ADDVALUE TECHNOLOGIES LTD
Company Registration No. 199603037H

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FIRST FINANCIAL QUARTER ENDED 30 JUNE 2012 ("1Q2013") IN RESPECT OF THE FINANCIAL YEAR ENDING 31 MARCH 2013 ("FY2013")

PART1 INFORMATION REQUIRED FOR ANNOUNCEMENT OF THE FIRST QUARTER RESULTS

1.(a)(i) A statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediate preceding financial year

	The Group		
	1Q2013 US$'000	1Q2012 US$'000	% Change
Revenue	**2,570**	**2,770**	(7.2%)
Cost of sales	**(1,284)**	**(1,279)**	0.4%
Gross profit	**1,286**	**1,491**	(13.7%)
Other operating income	**30**	**14**	114.29%
Selling & Distribution expenses	**(226)**	**(287)**	(21.3%)
Administrative expenses	**(315)**	**(256)**	23.0%
Other operating expenses	**(519)**	**(593)**	(12.5%)
Profit from operations	**256**	**369**	(30.6%)
Finance expenses	**(69)**	**(99)**	(30.3%)
Profit before tax	**187**	**270**	(30.7%)
Taxation	**(30)**	**(61)**	(50.8%)
Net profit for the period	**157**	**209**	(24.9%)
Other comprehensive income	**-**	**-**	
Total comprehensive income for the year	**157**	**209**	
Attributable to:			
Equity holders of the Company	**157**	**209**	
Non-controlling interests	**-**	**-**	
Total comprehensive income for the period	**157**	**209**	(24.9%)

"1Q2013" denotes the first financial quarter period ended 30 June 2012 in respect of FY2013
"1Q2012" denotes the first financial quarter period ended 30 June 2011 in respect of FY2012
"% Change" denotes increase/(decrease) in the relevant profit or loss item as compared with the comparative figure

1.(a)(ii) The accompanying notes to the statements of comprehensive income form an integral part of the statements of comprehensive income

	The Group		
	1Q2013 US$'000	**1Q2012 US$'000**	**% Change**
Profit before tax has been arrived at after charging/(crediting):			
Depreciation and amortization	**347**	**311**	11.6%
Foreign exchange (gain)/ loss	**(30)**	**103**	(129.1%)
Interest expense	**69**	**99**	(30.3%)

"% Change" denotes increase/(decrease) in the relevant profit or loss item as compared with the comparative figure

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

	The Group		The Company	
	As at 30 Jun 2012 US$'000	As at 31 Mar 2012 US$'000	**As at 30 Jun 2012 US$'000**	As at 31 Mar 2012 US$'000
Non-current assets				
Property, plant and equipment	**576**	**581**	**-**	**-**
Subsidiaries	**-**	**-**	**14,345**	**14,345**
Intangible assets	**13,006**	**12,581**	**-**	**-**
Staff loan receivable	**50**	**54**	**-**	**-**
Deferred tax assets	**1,984**	**2,014**	**-**	**-**
	15,616	**15,230**	**14,345**	**14,345**
Current assets				
Inventories	**2,345**	**2,196**	**-**	**-**
Amount due from customers for contract work	**397**	**647**	**-**	**-**
Trade receivables	**4,579**	**3,334**	**-**	**-**
Other receivables, deposits and prepayments	**1,147**	**836**	**-**	**4**
Available-for-sales financial asset	**6**	**6**	**6**	**6**
Due from subsidiaries (non-trade)	**-**	**-**	**5,039**	**3,890**
Cash and cash equivalents	**227**	**374**	**13**	**7**
	8,701	**7,393**	**5,058**	**3,907**
Total assets	**24,317**	**22,623**	**19,403**	**18,252**
Current liabilities				
Trade payables	**1,247**	**1,333**	**-**	**-**
Other payables and accruals	**1,223**	**1,236**	**391**	**355**
Provisions	**348**	**242**	**128**	**128**
Borrowings	**635**	**162**	**-**	**-**
Advance receipts	**6**	**56**	**-**	**-**
Due to subsidiaries (non-trade)	**-**	**-**	**98**	**106**
	3,459	**3,029**	**617**	**589**
Net current assets	**5,242**	**4,364**	**4,441**	**3,318**
Non-current liabilities				
Non-current borrowings	**(2, 167)**	**(2,201)**	-	-
Net assets	**18,691**	**17,393**	**18,786**	**17,663**
Equity attributable to the Company's equity holders				
Share capital	**57,206**	**56,065**	**57,206**	**56,065**
Capital reserve	**877**	**877**	**130**	**130**
Fair value adjustment reserve	**(97)**	**(97)**	**(97)**	**(97)**
Accumulated losses	**(39,295)**	**(39,452)**	**(38,453)**	**(38,435)**
Total equity	**18,691**	**17,393**	**18,786**	**17,663**

1.(b)(ii) Aggregate amount of borrowings and debts securities for the Group.

