32,040)</b>	69,521
<b>Cash and cash equivalents as at beginning of period</b>		<b>277,799</b>	305,795
<b>Effects of exchange rate changes on cash and cash equivalents</b>		<b>2,573</b>	<b>(2,927)</b>
<b>Cash and cash equivalents at end of period</b>	3b	<b>248,332</b>	372,389
<b>Restricted cash</b>	3b	<b>355</b>	7,811
		<u><b>248,687</b></u>	<u>380,200</u>

## NOTES TO CONSOLIDATED CASHFLOW STATEMENT

### 3a. Disposal of subsidiary

The fair values of net assets and liabilities of a subsidiary disposed, based on preliminary closing statement, were as follows:

	1 Jul 07 to 30 Sep 07 \$'000
Fixed assets	(37,898)
Intangibles	(13,029)
Other assets	(564)
Debtors	(7,446)
Stock	(10,832)
Bank balances and cash	(990)
Creditors	10,011
Provision for taxation	43
Deferred taxation	(308)
Deferred liabilities	2,111
Foreign exchange translation reserves	<u>(7,691)</u>
	(66,593)
Net profit on disposal	<u>(2,750)</u>
Sales Proceeds	(69,343)
Add: Bank balance and cash disposed	<u>990</u>
Cash flow on disposal net of cash disposed	<u><u>(68,353)</u></u>

### 3b. Bank balances, deposits and cash

	1 Jul 08 to 30 Sep 08 \$'000	1 Jul 07 to 30 Sep 07 \$'000
Bank balances, deposits and cash	<b>35,124</b>	361,793
Deposits with related parties	<b>213,208</b>	<u>10,596</u>
Cash and cash equivalents	<b>248,332</b>	372,389
	<u>355</u>	<u>7,811</u>
Restricted cash held under escrow	<b>248,687</b>	<u>380,200</u>

#### 4. STATEMENTS OF CHANGES IN EQUITY

##### 4a. Group Statement of Changes in Equity for the first quarter ended 30 September 2008

	Attributable to equity holders of the Company						
	Share Capital	Capital Reserves	Foreign Exchange Translation Account	Revenue Reserves	Share Capital & Reserves	Minority Interests	Capital Employed
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2008</b>							
As at 1 July 2008	196,437	48,493	(56,998)	362,234	550,166	50,358	600,524
Fair value changes on available-for-sale investment	-	(5,237)	-	-	(5,237)	-	(5,237)
Fair value changes on cashflow hedges	-	265	-	-	265	-	265
Exchange differences arising on consolidation	-	-	15,652	-	15,652	2,829	18,481
Net (loss)/gain not recognised in profit & loss account	-	(4,972)	15,652	-	10,680	2,829	13,509
Profit for the period	-	-	-	3,869	3,869	335	4,204
As at 30 September 2008	196,437	43,521	(41,346)	366,103	564,715	53,522	618,237
<b>2007</b>							
As at 1 July 2007	318,774	43,084	(37,553)	355,023	679,328	48,414	727,742
Fair value changes on available-for-sale investments	-	19,621	-	-	19,621	5,712	25,333
Fair value gain realised and transferred to profit and loss account upon disposal of investment	-	(2,948)	-	-	(2,948)	-	(2,948)
Fair value changes on cashflow hedges	-	(435)	-	-	(435)	-	(435)
Exchange differences arising on consolidation	-	-	(9,893)	-	(9,893)	(1,457)	(11,350)
Currency translation gain transferred to profit and loss account	-	-	7,685	-	7,685	-	7,685
Net gain/(loss) not recognised in profit & loss account	-	16,238	(2,208)	-	14,030	4,255	18,285
Profit for the period	-	-	-	3,191	3,191	947	4,138
As at 30 September 2007	318,774	59,322	(39,761)	358,214	696,549	53,616	750,165



4b. Company Statement of Changes in Equity for the first quarter ended 30 September 2008

	<u>Share Capital</u> \$'000	<u>Capital Reserves</u> \$'000	<u>Revenue Reserves</u> \$'000	<u>Total</u> \$'000
<b>2008</b>				
As at 1 July 2008	196,437	5,351	220,050	421,838
Profit for the period	-	-	3,327	3,327
As at 30 September 2008	<u>196,437</u>	<u>5,351</u>	<u>223,377</u>	<u>425,165</u>
<b>2007</b>				
As at 1 July 2007	318,774	6,211	257,216	582,201
Fair value gain realised and transferred to profit and loss account upon disposal of investment	-	(2,948)	-	(2,948)
Profit for the period	-	-	14,533	14,533
As at 30 September 2007	<u>318,774</u>	<u>3,263</u>	<u>271,749</u>	<u>593,786</u>

4c. Share capital

Since 30 June 2008, no shares were issued by virtue of the exercise of options to take up unissued shares of the Company. As at 30 September 2008, there were unexercised options for 215,000 (June 2008: 215,000) of unissued ordinary shares under the Keppel Marine Share Option Scheme 1990.

