

LEY CHOON GROUP HOLDINGS LIMITED

FIRST QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2013

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3, Q4), HALF-YEAR AND FULL YEAR RESULTS

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

	1 st Quarter ended		Change %
	31 Mar 2013	31 Mar 2012	
	\$'000	\$'000	
Revenue	36,443	28,194	29.3
Cost of sales	(27,064)	(20,574)	31.5
Gross profit	9,379	7,620	23.1
Other income	544	847	(35.8)
Distribution expenses	(247)	(92)	168.5
Administrative expenses	(4,107)	(2,901)	41.6
Other operating expenses	-	(395)	n/m
Results from operating activities	5,569	5,079	9.6
Finance costs	(1,019)	(658)	54.9
Profit before tax	4,550	4,421	2.9
Tax expense	(444)	(838)	(47.0)
Profit for the period	4,106	3,583	14.6
Other comprehensive income/(expense)			
Foreign currency translation differences – foreign operations	257	(118)	n/m
Total comprehensive income for the period	4,363	3,465	25.9

1(a)(i) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

	1 st Quarter ended		Change
	31 Mar 2013	31 Mar 2012	
	\$'000	\$'000	%
Profit attributable to:			
Owners of the Company	3,885	3,526	10.2
Non-controlling interests	221	57	287.7
Profit for the period	<u>4,106</u>	<u>3,583</u>	14.6
Total comprehensive income attributable to:			
Owners of the Company	4,142	3,408	21.5
Non-controlling interests	221	57	287.7
Total comprehensive income for the period	<u>4,363</u>	<u>3,465</u>	25.9

n/m – not meaningful

1(a)(ii) Notes to consolidated statement of comprehensive income

The statement of comprehensive income is arrived at after charging/(crediting) the following:

	1 st Quarter ended		Change
	31 Mar 2013	31 Mar 2012	
	\$'000	\$'000	%
Depreciation of property, plant and equipment	2,037	1,733	17.5
Foreign exchange loss/(gain), net	101	(2)	n/m
Change in fair value of financial assets designated at fair value through profit or loss	(3)	-	n/m
Interest income	(3)	(5)	(40.0)
Gain on disposal of property, plant and equipment	(15)	(237)	(93.7)
Finance costs	1,019	658	54.9
Operating lease expenses	547	423	29.3
RTO costs expensed off	-	409	n/m

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

	Group		Company	
	As at 31 Mar 2013 \$'000	As at 31 Dec 2012 \$'000	As at 31 Mar 2013 \$'000	As at 31 Dec 2012 \$'000
Assets				
Property, plant and equipment	71,244	68,186	-	-
Investment property	2,110	2,101	-	-
Investments in subsidiaries	-	-	110,000	110,000
Club membership	271	271	-	-
Non-current assets	<u>73,625</u>	<u>70,558</u>	<u>110,000</u>	<u>110,000</u>
Inventories	6,455	7,093	-	-
Development property	13,622	-	-	-
Contracts work-in-progress	91,447	84,037	-	-
Trade and other receivables	27,078	29,152	10,030	4,574
Financial assets designated at fair value through profit or loss	96	92	-	-
Cash and cash equivalents	19,215	23,891	5,548	7,097
Current assets	<u>157,913</u>	<u>144,265</u>	<u>15,578</u>	<u>11,671</u>
Total assets	<u><u>231,538</u></u>	<u><u>214,823</u></u>	<u><u>125,578</u></u>	<u><u>121,671</u></u>
Equity				
Share capital	55,527	55,527	121,746	121,746
Accumulated profits/(losses)	24,671	21,763	1,600	(993)
Capital reserve	-	-	(969)	(969)
Foreign currency translation reserve	(50)	(307)	-	-
Equity attributable to owners of the Company	<u>80,148</u>	<u>76,983</u>	<u>122,377</u>	<u>119,784</u>
Non-controlling interests	<u>594</u>	<u>1,020</u>	<u>-</u>	<u>-</u>
Total equity	<u><u>80,742</u></u>	<u><u>78,003</u></u>	<u><u>122,377</u></u>	<u><u>119,784</u></u>
Liabilities				
Loans and borrowings	43,257	38,692	-	-
Deferred tax liabilities	3,990	3,986	-	-
Non-current liabilities	<u>47,247</u>	<u>42,678</u>	<u>-</u>	<u>-</u>
Loans and borrowings	68,765	54,389	-	-
Trade and other payables	32,010	37,016	3,201	1,887
Provisions	106	106	-	-
Current tax payable	2,668	2,631	-	-
Current liabilities	<u>103,549</u>	<u>94,142</u>	<u>3,201</u>	<u>1,887</u>
Total liabilities	<u><u>150,796</u></u>	<u><u>136,820</u></u>	<u><u>3,201</u></u>	<u><u>1,887</u></u>
Total equity and liabilities	<u><u>231,538</u></u>	<u><u>214,823</u></u>	<u><u>125,578</u></u>	<u><u>121,671</u></u>