	The Group	
	As at 30 Jun 2012 US$'000	As at 31 Mar 2012 US$'000
Amount repayable in one year or less or on demand		
Secured(1)	**561**	**36**
Unsecured	**74**	**126**
	635	**162**
Amount repayable after one year		
Secured(1)	**2,167**	**2,201**
Unsecured	**-**	**-**
	2,167	**2,201**

Details of any collateral

(1) These are secured against:

- A floating charge on the inventories of a subsidiary of the Company
- An escrow account with a bank of a subsidiary of the Company
- A corporate guarantee from the Company

1.(c) A cash flow statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	The Group	
	1Q2013	1Q2012
	US$'000	US$'000
OPERATING ACTIVITIES		
Profit before tax	**187**	**270**
Adjustments for:		
Amortisation of intangible assets	**274**	**224**
Depreciation of plant and equipment	**73**	**87**
Fair value of share options recognised as expenses	**-**	**20**
Interest expense	**69**	**99**
Provision	**166**	**-**
Operating profit before changes in working capital	**769**	**700**
Changes in working capital		
Inventories	**(149)**	**(250)**
Trade and other receivables	**(1,556)**	**(558)**
Amount due from customers for contract work	**250**	**(295)**
Trade and other payables	**(149)**	**(1,017)**
Development expenditure	**(687)**	**(710)**
Advances received from customers	**(50)**	**(20)**
NET CASH USED IN OPERATING ACTIVITIES	***(1,572)***	***(2,150)***
INVESTING ACTIVITIES		
Purchase of plant and equipment	**(68)**	**(44)**
Purchase of computer software	**(12)**	**-**
Repayment from staff	**4**	**-**
NET CASH USED IN INVESTING ACTIVITIES	***(76)***	***(44)***
FINANCING ACTIVITIES		
Proceeds from borrowings	**601**	**-**
Repayment of borrowings	**(162)**	**(141)**
Proceeds from issue of shares (net of issue expenses)	**1,141**	**3,082**
Interest paid	**(79)**	**(99)**
NET CASH GENERATED FROM FINANCING ACTIVITIES	***1,500***	***2,842***
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	**(147)**	**648**
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	**374**	**609**
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	**227**	**1,257**

1.(d)(i) 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 immediate preceding financial year.

	The Group						
	Share capital	Accumulated losses	Capital reserves	Fair value adjustment reserves	Currency translation reserve	Non-controlling interests	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Balance as at 1 April 2012	56,065	(39,452)	877	(97)	-	-	17,393
Issuance of new shares pursuant to exercise of share options under the ESOS Scheme (as defined below) - net of share issue expenses	1,141	-	-	-	-	-	1,141
Comprehensive income for the financial period	-	157	-	-	-	-	157
Balance as at 30 June 2012	57,206	(39,295)	877	(97)	-	-	18,691

	The Group						
	Share capital	Accumulated losses	Capital reserves	Fair value adjustment reserves	Currency translation reserve	Non-controlling interests	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Balance as at 1 April 2011 (Re-presented)	40,488	(28,545)	99	(90)	1,463	N/m	13,415
Effect of change in functional currency	12,406	(10,944)	11	(10)	(1,463)	-	-
Balance restated as at 1 April 2011	52,894	(39,489)	110	(100)	-	-	13,415
Issuance of new shares:							
- Pursuant to the placement carried out in June 2012 – net of share issue expenses	2,778	-	-	-	-	-	2,778
- Pursuant to exercise of share options under the ESOS Scheme (as defined hereafter) – net of share issue expenses	304	-	-	-	-	-	304
Share options expenses	-	-	20	-	-	-	20
Comprehensive profit for the financial period	-	209	-	-	-	-	209
Balance as at 30 June 2011 (Re-presented)	55,976	(39,280)	130	(100)	-	N/m	16,726