The issued share capital of the Company as at 30 September 2008 was 2,165,603,003 ordinary shares.

As at 30 September 2008, the Company was not holding any treasury shares.

5. **AUDIT**

The financial statements have not been audited nor reviewed by the Company's auditors.

6. **AUDITORS' REPORT**

Not applicable

## **7. ACCOUNTING POLICIES**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 30 June 2008.

## **8. CHANGES IN THE ACCOUNTING POLICIES**

Not applicable.

## **9. REVIEW OF GROUP PERFORMANCE**

Group revenue from continuing operations of \$26.5 million for 1Q FY2009 represents a decrease of 38.3% as compared to the corresponding period last year. The decrease in revenue from continuing operations was mainly attributable to a decrease in Helm's leasing revenue and lower interest income from fixed deposits.

Group profit before tax (PBT) from continuing operations for 1Q FY2009 was \$5.4 million as compared to \$10.3 million for the corresponding period last year, a decrease of 47.6%. The decrease in PBT was mainly attributable to lower revenue, as mentioned above, partially offset by lower finance expenses, improved results from Helm's associated companies, and positive foreign exchange movements.

The Group's EBITDA for 1Q FY2009 from continuing operations decreased by 31.1% to \$21.5 million mostly driven by lower leasing revenue from Helm.

Profit attributable to shareholders (PATMI) from continuing operations for 1Q FY2009 was \$3.9 million as compared to \$5.2 million in the prior year, a decrease of 25.2%.

Basic earnings per share (EPS) for 1Q FY2009 increased to 0.18 cents from 0.15 cents, a 20.0% increase as compared to the prior year. EPS from continuing operations, which excludes Mid Pac's results, decreased by 25.0% as compared to the prior year.

In the opinion of the Directors, no factor has arisen between 30 September 2008 and the date of this report which would materially affect the results of the Group and the Company for the period just ended.

**10. VARIANCE FROM PROSPECT STATEMENT**

No material variance from previous statement.

**11. PROSPECTS**

The Group's operating subsidiary, Helm Holding Corporation, is expected to continue to see weakness in rail traffic volumes but is expected to have positive cashflow from operations which will be used to reduce debt.

Management will continue to be pro-active with the current investments and focus on shareholder value enhancement.

**12. DIVIDEND/CAPITAL DISTRIBUTION**

12a. Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? No

12b. Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

12c. Date Payable

Not applicable

12d. Books Closure Date

Not applicable

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

No dividend has been declared for the quarter ended 30 September 2008.

For the year ended 30 June 2008, the Board of Directors had recommended a tax exempt one-tier final dividend of 5 cents per share. The dividend has been approved by shareholders at the Annual General Meeting held on 31 October 2008. The dividend will be paid to the shareholders on 18 November 2008.

### 13. SEGMENT ANALYSIS

#### BUSINESS SEGMENT

The Group has segmented its continuing operations into Transportation Leasing and Investments. The Transportation Leasing segment represents Helm's locomotive and railcar leasing business in North America. The Group's Investment activities consist of the Group's investments in quoted and unquoted investments.

The Group's energy-related investments from continuing operations have been classified under the Investment segment. They were classified under the Energy segment in previous years. The comparative segment analysis has also been reclassified to be consistent with the existing segment reporting.

Discontinued Operations reflects the Group's activities in Mid Pac, the retail gasoline operations in Hawaii, which was disposed on 31 August 2007.