1(b)(ii) Aggregate amount of the Group's borrowing and debt securities

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

	Group	
	As at 31 Mar 2013 \$'000	As at 31 Dec 2012 \$'000
<u>Secured</u>		
Bank overdrafts	10,104	266
Bank loans	28,504	25,188
Bills payable	25,532	24,205
Finance lease liabilities	4,625	4,730
	<hr/>	<hr/>
Total	68,765	54,389

(b) Amount repayable after one year

	Group	
	As at 31 Mar 2013 \$'000	As at 31 Dec 2012 \$'000
<u>Secured</u>		
Bank loans	36,354	31,658
Finance lease liabilities	6,903	7,034
	<hr/>	<hr/>
Total	43,257	38,692

(c) Details of any collateral

Bank overdrafts, bills payable and bank loans are secured by the following:

- (i) legal mortgage over the Group's leasehold buildings;
- (ii) charge over certain of the Group's plant and equipment;
- (iii) joint and several guarantees by certain directors and shareholders of the Company; and
- (iv) fixed deposits of the Group.

The Group's lease obligations under finance lease are secured by the lessor's title to the leased assets. The carrying value of the assets under finance lease is \$18.8 million as at 31 March 2013.

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

	3 Months Period ended	
	31 Mar 2013	31 Mar 2012
	\$'000	\$'000
Cash flows from operating activities:		
Profit for the year	4,106	3,583
Adjustments for:		
Depreciation of property, plant and equipment	2,037	1,733
Change in fair value of financial assets designated at fair value through profit or loss	(3)	-
Gain on disposal of property, plant and equipment	(15)	(237)
Interest income	(3)	(5)
Finance costs	1,019	658
Tax expense	444	838
	<u>7,585</u>	<u>6,570</u>
Changes in working capital:		
Development property	(13,622)	-
Inventories	638	(2,305)
Contracts work-in-progress	(7,410)	(1,934)
Trade and other receivables	2,074	925
Trade and other payables	(6,472)	(2,391)
	<u>(17,207)</u>	<u>865</u>
Cash (used in)/generated from operating activities	<u>(17,207)</u>	<u>865</u>
Tax paid	(403)	(46)
Net cash (used in)/generated from operating activities	<u>(17,610)</u>	<u>819</u>
Cash flows from investing activities:		
Balances with related parties (non-trade)	-	535
Interest received	3	5
Acquisition of property, plant and equipment	(4,047)	(10,154)
Proceeds from disposal of property, plant and equipment	57	364
Acquisition of financial assets at fair value through profit or loss	-	(19)
Effect of acquisition of a subsidiary	(389)	-
	<u>(4,376)</u>	<u>(9,269)</u>
Net cash used in investing activities	<u>(4,376)</u>	<u>(9,269)</u>
Cash flows from financing activities:		
Interest paid	(1,019)	(658)
Proceeds from bank borrowings	15,202	9,792
Repayment of bank borrowings	(5,863)	(3,883)
Repayment of finance lease liabilities	(1,326)	(1,285)
Balances with related parties (non-trade)	231	-
(Increase)/decrease in fixed deposits pledged with bank	101	(4)
Dividends paid	-	(4,000)
	<u>7,326</u>	<u>(38)</u>
Net cash generated from/(used in) financing activities	<u>7,326</u>	<u>(38)</u>

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

	3 Months Period ended	
	31 Mar 2013	31 Mar 2012
	\$'000	\$'000
Net decrease in cash and cash equivalents	(14,660)	(8,488)
Cash and cash equivalents at beginning of period	17,136	23,681
Effect of exchange rate fluctuations on cash held	247	(118)
Cash and cash equivalents at end of period	<u>2,723</u>	<u>15,075</u>
 Cash and cash equivalents		
Cash at bank and on hand	12,827	16,602
Fixed deposits	<u>6,388</u>	<u>4,173</u>
	19,215	20,775
Bank overdrafts	(10,104)	(1,527)
Deposits pledged	<u>(6,388)</u>	<u>(4,173)</u>
Cash and cash equivalents in the unaudited consolidated statement of cash flows	<u>2,723</u>	<u>15,075</u>

During the 3 months period ended 31 March 2013, the Group acquired property, plant and equipment with an aggregate cost of \$5,137,000 (3 months period ended 31 March 2012: \$11,534,000), of which \$1,090,000 (3 months period ended 31 March 2012: \$1,380,000) were acquired under finance leases.