"N/m" denotes not material, being less than US$500

	The Company					
	Share capital	Accumulated losses	Capital reserves	Fair value adjustment reserves	Currency translation reserve	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Balance as at 1 April 2012	56,065	(38,435)	130	(97)	-	17,663
Issuance of new shares pursuant to exercise of share options under the ESOS Scheme (as defined below) – net of share issue expenses	1,141	-	-	-	-	1,141
Comprehensive loss for the financial period	-	(18)	-	-	-	(18)
Balance as at 30 June 2012	57,206	(38,453)	130	(97)	-	18,786

	The Company					
	Share capital	Accumulated losses	Capital reserves	Fair value adjustment reserves	Currency translation reserve	Total
	US$'000	US$'000	US$ '000	US$'000	US$'000	US$'000
Balance as at 1 April 2011 (Re-presented)	39,741	(29,895)	99	(90)	1,667	11,522
Effect of change in functional currency	12,406	(10,740)	11	(10)	(1,667)	-
Balance restated as at 1 April 2011	52,147	(40,635)	110	(100)	-	11,522
Issuance of new shares :						
- Pursuant to the placement carried out in June 2012 – net of share issue expenses	2,778	-	-	-	-	2,778
- Pursuant to exercise of share options under the ESOS Scheme (as defined hereafter) – net of share issue expenses	304	-	-	-	-	304
Share options expenses	-	-	20	-	-	20
Comprehensive loss for the financial period	-	(53)	-	-	-	(53)
Balance as at 30 June 2011(Re-presented)	55,229	(40,688)	130	(100)	-	14,571

1.(d)(ii) Details of any changes in 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 previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediate preceding financial year.

A. Share Capital of the Company	**No of shares**	**US$'000**
Balance as at 1 April 2012	1,124,915,813	56,065
Issuance of new ordinary shares pursuant to the exercise of share options granted under the ESOS Scheme (as defined hereafter)	40,950,000	1,141
Balance as at 30 June 2012	1,165,865,813	57,206

B. Share options

As at 30 June 2012, there were 22,010,000 outstanding shares options, issued pursuant to the Addvalue Technologies Employees' Share Option Scheme (the "ESOS Scheme"), which are capable of being exercised into the same equivalent number of shares of the Company (31 March 2012: 62,960,000).

Save as disclosed, the Company has no other outstanding convertibles and treasury shares as at 30 June 2012 and 30 June 2011.

Save for the exercise of share options under the ESOS Scheme, there was no movement in the share capital of the Company during 1Q2013.

1.(d)(iii) 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.

	As at 30 Jun 2012	As at 31 Mar 2012
Total number of issued ordinary shares (excluding treasury shares)	**1,165,865,813**	1,124,915,813

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.

The Company has had no treasury shares as at 30 June 2012. Neither were there any sale, transfer, disposal, cancellation and/or use of treasury shares by the Company during 1Q2013.

2. Whether the figures have been audited, or reviewed in accordance with which standard (eg. The Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard.

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

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period as those of the audited financial statements for the financial year ended 31 March 2012.

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 Group has adopted the following new and revised FRS relevant to its operations, which took effect from the financial year beginning on or after 1 April 2012 (the "New and Revised FRS"):

a. Amendments to FRS 107 Disclosures- Transfer of Financial Assets
b. Amendments to FRS 101 Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
c. Amendments to FRS 12 Deferred Tax – Recovery of Underlying Assets

The initial adoption of the New and Revised FRS (and their consequential amendments) is not expected to have any material impact on the Group's financial performance and position for 1Q2013.

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

	The Group	
	As at 30 Jun 2012 US$'000	As at 30 Jun 2011 US$'000
Net profit attributable to shareholders	**157**	209

Earning per share		
Basic (US cents)	**0.01**	0.02
Diluted (US cents)	**0.01**	0.02
Number of ordinary shares in issue (excluding treasury shares)		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**1,143,589,384**	1,011,606,912
Effect of potentially dilutive ordinary shares – Share options (Note 1)	**14,873,784**	21,398,456
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**1,158,463,168**	1,033,005,368

Notes:

(1) Effect of potentially dilutive ordinary shares is calculated for the outstanding share options granted in 2010 under the ESOS Scheme. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. The differences are added to the denominator as an issuance of ordinary shares for no consideration. No adjustment is made to earnings (numerator).

