



Precision Parts, Precision Partnerships.

## INNOVALUES LIMITED

(Company Registration No. 199702822E)

### Financial Statement And Dividend Announcement For The Financial Period Ended 31 March 2011

The Board of Directors of Innovalues Limited is pleased to announce the consolidated results for the financial period ended 31 March 2011. The figures presented below have not been audited or reviewed by the auditors of the Company.

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

1(a)(i) An income statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Comprehensive Income for:

	Note	3 MONTHS ENDED		
		31 Mar 2011	31 Mar 2010	Increase / (decrease)
		S\$'000	S\$'000	%
<b>Revenue</b>		21,967	24,660	(10.9)%
Cost of sales		(19,857)	(20,873)	(4.9)%
<b>Gross profit</b>		2,110	3,787	(44.3)%
<b><u>Other items of income</u></b>				
Interest income		5	6	(16.7)%
Other credits	1	405	298	35.9 %
<b><u>Other items of expenses</u></b>				
Marketing and distribution costs		(626)	(769)	(18.6)%
Administrative expenses		(2,106)	(2,235)	(5.8)%
Finance costs	2	(314)	(399)	(21.3)%
Other charges	1	-	(31)	N.M.
<b>(Loss) / profit before taxation</b>	3	(526)	657	N.M.
Income tax expense	4	(34)	(125)	(72.8)%
<b>Net (loss) / profit</b>		(560)	532	N.M.

	3 MONTHS ENDED		
	31 Mar 2011	31 Mar 2010	Increase / (decrease)
	S\$'000	S\$'000	%
<b>Other comprehensive (loss) / income :</b>			
Exchange differences on translating foreign operations	(1,027)	1,602	N.M.
Other comprehensive (loss) / income for the period , net of tax	(1,027)	1,602	N.M.
<b>Total comprehensive (loss) / income for the period</b>	<b>(1,587)</b>	<b>2,134</b>	<b>N.M.</b>
<b>Net (loss) / profit attributable to :</b>			
Owners of the parent, net of tax	(560)	532	N.M.
<b>Total comprehensive (loss) / income attributable to :</b>			
Owners of the parent, net of tax	(1,587)	2,134	N.M.

Note: N.M. – Not meaningful

## 1(a)(ii) Breakdown and explanatory notes to the consolidated statement of comprehensive income

**Note 1** Other credits / (charges) comprise the following:

	3 MONTHS ENDED		
	31 Mar 2011	31 Mar 2010	Increase / (decrease)
	S\$'000	S\$'000	%
<b><u>Other credits :-</u></b>			
Sale of waste materials	376	289	30.1 %
Gain on disposal of plant and equipment	1	2	(50.0)%
Other income	8	7	14.3 %
Foreign exchange transaction gain, net	20	-	N.M.
	<b>405</b>	<b>298</b>	<b>35.9 %</b>
<b><u>Other charges :-</u></b>			
Foreign exchange transaction losses, net	-	(31)	N.M.

**Note 2** Finance costs comprise the following:

	3 MONTHS ENDED		
	31 Mar 2011	31 Mar 2010	Increase / (decrease)
	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>
Interest paid and payable to banks for:			
- term loans	261	366	(28.7)%
- bills payable	37	28	32.1 %
Hire-purchase interest	16	5	220.0 %
<b>Total</b>	<b>314</b>	<b>399</b>	<b>(21.3)%</b>

**Note 3** (Loss) / profit before taxation is stated after charging the following:

	3 MONTHS ENDED		
	31 Mar 2011	31 Mar 2010	Increase / (decrease)
	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>
Depreciation expense	2,409	2,557	(5.8)%

**Note 4** Income tax comprises the following:

	3 MONTHS ENDED		
	31 Mar 2011	31 Mar 2010	Increase / (decrease)
	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>
Income tax expense	34	125	(72.8)%
Deferred tax expense	-	-	N.M.
	<b>34</b>	<b>125</b>	<b>(72.8)%</b>