1(d)(i) A statement 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

Actual Group	Share capital \$'000	Accumulated profits \$'000	Foreign currency translation reserve \$'000	Equity attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total \$'000
At 1 January 2012	16,137	42,274	-	58,411	420	58,831
Total comprehensive income for the period						
Profit for the period	-	3,526	-	3,526	57	3,583
Other comprehensive expense						
Foreign currency translation differences	-	-	(118)	(118)	-	(118)
Total other comprehensive expense for the period	-	-	(118)	(118)	-	(118)
Total comprehensive income	-	3,526	(118)	3,408	57	3,465
Transactions with owners recognised directly in equity						
Issue of bonus shares	15,000	(15,000)	-	-	-	-
One-tier tax exempt interim dividend of \$0.13 per ordinary share in respect of the year ended 31 December 2011	-	(2,000)	-	(2,000)	-	(2,000)
Total transactions with owners	15,000	(17,000)	-	(2,000)	-	(2,000)
At 31 March 2012	31,137	28,800	(118)	59,819	477	60,296

1(d)(i) A statement 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 (cont'd)

Actual Group	Share capital \$'000	Accumulated profits \$'000	Foreign currency translation reserve \$'000	Equity attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total \$'000
At 1 January 2013	55,527	21,763	(307)	76,983	1,020	78,003
Total comprehensive income for the period						
Profit for the period	-	3,885	-	3,885	221	4,106
Other comprehensive income						
Foreign currency translation differences	-	-	257	257	-	257
Total other comprehensive income for the period	-	-	257	257	-	257
Total comprehensive income	-	3,885	257	4,142	221	4,363
Transactions with owners recognised directly in equity						
One-tier tax exempt interim dividend of \$0.0025 per ordinary share in respect of the year ended 31 December 2012	-	(1,235)	-	(1,235)	-	(1,235)
Total transactions with owners	-	(1,235)	-	(1,235)	-	(1,235)
Changes in ownership interests in subsidiaries						
Acquisition of non-controlling interests without a change in control	-	258	-	258	(647)	(389)
Total changes in ownership interests in subsidiaries	-	258	-	258	(647)	(389)
At 31 March 2013	55,527	24,671	(50)	80,148	594	80,742

1(d)(i) A statement 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 (cont'd)

<u>Company</u>	Share Capital \$'000	Capital reserve \$'000	Accumulated (losses)/profits \$'000	Total \$'000
At 1 January 2012	57,462	-	(53,814)	3,648
Total comprehensive income for the period				
Loss for the period/Total comprehensive income	-	-	(353)	(353)
At 31 March 2012	57,462	-	(54,167)	3,295
At 1 January 2013	121,746	(969)	(993)	119,784
Total comprehensive income for the period				
Profit for the period/Total comprehensive income	-	-	3,828	3,828
Transactions with owners recognized directly in equity				
One-tier tax exempt interim dividend of \$0.0025 per ordinary share in respect of the year ended 31 December 2012	-	-	(1,235)	(1,235)
Total transactions with owners	-	-	(1,235)	(1,235)
At 31 March 2013	121,746	(969)	1,600	122,377

1(d)(ii) Details of any changes in the company's share capital arising from right issues, bonus issue, share buy-back, exercise of share option 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.

There was no change in the Company's share capital since the end of the previous period reported on.

As at 31 March 2013 (and 31 December 2012), the Company's issued and paid-up share capital was S\$121,745,086 (and S\$121,745,086) and there were no shares held as treasury shares.

The Company had issued 143,952,885 warrants in June 2010 and these warrants were listed on the SGX-ST on 17 June 2010. Each warrant entitles the warrant holder to subscribe for 1 new share in the share capital of the Company at an exercise price of S\$0.10 in cash during the exercise period. During the period ended 31 December 2012, 50,000 warrants have been converted. The outstanding warrants as at 31 December 2012 were 143,902,885.

