



**First Quarter Financial Statements And Dividend Announcement
For the Financial Period Ended 31 March 2010**

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

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

The Board of Directors of Sinwa Limited is pleased to announce the unaudited results of the Group for the financial period ended 31 March 2010.

CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

	GROUP		
	3 months ended		
	31 March		
	2010	2009	+ / (-)
	S\$'000	S\$'000	%
Revenue	29,261	31,486	(7.1)
Cost of sales	<u>(20,474)</u>	<u>(22,946)</u>	(10.8)
Gross profit	<u>8,787</u>	<u>8,540</u>	2.9
<i>Other item of income</i>			
Financial income	111	1,205	(90.8)
<i>Other items of expense</i>			
Marketing and distribution costs	(881)	(791)	11.4
Administrative expenses	(5,223)	(3,598)	45.2
Other operating income/(expenses)	139	(1,269)	n.m.
Financial expenses	<u>(356)</u>	<u>(215)</u>	65.6
Profit before income tax	<u>2,577</u>	<u>3,872</u>	(33.4)
Income tax expense	<u>(416)</u>	<u>(585)</u>	(28.9)
Profit for the period	<u><u>2,161</u></u>	<u><u>3,287</u></u>	(34.3)
Profit attributable to:			
Owners of the Company	<u><u>2,161</u></u>	<u><u>3,287</u></u>	(34.3)



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

The Statement of Comprehensive Income included as part of the results announcement is in compliance with the revised Financial Reporting Standard (FRS) 1 (effective from 1 January 2009).

	GROUP		
	3 months ended		
	31 March		
	2010	2009	+ / (-)
	S\$'000	S\$'000	%
PROFIT FOR THE PERIOD	2,161	3,287	(34.3)
Other comprehensive income:			
Exchange differences on translating foreign operations	157	893	(82.4)
Other comprehensive income for the period, net of tax	157	893	(82.4)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>2,318</u>	<u>4,180</u>	(44.5)
Total comprehensive income attributable to:			
Owners of the Company	<u>2,318</u>	<u>4,180</u>	(44.5)

Note:

- n.m.: not meaningful



1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year.

NOTES TO CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	GROUP		
	3 months ended		
	31 March		
	2010	2009	+ / (-)
	S\$'000	S\$'000	%
Financial income:			
Interest income - others	22	2	n.m.
Foreign exchange gain	89	1,203	(92.6)
	<u>111</u>	<u>1,205</u>	
Financial expenses:			
Bank facility fees	(14)	-	n.m.
Interest expense	(342)	(215)	59.1
	<u>(356)</u>	<u>(215)</u>	
Other operating income/(expenses):			
Goodwill written off	-	(28)	n.m.
Allowance for doubtful trade receivables	-	(1,245)	n.m.
Allowance for doubtful other receivables	-	(109)	n.m.
Bad debts written off (trade)	-	(5)	n.m.
Gain on disposal of property, plant and equipment	22	7	n.m.
Singapore government job credit	36	64	(43.8)
Handling fee	34	18	88.9
Inventory written off	(8)	(6)	33.3
Property, plant and equipment written off	(2)	-	n.m.
Commission income	34	14	n.m.
Logistic services income	29	22	31.8
Others	(6)	(1)	n.m.
	<u>139</u>	<u>(1,269)</u>	
Profit before income tax is stated after charging:-			
Amortisation of intangible assets	(8)	(8)	n.m.
Depreciation of property, plant and equipment	(862)	(383)	n.m.

