

Unaudited Financial Statement and Dividend Announcement for the First Quarter Ended 30 September 2008

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1,Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

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

1(a)(i) Income Statement

	Group 1st Qtr ended 30 Sep 2008 \$'000	Group 1st Qtr ended 30 Sep 2007 \$'000	Change %
Revenue	8,578	11,709	-26.7%
Cost of sales	(8,108)	(9,311)	-12.9%
Gross profit	<u>470</u>	<u>2,398</u>	-80.4%
Other income	165	10,015	-98.4%
Distribution expenses	(2,255)	(2,065)	9.2%
Administrative expenses	(2,117)	(2,183)	-3.0%
Other expenses	(6)	(11)	-45.5%
Results from operating activities	<u>(3,743)</u>	<u>8,154</u>	NM
Finance expenses	(72)	(298)	-75.8%
Share of loss of associate, net of tax	(919)	(918)	0.1%
(Loss)/profit before income tax	<u>(4,734)</u>	<u>6,938</u>	NM
Income tax credit/(expense)	24	(28)	-185.7%
(Loss)/profit for the period	<u>(4,710)</u>	<u>6,910</u>	NM
Attributable to:			
Equity holders of the Company	(3,682)	7,090	NM
Minority interests	(1,028)	(180)	471.1%
	<u>(4,710)</u>	<u>6,910</u>	NM
(Loss)/earnings per share for loss attributable to equity holders of the Company (expressed in cents per share)			
- Basic	(0.29)	0.73	NM
- Diluted	(0.29)	0.73	NM

NM : percentage not meaningful.

Unaudited Financial Statement and Dividend Announcement for the First Quarter Ended 30 September 2008

1(a)(ii) Notes to the Income Statement for the current financial period reported on and the corresponding period of the immediately preceding financial year

	Group 1st Qtr ended <u>30 Sep 2008</u> \$'000	Group 1st Qtr ended <u>30 Sep 2007</u> \$'000
(Loss)/profit for the period include the following (charges)/credits:		
Finance expenses:		
- bank borrowings	(46)	(267)
- finance lease liabilities	(26)	(5)
- others	-	(26)
	(72)	(298)
Depreciation of property, plant and equipment	(514)	(399)
Employee compensation	(1,217)	(1,802)
Provision for stock obsolescence and stock written off	(992)	-
Provision for warranty	(544)	(428)
Rental expenses - operating leases	(412)	(133)
Gain on disposal of shares in an associate	-	9,563
Interest income	76	191
Exchange (loss)/gain - net	(211)	157
Income tax credit/(expense):		
Current tax expense	-	(28)
Deferred tax expense	24	14
Underprovision in preceding financial years for:		
- current tax expense	-	(14)
	24	(28)

Unaudited Financial Statement and Dividend Announcement for the First Quarter Ended 30 September 2008

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.

	Group As at 30 Sep 2008 \$'000	Group As at 30 Jun 2008 \$'000	Change %	Company As at 30 Sep 2008 \$'000	Company As at 30 Jun 2008 \$'000	Change %
ASSETS						
Non-current assets						
Property, plant and equipment	10,208	10,523	-3.0%	571	486	17.5%
Intangible assets	57	57	0.0%	-	-	0.0%
Subsidiaries	-	-	0.0%	5,626	5,591	0.6%
Associate	10,887	11,305	-3.7%	14,827	14,827	0.0%
Other non-current assets	50	50	0.0%	50	50	0.0%
	<u>21,202</u>	<u>21,935</u>	-3.3%	<u>21,074</u>	<u>20,954</u>	0.6%
Current assets						
Inventories	6,853	7,788	-12.0%	-	-	0.0%
Properties held for sale	369	433	-14.8%	-	-	0.0%
Trade and other receivables	6,265	9,130	-31.4%	12,519	13,750	-9.0%
Other current assets	1,519	1,471	3.3%	418	395	5.8%
Cash and cash equivalents	20,282	21,355	-5.0%	12,047	12,453	-3.3%
	<u>35,288</u>	<u>40,177</u>	-12.2%	<u>24,984</u>	<u>26,598</u>	-6.1%
Total assets	<u>56,490</u>	<u>62,112</u>	-9.1%	<u>46,058</u>	<u>47,552</u>	-3.1%
EQUITY						
Equity attributable to equity holders of the Company						
Share capital	80,054	80,054	0.0%	80,054	80,054	0.0%
Reserves	678	8	8375.0%	122	117	4.3%
Accumulated losses	(42,318)	(38,636)	9.5%	(36,677)	(35,440)	3.5%
	<u>38,414</u>	<u>41,426</u>	-7.3%	<u>43,499</u>	<u>44,731</u>	-2.8%
Minority interests	1,818	2,839	-36.0%	-	-	0.0%
Total equity	<u>40,232</u>	<u>44,265</u>	-9.1%	<u>43,499</u>	<u>44,731</u>	-2.8%
LIABILITIES						
Non-current liabilities						
Bank borrowings	2,958	3,317	-10.8%	-	257	-100.0%
Deferred tax liabilities	-	24	-100.0%	-	-	0.0%
	<u>2,958</u>	<u>3,341</u>	-11.5%	<u>-</u>	<u>257</u>	0.0%
Current Liabilities						
Trade and other payables	7,007	7,922	-11.6%	1,129	1,006	12.2%
Bank borrowings	5,218	5,248	-0.6%	1,413	1,541	-8.3%
Current tax payable	34	329	-89.7%	5	5	0.0%
Provision for other liabilities and charges	1,041	1,007	3.4%	12	12	0.0%
	<u>13,300</u>	<u>14,506</u>	-8.3%	<u>2,559</u>	<u>2,564</u>	-0.2%
Total liabilities	<u>16,258</u>	<u>17,847</u>	-8.9%	<u>2,559</u>	<u>2,821</u>	-9.3%
Total equity and liabilities	<u>56,490</u>	<u>62,112</u>	-9.1%	<u>46,058</u>	<u>47,552</u>	-3.1%