As announced via SGXNET on 24 July 2012, pursuant to the amendments to the deed poll executed by the Company on 19 May 2010 and the consolidation of shares subsequent to the Acquisition as set out in the circular dated 21 June 2012, the warrants have been consolidated at the ratio of every 10 warrants into one consolidated warrant. Therefore, the outstanding warrants subsequent to the consolidation were 14,390,289.

During the financial period ended 31 March 2013, no shares were issued pursuant to the exercise of any warrants.

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.

Actual	31 March 2013	31 December 2012
Total number of issued shares excluding treasury shares (after share consolidation)	493,672,996	493,672,996

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 standards or practice.

The figures have not been audited or reviewed.

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.

There were no significant changes in accounting policies and methods of computation adopted in financial statements for the current reporting period as compared to the most recent audited annual financial statements for the period ended 31 December 2012.

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

Not applicable.

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.

Earning/(Loss) per share (EPS)	1 st Quarter ended	
	31 Mar 2013	31 Mar 2012
<u>Continuing operations</u>		
EPS based on weighted average number of ordinary shares on issue (cents)	0.79	0.71
EPS based on a fully diluted basis	0.79	0.71
Weighted average number of shares (after Share Consolidation)	493,672,996	493,672,996

On 25 July 2012, the Company consolidated every 10 ordinary shares into one consolidated share ("Share Consolidation").

As at the reporting period, warrants were excluded from the diluted weighted average number of ordinary shares calculation as their effect would have been anti-dilutive. The average market value of the Company's shares for the purposes of calculating the dilutive effect of warrants was based on quoted market prices for the period during which the warrants were outstanding.

7. **Net assets 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**

Net asset value (NAV)	Group		Company	
	As at 31 Mar 2013	As at 31 Dec 2012	As at 31 Mar 2013	As at 31 Dec 2012
NAV per ordinary share (cents)	16.24	15.59	24.79	24.26
Number of shares (after Share Consolidation)	493,672,996	493,672,996	493,672,996	493,672,996

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) **any significant factors that affected the turnover, costs and earning of the group for the current financial period reported on, including (where applicable) seasonable or cyclical factors; and**
- (b) **any material factors that affected the cash flow, working capital, assets and liabilities of the group during the current financial period reported on.**

Comprehensive income statement

Revenue

Revenue increased by approximately \$8.2 million or 29.3% to \$36.4 million for the three months ended 31 March 2013 ("3MFY13") compared to the corresponding period ended 31 March 2012 ("3MFY12") of \$28.2 million. The increase was due mainly to additional projects secured.

Gross profit

Gross profit increased by approximately 23.1% to \$9.4 million for 3MFY13 compared to approximately \$7.6 million for 3MFY12, attributable to revenue recognised from the additional projects secured, as mentioned above. However, the gross profit margin decreased from approximately 27.0% for 3MFY12 to approximately 25.7% for 3MFY13 due to increase in operating costs such as direct materials costs and direct labour costs to cater for project requirements.

Other income

Other income for 3MFY13 decreased by approximately \$0.3 million or 35.8% compared to 3MFY12 due mainly to foreign exchange loss on revaluation of foreign currency balances for a subsidiary in Yantai, People's Republic of China ("PRC"), and lower gain recognised arising from the sale of fixed assets.

Administrative expenses

Administrative expenses for 3MFY13 increased by approximately \$1.2 million or 41.6% compared to 3MFY12 due mainly to higher personnel related costs and increase in rental and property tax for the new leasehold building at No. 3 Sungei Kadut, Singapore.

Other operating expenses

Other expenses for 3MFY13 decreased by approximately \$0.4 million or 100% compared to 3MFY12, due to the absence of one-off professional fees incurred in relation to the reverse take-over in FY12.

Finance costs

Finance costs for 3MFY13 increased by approximately \$0.4 million or 54.9% compared to 3MFY12, due mainly to increase in bank borrowings.

Income tax

Income tax for 3MFY13 decreased by approximately \$0.4 million compared to 3MFY12 due mainly to adjustment of overprovision of tax expense in prior year.

Net profit after tax

The Group reported a net profit after tax of \$4.1 million for 3MFY13 compared to a net profit after tax of \$3.6 million for 3MFY12 due to the various reasons as disclosed above.

Consolidated Statement of financial position

Non-current assets

The Group's non-current assets increased by \$3.1 million from \$70.5 million as at 31 December 2012 to \$73.6 million as at 31 March 2013, mainly attributable to the increase in property, plant and equipment due to the purchase of an additional plot of land at Yantai, PRC and construction expenditure incurred on the Group's leasehold building located at No. 3 Sungei Kadut Drive, Singapore.