Note:

- n.m.: not meaningful



1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2010

	GROUP		COMPANY	
	31.03.10	31.12.09	31.03.10	31.12.09
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	74,804	74,553	-	-
Construction in progress	6,492	4,900	-	-
Intangible assets	103	111	-	-
Goodwill	548	548	-	-
Investments in subsidiaries	-	-	11,536	11,536
Investments in joint ventures	-	-	26,820	25,119
Other assets	63	62	-	-
Other receivables	1,525	1,574	-	-
Total non-current assets	<u>83,535</u>	<u>81,748</u>	<u>38,356</u>	<u>36,655</u>
Current assets				
Inventories	5,355	4,922	-	-
Other assets	-	-	-	-
Trade and other receivables	38,619	37,626	19,060	19,475
Cash and cash equivalents	19,241	15,003	5,500	5,459
Total current assets	<u>63,215</u>	<u>57,551</u>	<u>24,560</u>	<u>24,934</u>
Total assets	<u>146,750</u>	<u>139,299</u>	<u>62,916</u>	<u>61,589</u>



STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2010 (Continued)

	GROUP		COMPANY	
	31.03.10	31.12.09	31.03.10	31.12.09
	S\$'000	S\$'000	S\$'000	S\$'000
EQUITY AND LIABILITIES				
Equity				
Share capital	24,601	24,601	24,601	24,601
Retained earnings	48,511	46,350	3,014	3,185
Foreign currency translation reserve	(1,006)	(1,163)	-	-
Equity attributable to owners of the Company	<u>72,106</u>	<u>69,788</u>	<u>27,615</u>	<u>27,786</u>
Total equity	<u>72,106</u>	<u>69,788</u>	<u>27,615</u>	<u>27,786</u>
Non-current liabilities				
Deferred tax	107	107	-	-
Finance leases	136	124	-	-
Borrowings	9,749	7,849	-	-
Total non-current liabilities	<u>9,992</u>	<u>8,080</u>	<u>-</u>	<u>-</u>
Current liabilities				
Income tax payable	2,625	2,265	17	18
Trade and other payables	22,767	24,316	25,318	23,871
Current portion of finance leases	109	92	-	-
Current portion of borrowings	39,151	34,758	9,966	9,914
Total current liabilities	<u>64,652</u>	<u>61,431</u>	<u>35,301</u>	<u>33,803</u>
Total liabilities	<u>74,644</u>	<u>69,511</u>	<u>35,301</u>	<u>33,803</u>
Total equity and liabilities	<u>146,750</u>	<u>139,299</u>	<u>62,916</u>	<u>61,589</u>

	GROUP	
	31.03.10	31.12.09
<u>Financial ratios</u>		
Inventory turnover (days)	25	20
Trade receivables turnover (days)	111	102
Gearing (net debt to total capital)	0.42	0.43



1(b)(ii) Aggregate amount of the group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

31.03.2010		31.12.2009	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
36,106	3,154	30,653	4,197

Amount repayable after one year

31.03.2010		31.12.2009	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
9,811	74	7,900	73

Details of any collateral:

The following liabilities are secured by corporate guarantees from the Company and relate to:

- 1) Term loan obtained for the financing of the construction of the liftboat in the joint venture Yakki International Pte Ltd;
- 2) Term loan obtained to finance the conversion cost of seismic vessel in the joint venture Nordic International Limited;
- 3) Working capital financing obtained by subsidiaries; and
- 4) Loan obtained to finance the construction of 2 warehouse cum office facilities in Australia.

There are some borrowings that are also jointly and severally guaranteed by the Company and subsidiaries.

The following assets in the Group are also provided as securities for the credit facilities:

- a) Fixed deposits of US\$3.825 million and A\$2 million;
- b) 3 commercial properties in Singapore;
- c) 2 commercial properties in Australia;
- d) 1 residential property in Australia;
- e) All other assets and undertakings of 2 subsidiaries in Australia;
- f) Seismic vessel;
- g) Liftboat; and
- h) Anchor handling tug.



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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

	GROUP	
	3 months ended	
	31 March	
	2010	2009
	S\$'000	S\$'000
Operating activities		
Profit before income tax	2,577	3,872
Adjustments for:		
Goodwill written off	-	28
Allowance for doubtful trade receivables	-	1,245
Allowance for doubtful other receivables	-	109
Bad debts written off (trade)	-	5
Amortisation of intangible assets	8	8
Depreciation of property, plant and equipment	862	383
Interest income	(22)	(2)
Interest expense	342	215
Gain on disposal of property, plant and equipment, net	(22)	(7)
Property, plant and equipment written off	2	-
Inventory written off	8	6
Operating profit before working capital changes	3,755	5,862
Trade and other receivables	(989)	(728)
Inventories	(441)	397
Trade and other payables	(1,498)	(1,981)
Cash generated from operations	827	3,550
Interest paid	(342)	(215)
Interest received	22	2
Income tax paid	(56)	-
Net cash from operating activities	451	3,337



CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010 (Continued)

	GROUP	
	3 months ended	
	31 March	
	2010	2009
	S\$'000	S\$'000
Investing activities		
Repayment from PRC licensees	45	81
Proceeds from disposal of property, plant and equipment	26	23
Purchase of property, plant and equipment	(684)	(377)
Construction in progress	(1,330)	-
Mobilisation fee for liftboat in a joint venture (net)	-	1,547
Effect of foreign currency alignment on investing activities	(235)	(3,213)
Net cash used in investing activities	(2,178)	(1,939)
Financing activities		
Proceeds from term loans	9,361	-
Repayment of term loans	(2,630)	(2,889)
Proceeds from bills financing	5,752	-
Repayment of bills financing	(5,113)	-
Repayment of director loan	(1,009)	-
Repayments of finance leases	(24)	(25)
Capitalisation of interest paid	(57)	-
Capitalisation of facility fee	(175)	-
Cash at bank restricted	(192)	-
Fixed deposit pledged	(1,283)	-
Proceeds from restricted bank deposit	-	1,208
Effect of foreign currency alignment on financing activities	171	1,786
Net cash from financing activities	4,801	80
Net increase in cash and cash equivalents	3,074	1,478
Cash and cash equivalents at beginning of period	4,592	7,890
Effect of exchange rate changes on cash and cash equivalents	15	624
Cash and cash equivalents at end of period	7,681	9,992
<u>Analysis of the cash and cash equivalents</u>		
Cash and cash equivalents	19,241	13,465
Bank overdrafts	(1,436)	(909)
Cash at bank restricted	(2,192)	(541)
Fixed deposits pledged	(7,932)	(2,023)
Cash and cash equivalents for the purpose of cash flow statement	7,681	9,992



CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010 (Continued)

During 1Q FY2010, the Group acquired property, plant and equipment amounting to \$804,000 (1Q FY2009: \$397,000), of which:

- (a) \$53,000 (1Q FY2009: \$20,000) was acquired under finance lease contracts;
- (b) \$36,000 (1Q FY2009: Nil) incurred for the construction of the warehouse cum office facility in Perth, Australia that was financed by a bank loan. Borrowing costs of approximately \$31,000 (1Q FY2009: Nil) relating to the financing of the construction of the warehouse cum office facility was capitalised during this period; and
- (c) \$684,000 (1Q FY2009: \$377,000) was acquired by cash payment.

Additions to construction-in-progress in 1Q FY2010 amounted to \$1,531,000 (1Q FY2009: Nil), of which \$175,000 (1Q FY2009: Nil) of facility fee relating to the extension of the expiry date of the Letter of Credit for the building of the accomodation barge was capitalised during this period.

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 capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010

GROUP	Equity, attributable to owners		Share capital	Treasury shares	Capital reserve	Retained earnings	Translation reserve
	Total equity	of the Company					
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2010	69,788	69,788	25,454	(961)	108	46,350	(1,163)
Total comprehensive income for the period	2,318	2,318	-	-	-	2,161	157
Balance at 31 March 2010	<u>72,106</u>	<u>72,106</u>	<u>25,454</u>	<u>(961)</u>	<u>108</u>	<u>48,511</u>	<u>(1,006)</u>
Balance at 1 January 2009	55,343	55,343	25,454	(961)	108	32,999	(2,257)
Total comprehensive income for the period	4,180	4,180	-	-	-	3,287	893
Balance at 31 March 2009	<u>59,523</u>	<u>59,523</u>	<u>25,454</u>	<u>(961)</u>	<u>108</u>	<u>36,286</u>	<u>(1,364)</u>



STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2010 (Continued)

COMPANY	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Balance at 1 January 2010	25,454	(961)	108	3,185	27,786
Total comprehensive income for the period	-	-	-	(171)	(171)
Balance at 31 March 2010	<u>25,454</u>	<u>(961)</u>	<u>108</u>	<u>3,014</u>	<u>27,615</u>
Balance at 1 January 2009	25,454	(961)	108	3,419	28,020
Total comprehensive income for the period	-	-	-	555	555
Balance at 31 March 2009	<u>25,454</u>	<u>(961)</u>	<u>108</u>	<u>3,974</u>	<u>28,575</u>

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.