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.

	The Group		**The Company**	
	As at 30 Jun 2012 US$'000	As at 31 Mar 2012 US$'000	**As at 30 Jun 2011 US$'000**	As at 31 Mar 2012 US$'000
Net asset value as at end of financial period/year	**18,691**	17,393	**18,786**	17,663
Net asset value per ordinary share as at the end of financial period/year (US cents)	**1.60(1)**	1.55(2)	**1.61(1)**	1.57(2)

Notes:

(1) Based on 1,165,865,813 issued shares.

(2) Based on 1,124,915,813 issued shares.

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 earning 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 report on.

Overview

Addvalue is a world renowned one-stop digital, wireless and broadband communications technology products innovator, which provides state-of-the-art satellite-based communication terminals and solutions for a variety of voice and IP-based data applications. The Group has established itself as a key partner to many major players in the satellite communication industry, counting amongst its customer base internationally-renowned leaders such as Inmarsat, Thuraya, Stratos, Vizada, Satlink and Globe Wireless.

Through the recent years of progressive business transformation, Addvalue has emerged to be a leading global developer and manufacturer of mobile satellite terminals supporting coverage provided by premier mobile satellite communication operators such as Inmarsat and Thuraya. These terminals are ideal choices for communications in areas around the world where terrestrial networks are non-existent, inept, ineffective or of poor value for money. This is particularly so for maritime communications which rely almost entirely on satellite communications, and Addvalue's products are well poised to address these needs.

(a) <u>Review of financial performance of the Group for 1Q2013 (relative to 1Q2012)</u>

Turnover

The Group recorded a turnover of US$2.6 million in 1Q2013 *vis-à-vis* that of US$2.8 million in 1Q2012, representing a marginal decrease of US$0.2 million or 7.2% mainly as a result of decreased design income. Notwithstanding which, the Group registered a significant increase in turnover from product sales in 1Q2013 compared to 4Q2012.

Profitability

Consequence to the lower turnover, the Group registered a lower gross profit of US$1.3 million in 1Q2013 compared to that of US$1.5 million in 1Q2012 with gross profit margin maintained within the range of 50 – 54%.

Our selling and distribution expenses decreased by US$61,000 or 21.3%, from US$287,000 in 1Q2012 to US$226,000 in 1Q2013, due primarily to reduced travelling as well as selling and distribution expenses.

Our administrative expenses increased by US$59,000 or 23.0%, from US$256,000 in 1Q2012 to US$315,000 in 1Q2013. The increase was attributed mainly to higher manpower costs, resulting principally from salary increments as well as increased headcount in the supply chain and logistics department so as to support increased production and inventory management work loads following the increased range of products being marketed by the Group.

Our other operating expenses decreased by US$74,000 or 12.5%, from US$593,000 in 1Q2012 to US$519,000 in 1Q2013. This decrease was due mainly to a unrealised translation exchange loss of US$103,000, attributed to our S$ denominated borrowings recorded in 1Q2012 (as contrast against a translation exchange gain recorded in "Other operating income" in 1Q2013), despite increased amortisation on intangible assets (relating to development expenditures) following the commercialisation of our land mobile terminals since 3Q2012.

Our finance expenses decreased by US$30,000 or 30.3%, from US$99,000 in 1Q2012 to US$69,000 in 1Q2013, due to decreased borrowings.

After accounting for income tax of US$30,000 in 1Q2013 (compared to that of US$61 in 1Q2012), the Group recorded a net profit after tax of US$157,000 (compared to that of US$209,000 in 1Q2012)

<u>(b) Review of financial position of the Group as at 30 June 2012 (relative to that as at 31 March 2012)</u>

The decrease in our property, plant and equipment was in line with the continued straight line depreciation policy of the Group.

The increase in our intangible assets was attributed mainly to the development expenditures as we continue to develop our proprietary products, including new spin-off products.

The increase in our inventories was mainly attributed to increased finished goods and raw materials purchased for a wider range of products.

The increase in our trade receivables was attributed mainly to credit sales of products in June 2012 and extended credit terms granted to some of our valued customers in FY2012. As at the date of this announcement, the Group had received payments aggregating US$1.7million and thereby reducing our trade receivables from US$4.6 million outstanding as at 30 June 2012 to US$2.9 million outstanding as at the date of announcement.