Note: N.M. – Not meaningful

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

	Note	Group		Company	
		31 Mar 2011	31 Dec 2010	31 Mar 2011	31 Dec 2010
		S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>					
Property, plant and equipment		49,158	51,670	199	213
Investments in subsidiaries		-	-	31,385	31,385
		<u>49,158</u>	<u>51,670</u>	<u>31,584</u>	<u>31,598</u>
<b>Current assets</b>					
Inventories	A	18,405	17,969	117	321
Trade and other receivables		22,564	19,992	17,166	16,007
Cash and cash equivalents		13,403	12,054	5,903	3,783
		<u>54,372</u>	<u>50,015</u>	<u>23,186</u>	<u>20,111</u>
<b>Total assets</b>		<u>103,530</u>	<u>101,685</u>	<u>54,770</u>	<u>51,709</u>
<b>Equity attributable to owners of the parent</b>					
Share capital		11,358	11,357	11,358	11,357
Retained earnings		42,751	43,311	511	1,432
Other reserves		618	1,606	1,554	1,515
<b>Total equity</b>		<u>54,727</u>	<u>56,274</u>	<u>13,423</u>	<u>14,304</u>
<b>Non-current liabilities</b>					
Deferred tax liabilities		68	69	-	-
Interest-bearing borrowings	B	7,134	7,517	6,167	6,311
Obligations under finance leases		1,080	259	189	232
		<u>8,282</u>	<u>7,845</u>	<u>6,356</u>	<u>6,543</u>
<b>Current liabilities</b>					
Income tax payable		158	14	-	-
Trade and other payables		12,814	11,488	15,150	12,054
Interest-bearing borrowings	B	27,120	25,914	19,704	18,667
Obligations under finance leases		429	150	137	141
		<u>40,521</u>	<u>37,566</u>	<u>34,991</u>	<u>30,862</u>
<b>Total liabilities</b>		<u>48,803</u>	<u>45,411</u>	<u>41,347</u>	<u>37,405</u>
<b>Total equity and liabilities</b>		<u>103,530</u>	<u>101,685</u>	<u>54,770</u>	<u>51,709</u>

Note to the consolidated statement of financial position

Note A. Inventories comprise the following:

	<b>Group</b>		
	<b>31 Mar 2011</b>	31 Dec 2010	<b>Increase / (decrease)</b>
	<b>S\$'000</b>	S\$'000	%
Finished goods	5,480	6,826	(19.7)%
Work in progress	5,991	5,185	15.5 %
Raw materials and consumables	6,934	5,958	16.4 %
	<b>18,405</b>	<b>17,969</b>	2.4 %

Note B. Interest-bearing borrowings comprise the following:

	<b>Group</b>		
	<b>31 Mar 2011</b>	31 Dec 2010	<b>Increase / (decrease)</b>
	<b>\$'000</b>	\$'000	%
<b>Non-current:</b>			
Bank loans	7,134	7,517	(5.1)%
Non-current, total	<b>7,134</b>	<b>7,517</b>	(5.1)%
<b>Current:</b>			
Bank loans	17,719	19,285	(8.1)%
Bills payable to banks	9,401	6,629	41.8 %
Current, total	<b>27,120</b>	<b>25,914</b>	4.7 %
Total	<b>34,254</b>	<b>33,431</b>	2.5 %

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

Amount repayable in one year or less, or on demand

As at 31 Mar 2011		As at 31 Dec 2010	
Secured	Unsecured	Secured	Unsecured
<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
429	27,120	150	25,914

Amount repayable after one year

As at 31 Mar 2011		As at 31 Dec 2010	
Secured	Unsecured	Secured	Unsecured
<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
1,080	7,134	259	7,517

Details of any collateral

Secured borrowings at 31 March 2011 and 31 December 2010 refer to obligations under finance leases that are secured by plant and equipment purchased under finance leases.

1(c) **A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

Note	Group	
	31 Mar 2011	31 Mar 2010
	S\$'000	S\$'000
<b>Operating activities</b>		
(Loss) / profit before taxation	(526)	657
<b>Adjustments for:</b>		
Interest expense	314	399
Interest income	(5)	(6)
Depreciation of property, plant and equipment	2,409	2,557
Gain on disposal of property, plant and equipment	(1)	(2)
Share option expense	39	42
Net effect of exchange rate changes in consolidating subsidiaries	(617)	261
Operating cash flows before changes in working capital	1,613	3,908
<b>Changes in working capital:</b>		
Inventories	(436)	(4,100)
Trade and other receivables	(2,572)	3,729
Trade and other payables	1,326	(1,167)
Cash flows from operations before interest and tax	(69)	2,370
Income tax refunded / (paid)	110	(123)
<b>Net cash flows from operating activities</b>	<b>41</b>	<b>2,247</b>
<b>Investing activities</b>		
Proceeds from sale of property, plant and equipment	-	18
Purchase of property, plant and equipment	(141)	(429)
Interest received	5	6
<b>Net cash flows used in investing activities</b>	<b>(136)</b>	<b>(405)</b>
<b>Financing activities</b>		
Interest paid	(314)	(399)
Increase / (decrease) in interest-bearing loans & borrowings, net	1,162	(3,379)
Increase / (decrease) in finance leases, net	595	(38)
Increase / (decrease) in cash restricted in use	4	(3)
Equity share options issued proceeds	1	-
<b>Net cash flows from / (used in) financing activities</b>	<b>1,448</b>	<b>(3,819)</b>
Net increase / (decrease) in cash and cash equivalents	<b>1,353</b>	<b>(1,977)</b>
Cash and cash equivalents at beginning of the year	11,878	18,233
<b>Cash and cash equivalents at end of the period</b>	<b>13,231</b>	<b>16,256</b>