Not applicable.

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.

	31.03.2010	31.12.2009
Number of issued ordinary shares (excluding treasury shares)	222,311,865	222,311,865

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 in this announcement 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.**

The same accounting policies and methods of computation as those applied for the FY2009 audited financial statements have been applied for these figures except for the adoption of the FRSs and INT FRSs that are mandatory for annual periods beginning on or after 1 January 2010. The adoption of these FRSs and INT FRSs has no significant impact on the financial statements.

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.**

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.**

	GROUP	
	3 months ended	
	31.03.2010	31.03.2009
(a) Basic (cents)	0.97	1.48
(b) Diluted (cents)	0.97	1.48

The basic and diluted earnings per for the 3 months period and same period last year are computed based on 222,311,865 ordinary shares.



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
The total number of issued shares excluding treasury shares at the end of the:		
(a) current financial period reported on	222,311,865	222,311,865
(b) immediately preceding financial period	222,311,865	222,311,865
Net asset value per issued ordinary shares as at (cents)		
(a) 31 March 2010	32.43	12.42
(b) 31 December 2009	31.39	12.50

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 earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

The Group's revenue in 1Q FY2010 decreased 7.1% when compared to the corresponding period in FY2009. The decrease in revenue is mainly attributed to the marine supply businesses of Singapore and Australia. The drop in the marine supply business in Singapore is mainly due to the disposal of vessels owned or managed by some of our customers during the economic downturn earlier and the reduced number of vessels operating in or near Singapore waters. There were also fewer new builds supplies in 1Q FY2010. The Australia business was affected by the slow down in the offshore industry in Western Australia during 1Q FY2010. However, the effect of lower revenue from Australia is more than offset by the effect of the A\$ appreciating against the S\$ by more than 25% by comparing the exchange rates of the same corresponding quarters.

On the other hand, the total revenue from our offshore vessel chartering businesses increased slightly to \$2.8 mil.

Gross profit increased 2.9% to \$8.8 mil and the overall gross profit margin is higher due to the higher margin contribution by the chartering business segment.

Financial income decreased by \$1.1 mil mainly because of decrease in foreign exchange gain of \$1.1 mil.

Marketing and distribution costs increased by \$90K. There was an amount of \$48K relating to indirect transport costs that was classified under cost of sales in 1Q FY2009. Excluding this amount, marketing and distribution costs increased slightly by \$42K.

Administrative expense increased 45.2% and the significant items contributing to the overall increase are:

- Depreciation of assets that were not depreciated in 1Q FY2009 like the vessel Titan II (liftboat) and Go Emerald (AHT) and the warehouse cum office facility in Henderson, Perth;
- Stacking costs because Titan II was laid up in late December 2009; and
- Annual salary increment



Other operating income/(expenses) in 1Q FY2009 included an allowance for doubtful receivable from the charterer of our seismic vessel of \$1.2 mil. However, this allowance was adjusted to \$1.0 mil as at 31 December 2009. No additional allowance was made in 1Q FY2010. There is an ongoing legal claim against the charterer and the arbitration hearing is now expected to be in the second half of FY2010.

Financial expenses increased by \$0.1 mil because of increase in interest expense due to more financing from the banks.