Unaudited Financial Statement and Dividend Announcement for the First Quarter Ended 30 September 2008

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

Amount repayable in one year or less, or on demand

As at 30 Sep 2008 (\$'000)		As at 30 Jun 2008 (\$'000)	
Secured	Unsecured	Secured	Unsecured
3,843	1,375	3,742	1,500

Amount repayable after one year

As at 30 Sep 2008 (\$'000)		As at 30 Jun 2008 (\$'000)	
Secured	Unsecured	Secured	Unsecured
2,958	-	3,067	250

Details of collateral

As at balance sheet date, the total borrowings included secured liabilities of \$6,801,000 (2008: \$6,809,000) for the Group. Secured bank loans and lease liabilities for one of the subsidiaries amounting to \$6,392,000 (2008: \$6,433,000) are secured by fixed charge over the subsidiary's leasehold building, debenture deeds which provide for first floating charge on all assets of the subsidiary and corporate guarantees given by the Company. Other finance lease liabilities of the Group amounting to \$409,000 (2008: \$376,000) are secured by the rights to the leased plant and equipment and corporate guarantees given by 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.

	Group	Group
	1st Qtr ended	1st Qtr ended
	<u>30 Sep 2008</u>	<u>30 Sep 2007</u>
	\$'000	\$'000
Operating activities		
(Loss)/profit for the period	(4,710)	6,910
Adjustments for:		
- Income tax (credit)/expense	(24)	28
- Share option expenses	5	16
- Depreciation of property, plant and equipment	514	399
- Interest expense	72	298
- Interest income	(76)	(191)
- Gain on disposal of shares in an associate	-	(9,563)
- Impairment of stock values	992	-
- Provision for other liabilities and charges made	544	428
- Share of loss of associate	919	918
	<u>(1,764)</u>	<u>(757)</u>

Unaudited Financial Statement and Dividend Announcement for the First Quarter Ended 30 September 2008

	Group 1st Qtr ended <u>30 Sep 2008</u> \$'000	Group 1st Qtr ended <u>30 Sep 2007</u> \$'000
Changes in working capital:		
- Properties held for sale	64	13
- Inventories	(56)	30
- Trade and other receivables	2,865	(1,849)
- Other current assets	(48)	276
- Trade and other payables	(996)	1,421
- Provision for other liabilities and charges	(510)	(462)
Cash utilised in operations	(445)	(1,328)
Income tax paid	(295)	(58)
Cash flows used in operating activities	(740)	(1,386)
Investing activities		
Interest received	75	143
Purchase of property, plant and equipment	(132)	(96)
Net proceeds from disposal of share in an associate	-	11,247
Obligations of former subsidiaries paid	-	(4)
Acquisition of an associate	-	(8,050)
Cash flows (used in)/from investing activities	(57)	3,240
Financing activities		
Interest paid	(63)	(171)
Withdrawal of deposits placed with bank as security	-	30
Changes in amount due to directors	3	-
Payments of finance lease liabilities	(61)	(94)
Changes in amount due to minority shareholders of subsidiaries	35	(128)
Proceed from borrowings	-	10,000
Repayment of borrowings	(395)	(5,125)
Proceeds from issuance of share capital to minority shareholder of a subsidiary	15	-
Cash flows (used in)/from financing activities	(466)	4,512
Net (decrease)/increase in cash and cash equivalents	(1,263)	6,366
Cash and cash equivalents at beginning of the financial period	20,781	7,752
Effects of exchange rate changes on cash and cash equivalents	160	(26)
Cash and cash equivalents at end of the period (Note A)	19,678	14,092

Unaudited Financial Statement and Dividend Announcement for the First Quarter Ended 30 September 2008

Note A:

For the purpose of the consolidated cash flow statement, the consolidated cash and cash equivalents comprise the following:

	Group As at <u>30 Sep 2008</u> \$'000	Group As at <u>30 Sep 2007</u> \$'000
Cash and bank balances	20,282	14,698
Less: Deposits placed with a bank as security	(604)	(606)
Cash and cash equivalents per consolidated cash flow statement	19,678	14,092

1(d)(i) A statement (for the issuer and group) showing either (a) all changes in equity or (b) 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.