Note to the consolidated statement of cash flows

Note A. Cash and cash equivalents comprise the following:

	<b>Group</b>	
	<b>31 Mar 2011</b>	<b>31 Mar 2010</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash and cash equivalents as per statement of cash flows</b>	<b>13,231</b>	16,256
Cash restricted in use	172	337
<b>Cash and cash equivalents as per statement of financial position</b>	<b>13,403</b>	<b>16,593</b>

Cash restricted in use refers to bank balances of subsidiaries held by banks to cover for bank guarantees issued.

Note B. Purchase of property, plant and equipment:

	<b>Group</b>	
	<b>31 Mar 2011</b>	<b>31 Mar 2010</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Purchase of plant and equipment	<b>647</b>	429
Less: Financed by finance leases	<b>(506)</b>	-
Net cash outflow from the purchase of plant and equipment	<b>141</b>	<b>429</b>

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

	Share capital	Capital reserve	Share option reserve	Statutory reserve	Translation reserve	Retained earnings	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Group</b>							
Balance at 1 January 2010	11,357	1,212	1,344	1,225	(1,798)	42,051	55,391
Share option expense	-	-	42	-	-	-	42
Total comprehensive income for the period	-	-	-	-	1,602	532	2,134
Balance at 31 March 2010	11,357	1,212	1,386	1,225	(196)	42,583	57,567
Balance at 1 January 2011	11,357	1,212	1,515	1,282	(2,403)	43,311	56,274
Share option expense	-	-	39	-	-	-	39
Total comprehensive loss for the period	-	-	-	-	(1,027)	(560)	(1,587)
Exercise of employee share options	1	-	-	-	-	-	1
Balance at 31 March 2011	11,358	1,212	1,554	1,282	(3,430)	42,751	54,727
	Share capital	Share option reserve	Retained earnings	Total equity			
	\$'000	\$'000	\$'000	\$'000			
<b>Company</b>							
Balance at 1 January 2010	11,357	1,344	3,784	16,485			
Share option expense	-	42	-	42			
Total comprehensive loss for the period	-	-	(808)	(808)			
Balance at 31 March 2010	11,357	1,386	2,976	15,719			
Balance at 1 January 2011	11,357	1,515	1,432	14,304			
Share option expense	-	39	-	39			
Total comprehensive loss for the period	-	-	(921)	(921)			
Exercise of employee share options	1	-	-	1			
Balance at 31 March 2011	11,358	1,554	511	13,423			

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

**(A) Share Capital**

During the three months ended 31 March 2011 since the end of the previous period reported on, 20,000 shares were issued arising out of the exercise of options pursuant to "Innovalues Group Share Option Scheme 2001".

**(B) Convertibles**

**Share Options**

The Company has an employee share option scheme known as the "Innovalues Group Share Option Scheme 2001" which forms an integral component of the compensation plan designed to reward and retain eligible participants whose services are vital to its well being and success.

During the three months ended 31 March 2011 since the end of the previous period reported on, 20,000 share options were exercised pursuant to "Innovalues Group Share Option Scheme 2001". Other than this, there was no movement in the outstanding share options issued.

As at 31 March 2011, there were 10,000,000 outstanding share options which would entitle the holders to subscribe for a total of 10,000,000 ordinary shares of the Company (31 December 2010: 10,020,000).

Save as disclosed above, the Company has no other outstanding convertibles and treasury shares as at 31 March 2011 and 31 December 2010.

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

The Company has no treasury shares as at 31 March 2011 and 31 December 2010.