First Quarter ended 30 September 2008

	<b>Transportation Leasing</b>	<b>Investments</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue</b>	<b>25,689</b>	<b>827</b>	<b>26,516</b>
<b>Results</b>			
Operating profit	3,662	(90)	3,572
Finance expenses	(4,297)	-	(4,297)
Foreign exchange gain	-	2,573	2,573
Share of results of associated company	3,540	-	3,540
Profit before taxation	<b>2,905</b>	<b>2,483</b>	<b>5,388</b>
<b>Other information</b>			
Segment assets	682,865	418,468	1,101,333
Investment in associated company and joint ventures	44,225	-	44,225
Total	<b>727,090</b>	<b>418,468</b>	<b>1,145,558</b>
Segment liabilities	286,764	1,582	288,346
Net tax provision & deferred taxation	169,809	69,166	238,975
Total	<b>456,573</b>	<b>70,748</b>	<b>527,321</b>
Net assets	<b>270,517</b>	<b>347,720</b>	<b>618,237</b>
Capital expenditure	785	-	785
Depreciation and amortisation	(11,851)	(4)	(11,855)

First Quarter ended 30 September 2007

	Continuing Operations			Discontinued Operations	Total Operations
	Transportation Leasing \$'000	Investments \$'000	Total \$'000	Midpac \$'000	\$'000
<b>Revenue</b>	36,816	6,171	42,987	115,226	158,213
<b>Results</b>					
Operating profit	15,225	5,040	20,265	2,667	22,932
Finance expenses	(9,184)	-	(9,184)	-	(9,184)
Foreign exchange loss	-	(2,927)	(2,927)	-	(2,927)
Share of results of associated company	2,132	-	2,132	-	2,132
Profit before taxation	8,173	2,113	10,286	2,667	12,953
<b>Other information</b>					
Segment assets	820,510	551,419	1,371,929	-	1,371,929
Investment in associated company and joint ventures	83,306	-	83,306	-	83,306
Tax recoverable	-	2,421	2,421	-	2,421
Total	903,816	553,840	1,457,656	-	1,457,656
Segment liabilities	444,944	6,321	451,265	-	451,265
Net tax provision & deferred taxation	187,974	68,252	256,226	-	256,226
Total	632,918	74,573	707,491	-	707,491
Net assets	270,898	479,267	750,165	-	750,165
Capital expenditure	5,290	-	5,290	654	5,944
Depreciation and amortisation	(11,768)	(13)	(11,781)	(550)	(12,331)

#### GEOGRAPHICAL SEGMENT

The Group's two business segments operate in three main geographical areas. The operating activities and investment activities are predominately in the USA. There are also investment activities in Hong Kong. Singapore is the home country of the Company and its assets are mainly cash and cash equivalents.

First Quarter ended 30 September

2008	Singapore	USA	China / Hong Kong	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Continuing operations</b>					
External sales	182	25,971	363	-	26,516
Segment assets	75,869	867,280	149,664	8,520	1,101,333
Capital expenditure	-	785	-	-	785
2007					
	Singapore	USA	China / Hong Kong	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Continuing operations</b>					
External sales	145	38,158	1,039	3,645	42,987
Segment assets	269,055	1,085,172	13,461	4,241	1,371,929
Capital expenditure	-	5,290	-	-	5,290
<b>Discontinued operations</b>					
External sales	-	115,226	-	-	115,226
Capital expenditure	-	654	-	-	654

**14. REVIEW OF SEGMENT PERFORMANCE**

Not applicable.

**15. INTERESTED PERSON TRANSACTIONS**

Name of Interested Person	Aggregate value of all interested person transactions 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 a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual.	
	<b>1 Jul 08 to 30 Sep 08 \$'000</b>	1 Jul 07 to 30 Sep 07 \$'000	<b>1 Jul 08 to 30 Sep 08 \$'000</b>	1 Jul 07 to 30 Sep 07 \$'000
<b>General Transactions</b>				
KCL Group	-	-	<b>469</b>	469
Greenstreet Partners *	-	-	<b>3,354</b>	3,640
<b>Corporate Treasury Transactions</b>				
KCL Group	-	-	<b>213,754</b>	11,722
<b>Total</b>	-	-	<b>217,577</b>	15,831

\* This amount represents the full financial year transaction with the interested person as per agreement.

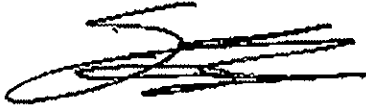
**BY ORDER OF THE BOARD**

Yang Kai Hsien  
Company Secretary  
6 November 2008

**CONFIRMATION BY THE BOARD**

We, STEVEN JAY GREEN and TEO SOON HOE, being two directors of k1 Ventures Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the first quarter ended 30 September 2008 financial results to be false or misleading.

On behalf of the board of directors



**STEVEN JAY GREEN**  
Chairman

Singapore  
6 November 2008



**TEO SOON HOE**  
Director