Group	<u>Share capital</u> \$'000	<u>Reserves</u> \$'000	<u>Accumulated losses</u> \$'000	Total attributable to equity holders of the Company \$'000	<u>Minority interests</u> \$'000	Total equity \$'000
FY 2009						
At 1 July 2008	80,054	8	(38,636)	41,426	2,839	44,265
Translation differences relating to financial statements of foreign entities	-	659	-	659	(8)	651
Effective portion of changes in fair value of cash flow hedges, net of tax	-	6	-	6	-	6
Net gains/(losses) recognised directly in equity	-	665	-	665	(8)	657
Net loss for the period	-	-	(3,682)	(3,682)	(1,028)	(4,710)
Total recognised income and expense for the period	-	665	(3,682)	(3,017)	(1,036)	(4,053)
Value of employee services received for issue of share options	-	5	-	5	-	5
Issue of shares to minority shareholder of a subsidiary	-	-	-	-	15	15
At 30 September 2008	80,054	678	(42,318)	38,414	1,818	40,232
FY 2008						
At 1 July 2007	65,806	(34)	(39,149)	26,623	3,221	29,844
Translation differences relating to financial statements of foreign entities	-	(87)	-	(87)	19	(68)
Net (losses)/gains recognised directly in equity	-	(87)	-	(87)	19	(68)
Net profit/(loss) for the period	-	-	7,090	7,090	(180)	6,910
Total recognised income and expense for the period	-	(87)	7,090	7,003	(161)	6,842
Value of employee services received for issue of share options	-	16	-	16	-	16
At 30 September 2007	65,806	(105)	(32,059)	33,642	3,060	36,702

Unaudited Financial Statement and Dividend Announcement for the First Quarter Ended 30 September 2008

Company	<u>Share capital</u>	<u>Other reserves</u>	Accumulated <u>losses</u>	<u>Total</u>
FY 2009	\$'000	\$'000	\$'000	\$'000
At 1 July 2008	80,054	117	(35,440)	44,731
Net loss for the period	-	-	(1,237)	(1,237)
Total recognised income and expense for the period	-	-	(1,237)	(1,237)
Value of employee services received for issue of share options	-	5	-	5
At 30 September 2008	80,054	122	(36,677)	43,499
FY 2008				
At 1 July 2007	65,806	78	(43,479)	22,405
Net profit for the period	-	-	9,352	9,352
Total recognised income and expense for the period	-	-	9,352	9,352
Value of employee services received for issue of share options	-	16	-	16
At 30 September 2007	65,806	94	(34,127)	31,773

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 issue, 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) Changes in share capital during the financial period

There were no changes to the share capital during the financial period. The issued share capital of the Company as at 30 September 2008 comprises 1,256,351,254 (30 June 2008: 1,256,351,254) ordinary shares.

B) Share options - Equation Executives' Share Option Scheme ("ESOS")

As at 30 September 2008, there were ESOS outstanding for the subscription of 4,400,000 (30 June 2008: 4,400,000) ordinary shares in the share capital of the Company.

Save for the above, there are no unissued shares of the Company under option as at the end of the financial period.

C) Treasury shares

No treasury shares were held by the Company as at 30 September 2008 and 30 June 2008.

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 number of issued shares as at 30 September 2008 is 1,256,351,254 (30 June 2008: 1,256,351,254) ordinary shares.

Unaudited Financial Statement and Dividend Announcement for the First Quarter Ended 30 September 2008

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.

None.

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

The figures have not been audited nor reviewed by the auditors.

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.

Except as disclosed under paragraph 5 below, the Group has applied the same accounting policies and methods of computation for the current financial period compared with the audited financial statements for the financial year ended 30 June 2008.