The total number of issued shares excluding treasury shares as at 31 March 2011 was 318,214,000 (31 December 2010: 318,194,000).

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

Not applicable

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

The figures have not been audited or reviewed by the auditors of the Company.

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

Not applicable

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

The Group and the Company have adopted the same accounting policies and methods of computation in the financial statements for the current year compared with the audited financial statements for the year ended 31 December 2010 except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 January 2011.

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

The adoption of the new and revised FRSs (including its consequential amendments) and interpretations is assessed to have no material impact to the results of the Group and of the Company for the financial period ended 31 March 2011.

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

Earnings / (loss) per ordinary share of the Group, after deducting any provision for preference dividends (in cents):	3 MONTHS ENDED	
	31 Mar 2011	31 Mar 2010
(a) Based on the weighted average number of ordinary shares on issue	(0.18)	0.17
(b) On a fully diluted basis	(0.18)	0.17

Earnings per share (rounded to 2 decimal places) for the financial period ended 31 March 2011 is computed based on the weighted average number of ordinary shares in issue during the period of 318,214,000.

Diluted earnings per share (rounded to 2 decimal places) for the financial period ended 31 March 2011 is computed based on the adjusted weighted average number of ordinary shares in issue during the period of 318,658,000.

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

	Group		Company	
	31 Mar 2011	31 Dec 2010	31 Mar 2011	31 Dec 2010
Net asset value per ordinary share based on issued share capital at the end of the financial year (in cents)	17.20	17.69	4.22	4.50

Net asset value per ordinary share (rounded to 2 decimal places) as at 31 March 2011 is calculated based on the existing issued share capital of 318,214,000 ordinary shares outstanding as at 31 March 2011 (31 December 2010: 318,194,000).

8 **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on**

## Income Statement

### Overview

For the 3 months ended 31 March 2011 ("1Q11"), the Group recorded a net loss attributable to shareholders of S\$560,000 as compared to the net profit of S\$532,000 in the corresponding period ("1Q10"). The loss was primarily due to the decrease in revenue from the Office Automation segment ("OA") as a result of lower demand from our customers in 1Q11 and the impact of the weak US Dollar, which our revenue is mainly denominated.

### Revenue

Business Activity	3 MONTHS ENDED			
	31 Mar 11 S\$'000	31 Mar 10 S\$'000	+ / (-) S\$'000	+ / (-) %
Office Automation ("OA")	9,281	14,677	(5,396)	(36.8)%
Automotive ("AU")	11,839	9,123	2,716	29.8 %
Hard Disk Drive ("HDD")	105	287	(182)	(63.4)%
Others	742	573	169	29.5 %
	<b>21,967</b>	<b>24,660</b>	<b>(2,693)</b>	<b>(10.9)%</b>

The lower revenue for the Group by approximately S\$2.7 million or 10.9% in 1Q11 as compared to the corresponding period was mainly attributable to lower orders from our OA customers. The decline in revenue from OA segment was mainly attributable to customers from the PRC and Malaysia markets. This decline is not unexpected. When the Group released its full year financial results for the financial year ended 31 December 2010 on 22 February 2011, it was announced that the Group had expected the OA business segment to be challenging in 2011 as our customers restructure their supply chains.

Revenue from the AU segment overtook our traditionally strongest revenue contributor, the OA segment, contributing about 53.9% of total revenue in 1Q11. It grew strongly by approximately S\$2.7 million or 29.8% from S\$9.1 million in 1Q10 to S\$11.8 million in 1Q11. The increase in revenue from the AU segment was mainly attributed to strong orders from our customers in the PRC and United States of America ("USA") markets.

As for revenue from our HDD segment, it decreased by approximately S\$182,000 or 63.4% in 1Q11 as compared to the corresponding period.

### **Gross profit margin**

Gross profit margin in 1Q11 was lower by 5.8% than 1Q10 mainly due to lower factory orders from our OA customers and the impact of the weak US dollar against all domestic currencies in those countries which the Group operates in.

### **Marketing and distribution costs**

Marketing and distribution costs decreased by approximately S\$143,000 or 18.6% in 1Q11 over the corresponding period mainly due to lower delivery costs in tandem with lower sales activities in 1Q11.

### **Administrative expenses**

Administrative expenses decreased by approximately S\$129,000 or 5.8% in 1Q11 over the corresponding period mainly due to decrease in consultancy fees and other expenses.