Amount due from customers for contract work decreased following billings made to our customers in 1Q2013.

The increase in our other receivables, deposits and prepayments in 1Q2013 were due mainly to prepayments to suppliers for goods as well as services to be provided.

The decreases in our trade payables, other payables and accruals were mainly attributed to the respective payments made while the decrease in our advance receipts was mainly resulted from the continued shipment of products ordered by the customers concerned.

The increase in provisions relate mainly to additional provisions made on warranties as well as royalties in respect of products sold in 1Q2013.

The increase in borrowings in 1Q2013 was largely to support increased production needs..

The increase in share capital of US$1.14 million was resulted from the exercise of 40,950,000 employees' share options by employees of the Group pursuant to the ESOS Scheme.

Consequence to the above:

a. the gearing of the Group (defined as the ratio of all interest-bearing loans of the Group to the shareholders' fund of the Group) increased from 13.6% as at 31 March 2012 to 15.0% as at 30 June 2012;

b. the working capital position of the Group improved from US$4.4 million as at 31 March 2012 to US$5.2 million as at 30 June 2012, notwithstanding a negative cash flow used in operations of US$1.6 million in 1Q2013 (albeit at an improved amount relative to that of 1Q2012). The negative cash flow used in operations was resulted principally from purchases and advances made on inventories; credit terms extended to key customers; and payments made on trade and non-trade payables;

c. the net tangible assets of the Group improved from US$4.8 million as at 31 March 2012 to US$5.7 million as at 30 June 2012; and

d. the net asset value of the Group improved by US$1.3 million or 7.5% from US$17.4 million as at 31 March 2012 to US$18.7 million as at 30 June 2012, with the net asset value per ordinary share enhanced from 1.55 US cents per share as at 31 March 2012 to 1.60 US cents per share as at 30 June 2012.

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

Not applicable.

10. A commentary at the date of the announcement of the 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

Product Sales

We are optimistic about the sales from our maritime products in the next few quarters of FY2013 in view of the following developments:

1. The introduction of new flexible and competitive air time pricing plans, highly favored by the small vessels as well as the fishing markets, by Inmarsat and Thuraya; and
2. Through our enhancement efforts, the inclusion of fax capability, a feature highly demanded by the market, in one of our maritime terminals with effect from August 2012.

Leveraging on the new attractive air time pricing plans, we will be aggressively promoting our enhanced range of maritime terminals and, barring unforeseen circumstances, expect these products to contribute significantly to our overall sales in FY2013.

Design income

All our design contracts, including the design contract for two new satellite terminals scheduled to be launched in the second half of FY2013, are on track for completion in FY2013.

Barring any unforeseen circumstances, the Group is optimistic about its performance for FY2013.

Some of the statements in this release constitute "forward-looking statements" that do not directly or exclusively relate to historical facts. These forward-looking statements reflect our current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside our control. Important

factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks and factors such as general economic and business conditions, including the uncertainties of the pace of recovery of the United States of America economy, continued concerns of the scale of the possible adverse fallouts and their implications on the global scene triggered by the current euro zone debt crisis, inflationary pressures and currency appreciation which will affect the continued strong growth in Asia, especially East Asia; change in technology; timing or delay in signing, commencement, implementation and performance of programs, or the delivery of products or services under them or the implementation of the improved air-time package by the satellite operators; structural change in the satellite industry; relationships with customers; competition; ability to attract personnel. Because actual results could differ materially from our intentions, plans, expectations, assumptions and beliefs about the future and any negative impacts arising from these issues will affect the performance of the Group's businesses, undue reliance must not be placed on these statements.

11. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No.

(b) (i) Amount per share: Nil cents

(ii) Previous corresponding period: Nil cents

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

No dividend has been declared or recommended for 1Q2013.

13. If the group has obtained general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No general mandate for IPT from the shareholders of the Company has had been sought.

14. Negative assurance confirmation on interim financial results pursuant to Rule 705(5) of the Listing Manual.

To the best of our knowledge and belief, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements of the Group and the Company for the three months ended 30 June 2012 to be false or misleading in any material aspect.

For and on behalf of the Board of Directors

Dr Colin Chan Kum Lok
Chairman & CEO

Tan Khai Pang
Director

14 August 2012