The lower income tax expense in 1Q FY2010 is in line with the lower profit. The effective tax charge of the Group is lower than the amount arrived at by applying the Singapore statutory corporate tax rate of 17% mainly because the profits of some subsidiaries are tax exempted.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Positive cash flows was generated from operating activities in 1Q FY2010 but net cash generated decreased from \$3.3 mil to \$0.5 mil when compared to the same corresponding period of FY2009. The decrease is mainly attributed to the increases in operating and financial expenses coupled with lower revenue. We invested more in property, plant and equipment in view of the recovering global economy and both working capital and term loan financing also increased. 56.9% of our cash and cash equivalents (net of overdrafts) as at 31 March 2010 is now either restricted or pledged as collateral as compared to 20.4% as at 31 March 2009. This proportion was 65.3% as at 31 December 2009.

Current assets

Current assets increased \$5.7 mil when compared to the position at 31 December 2009. The increase is mainly due to increase in cash and cash equivalents of \$4.2 mil.

Non-current assets

Non-current assets increased \$1.8 mil and this is mainly due the construction-in-progress of the accommodation barge and the warehouse cum office facility in Karratha.

Current liabilities

Current liabilities increased \$3.2 mil and this is mainly due to increase in borrowings of \$4.4 mil partially offset by a decrease in trade and other payables.

The increase in borrowings of \$4.4 mil is due to the increase in financing for the constructions of the warehouse cum office facilities in Henderson and Karratha. In March 2010, \$1.0 mil was paid back to the director who had loaned the Group \$4.1 mil in October 2009.

Non-current liabilities

Non-current liabilities increased \$1.9 mil due to the addition of the non-current portion of the 5-year term loan of US\$3.5 mil for financing the purchase of our AHT, Go Emerald, that is offset by regular loan instalment payments for the liftboat and seismic vessel.



The Group as at 31 March 2010 continues to have a negative working capital position but the balance has decreased from \$3.9 mil as at 31 December 2009 to \$1.4mil. The total outstanding loan for the construction of the facilities in Henderson and Karratha stands at S\$10.0 mil as at 31 March 2010 and the loans will be reviewed and renewed by 30 June 2010.

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 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's profit after tax for both 3-month periods ended 31 March, excluding foreign exchange gain, are \$2.1 mil each. Due to our diversification into chartering business, the effect from lower revenue and higher expenses of the marine supply business segment in 1Q FY2010 has been partially offset by increase in profit contribution from the chartering business segment.

Australia

Overall, the Australia operations registered a loss as compared to a profit in 1Q FY2009. The loss is accounted by decreases in both revenue and gross profit; and increases in expenses like payroll, interest, utilities and depreciation. However, gross profit margin remained comparable.

We expect the activities in the offshore industry in Australia to recover in the second half of FY2010. By then, our new and larger Henderson and Karratha facilities will be both operational ready to capture the demand as it picks up.

Singapore

The trend of lower revenues observed by comparing revenues of the same month year on year in the Singapore marine supply business continues into 1Q FY2010. We are cautiously optimistic that the trend will reverse soon on the premise that the current sovereign debt crisis involving mainly Greece, Portugal and Spain will not derail the global economic recovery. Despite the decrease in revenue, gross profit margin remains largely comparable and Singapore operations continue to be profitable.

China

We continue to see growth in the total revenue of our PRC licensees in 1Q FY2010 whilst Sinwa continues to be represented by 6 PRC licensees in 8 locations including Hong Kong.

Chartering

Our seismic vessel charter hire will expire in September 2010 and the joint venture will be actively marketing the vessel soon.

The liftboat is currently laid up and the management of the joint venture owning the liftboat is currently negotiating a charter hire for the vessel. We will be making an announcement once a charter hire agreement is signed.

Barring unforeseen circumstances, the Group expects FY2010 to be another profitable year.



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

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

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

Not applicable.



13. Negative assurance confirmation pursuant to Rule 705(5) of the Listing Manual

We, Sim Yong Teng and Tan Lay Ling, being two directors of Sinwa 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 financial statements of the Group and the Company for the period ended 31 March 2010 to be false or misleading in any material aspect.

ON BEHALF OF THE BOARD

Sim Yong Teng
Executive Chairman/CEO

Tan Lay Ling
Executive Director

BY ORDER OF THE BOARD

Tan Lay Ling
Executive Director
11 May 2010