### **Finance costs**

Finance costs decreased by approximately S\$85,000 or 21.3% over the corresponding period mainly due to lower interest rates and reduction of term loans. The de-leveraging process which started in January 2009 continues to be supported by our banks.

### **Other charges**

Other charges in 1Q10 relate to net foreign exchange transaction losses.

### **Other credits**

Other credits increased by approximately S\$107,000 or 35.9% over the corresponding period mainly due to income from sale of waste materials.

### **Income tax expense**

Though the Group incurred a net loss for the current financial period, tax is payable on the profit of certain subsidiary companies whose profits could not be set-off against losses of other companies within the Group.

## **Financial Position**

### **Property, plant and equipment (“PPE”)**

Property, plant and equipment decreased by approximately S\$2.5 million from S\$51.7 million as at 31 December 2010 to S\$49.2 million as at 31 March 2011 mainly due to depreciation charges during the period and decrease in net book value of PPE arising from appreciation of stronger Singapore Dollar (“SGD”) against Thailand Baht (“THB”), Renminbi (“RMB”) and Malaysia Ringgit (“MYR”).

### **Inventories**

Inventories increased by approximately S\$436,000 from S\$18.0 million as at 31 December 2010 to S\$18.4 million as at 31 March 2011. The increase in inventories was mainly due to the increase in raw materials and work-in-progress in preparation for higher factory orders.

### **Trade and other receivables**

Trade and other receivables increased by approximately S\$2.6 million from S\$20.0 million as at 31 December 2010 to S\$22.6 million as at 31 March 2011 mainly due to higher sales in the last month of 1Q11. Debt collections continued to remain healthy.

### **Cash and cash equivalents (As per Statement of Cash Flows)**

The Group ended 1Q11 with cash and cash equivalents amounting to S\$13.2 million as compared to S\$16.3 million in 1Q10.

Net cash flows from operating activities in 1Q11, though lower than 1Q10, continued to be positive. This was mainly due to higher sales in the last month of 1Q11 resulting in higher level of trade and other receivables as at 31 March 2011.

Net cash flows in financing activities in the two financial periods refer mainly to the net changes in interest-bearing borrowings and finance leases as compared to the end of their respective immediate preceding financial years.

### **Trade and other payables**

Trade and other payables increased by approximately S\$1.3 million from S\$11.5 million as at 31 December 2010 to S\$12.8 million as at 31 March 2011. The increase was mainly due to more purchases of raw materials towards the end of 1Q11 for production.

### **Interest-bearing borrowings**

Net interest-bearing borrowings increased by approximately S\$0.8 million from S\$33.4 million as at 31 December 2010 to S\$34.2 million as at 31 March 2011. The increase was due to more usage of trade facilities to finance the growing AU business but offset by planned repayments made of term loans during the period.

### **Obligation under finance leases**

Net obligation under finance leases increased by approximately S\$1.1 million from S\$0.4 million as at 31 December 2010 to S\$1.5 million as at 31 March 2011. The increase is due to additions of plant and equipment during the period for our manufacturing facilities in Thailand.

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

The result is in line with the profit guidance announcement made on 27 April 2011.

**10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months**

At the date of this announcement, the Group, to its best knowledge, is not aware of any known factors or events that may affect the Group in the next reporting period and the next 12 months.

Given the uncertainties surrounding the currency markets, the Group expects business environment to be tough in FY11.

We expect OA business segment to be challenging as our customers continue restructuring their supply chains. And as our AU segment has achieved commendable growth, we will continue to place emphasis on this segment.

Management will continue to work closely with customers and suppliers to stay competitive. The Group will continue to place emphasis on financial prudence. In line with this, the Group expects no significant capital expenditure, except replacement of machinery.

**11 Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? **No**

Name of Dividend : Not applicable  
Dividend Type : Not applicable  
Dividend Amount per Share (in cents) : Not applicable  
Tax Rate : Not applicable

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

**No**

**(c) Date payable**

Not applicable

**(d) Books closure date**

Not applicable

**12 If no dividend has been declared or recommended, a statement to that effect**

No dividend has been declared or recommended.

**13 Statement pursuant to Rule 705(5) of the Listing Manual**

The Board of Directors confirm that, to the best of their knowledge, nothing has come to their attention of which may render the interim financial statement for the financial period ended 31 March 2011 to be false or misleading in any aspect.

**BY ORDER OF THE BOARD**

Goh Leng Tse  
Chairman and Chief Executive Officer

11 May 2011