Current assets

The Group's current assets increased by \$13.6 million from \$144.3 million as at 31 December 2012 to \$157.9 million as at 31 March 2013, significantly attributable to the following:

- (a) Purchase of a development property at No. 241 Pasir Panjang Road, Singapore; and
- (b) Increase in contract work-in progress by \$7.4 million to \$91.4 million as at 31 March 2013 compared to \$84.0 million as at 31 December 2012, mainly attributable to additional projects secured.

Liabilities

The Group's liabilities increased due mainly to an increase in bank borrowings to finance working capital and capital expenditure.

Consolidated Statement of Cash flow

The Group's cash and cash equivalents was \$2.7 million for 3MFY13 compared to \$15.1 million for 3MFY12.

Net cash from operating activities

Net cash used in operating activities was \$17.6 million, comprising cash from operating activities before working capital changes of \$7.6 million, net working capital outflow of \$24.8 million and net income tax paid of \$0.4 million.

The net working capital outflow of \$24.8 million was due mainly to the following:

- (a) increase in contract work-in-progress of approximately \$7.4 million due to increase in unbilled revenue of new contracts and projects that had yet to be billed to customers pending certification by consultants, and
- (b) decrease in trade and other payables of approximately \$6.5 million mainly due to increase in payment to the creditors during the period; and
- (c) increase in development property of approximately \$13.6 million due mainly to the purchase of property at No. 241 Pasir Panjang Road, Singapore;

and offset by:

- (a) decrease in trade and other receivables of approximately \$2.1 million mainly due to more collection during the period; and
- (b) decrease in inventories of approximately \$0.6 million due to more materials used for projects.

Net cash used in investing activities

Net cash used in investing activities of approximately \$4.4 million was due mainly to the purchase of additional plot of land at Yantai, PRC and construction expenditure paid for leasehold building at No. 3 Sungei Kadut Drive, Singapore.

Net cash used in financing activities

Net cash from financing activities of approximately \$7.3 million was due mainly to additional bank borrowings for project financing purposes; partially offset by repayment of bank borrowings.

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

No forecast or prospect statement has been previously disclosed.

10. A commentary at the date of 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.

The Group remains cautiously optimistic that the healthy construction demand in the public sector will enable the Group to grow in tandem with the healthy construction sector in the next 12 months. The completion of our second asphalt premix plant will give us added capacity and advantage in bidding for pipe and road-related projects.

Going forward, the Group will continue to actively participate in the tendering for new projects and remain positive of its prospects in the next 12 months amidst a more challenging environment due to rising business costs and shortages of experienced and skilled manpower.

11. Dividends

(a) Current financial period

Any dividend declared for the current financial period reported on? Yes

Name of dividends	Interim dividend
Dividend Type	Cash
Dividend amount per share	\$0.0025, Tax exempt, one-tier

(b) Previous corresponding financial period

Any dividend declared for the previous corresponding financial period reported on? Yes

Name of dividends	Final
Dividend Type	Cash
Dividend amount per share	\$0.13, Tax exempt, one-tier

(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 the shareholders, this must be stated).

Dividend is tax exempt, one tier.

(d) The date the dividend is payable

To be announced.

(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.

To be announced.

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

Not applicable.

13. If the Group has obtained a 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.

The Group has originally obtained a general mandate for the recurrent interested/related party transactions from the shareholders in the extraordinary general meeting held on 13 July 2012 and it was subsequently renewed in the recent Annual General Meeting held on 26 April 2013. The approved interested/related parties are a) Pan Asian Holdings Limited (formerly known as Pan Asia Water Solutions Limited), b) Hen Sheng Civil Engineering Pte. Ltd., and c) Sing & San Construction Pte Ltd and their respective Associates.

The aggregate values of such transactions are as follow:

Description	1st Quarter ended 31 Mar 2013 \$'000
Purchases from interested persons	1,493
Sales to interested persons	98
Services rendered by interested persons	37

14. Confirmation pursuant to Rule 705(5) of the listing manual

On behalf of the Board of Directors of the Company, we, Toh Choo Huat and Koh Tiam Teng, being Directors of the Company, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements for the three-months period ended 31 March 2013 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Toh Choo Huat
Executive Chairman and Chief Executive Officer

9 May 2013