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 and the Company have not applied the following accounting standards (and its consequential amendment) and interpretations that have been issued as of balance sheet date but are not yet effective:

- FRS 1 (revised 2008), Presentation of Financial Statements
- FRS 23, Borrowing Costs
- Amendments to FRS 102, Share-based Payment: Vesting Conditions and Cancellations
- FRS 108, Operating Segments
- INT FRS 111, FRS 102 Group and Treasury Shares Transactions
- INT FRS 112, Service Concession Arrangements
- INT FRS 113, Customer Loyalty Programmes
- INT FRS 114, The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

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	
	1st Qtr ended 30 Sep 2008	1st Qtr ended 30 Sep 2007
(Loss)/earnings per share		
(a) Basic (loss)/earnings per share (cents per share)	(0.29)	0.73
- Weighted average number of ordinary shares in issue for basic (loss)/earnings per share	1,256,351,254	966,165,628
(b) Diluted loss/(earnings) per share (cents per share)	(0.29)	0.73
- Adjusted weighted average number of ordinary shares in issue for diluted (loss)/earnings for share	1,256,351,254	967,655,470

Unaudited Financial Statement and Dividend Announcement for the First Quarter Ended 30 September 2008

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

	Group As at 30 Sep 2008	Group As at 30 June 2008	Company As at 30 Sep 2008	Company As at 30 June 2008
Net asset value per ordinary share based on issued share capital (cents)	3.20	3.52	3.46	3.56

The net asset value per ordinary share is computed based on 1,256,351,254 (30 June 2008: 1,256,351,254) ordinary shares.

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

(A) Income Statement (Q1 FY 2009 versus Q1 FY 2008)

(i) Revenue

The Group's revenues decreased 26.7% to \$8.6 million from \$11.7 million. The breakdown of revenue between the two financial periods are represented below:

	Group 1st Qtr ended 30 Sep 2008 \$'000	% to total revenue	Group 1st Qtr ended 30 Sep 2007 \$'000	% to total revenue
Consumer electronic products	4,976	58.0%	6,743	57.6%
Recycling/Electronic-waste	3,479	40.6%	4,944	42.2%
Property investment and development	101	1.2%	-	0.0%
Others	22	0.2%	22	0.2%
	<u>8,578</u>	<u>100.0%</u>	<u>11,709</u>	<u>100.0%</u>

Reduction in revenue of electronic recycling business was caused by lower sales volume due to decline in commodity prices during the current period. Sales turnover from consumer electronic products segment was also affected by the global slowdown and financial market turmoil as looming recession caused consumer spendings to fall in Germany.

(ii) Cost of sales and gross profits

Cost of sales decreased 12.9% to \$8.1 million from \$9.3 million mainly due to the decrease in revenue for the current period.

Selling prices reduced during the current financial period due to the deteriorating metal prices and weak market demands. Additionally, a provision for decline in stock value of \$0.9 million has also been made in the current financial period which was charged into cost of sales. Consequently, gross profit decreased 80.4% from \$2.4 million to \$0.5 million and gross profit margin dropped from 20.5% to 5.5%.

Unaudited Financial Statement and Dividend Announcement for the First Quarter Ended 30 September 2008

(iii) Other income

The decrease of other income to \$0.2 million from \$10.0 million was mainly due to \$9.6 million net gain arising from the disposal of 150 million shares in Centillion recorded in previous financial period.

(iv) Distribution expenses

Distribution expenses increased \$0.2 million to \$2.3 million from \$2.1 million mainly due to start-up expenses of a subsidiary incorporated in March 08, DISA - Digital Safety GmbH, amounting to approximately \$0.2 million.

(v) Finance expenses

Finance expenses decreased by 75.8% to \$72,000 from \$298,000 due to higher borrowings secured during the previous financial period.

(B) Balance sheet

Total assets of the Group decreased by \$5.6 million from \$62.1 million as at 30 June 2008 to \$56.5 million as at 30 September 2008, mainly due to the following:

- i) Trade and other receivables decreased by \$2.8 million from \$9.1 million to \$6.3 million in line with the decrease in revenue. A receivable amounting to \$1.2 million as at 30 June 2008 relating to the liquidation of our investment in a deconsolidated subsidiary, Xiamen Xiangyu Presto Trading Ltd, was collected during the current financial period, which also explained the drop in trade and other receivables;
- ii) Decrease in the carrying amount of investment in Centillion by \$0.4 million due to share of losses in Centillion of \$0.9 million during current financial period offset by \$0.5 million increase in our share of Centillion's foreign currency translation reserves;
- iii) Reduction of carrying amounts of property, plant and equipment due to depreciation charge during the financial period of \$0.5 million offset by new capital expenditure of \$0.2 million;
- iv) Properties held for sales decreased by \$64,000 due to sales of carparks under property investment and development segment during the financial period;
- v) Inventories decreased by \$0.9 million mainly due to provision for decline in stock value made in recycling/electronic-waste segment in current financial period; and
- vi) Decrease in cash and cash equivalents of \$1.1 million (refer to explanation on "Cashflow" below).

Total liabilities of the Group decreased by \$1.6 million from \$17.8 million as at 30 June 2008 to \$16.2 million as at 30 September 2008, mainly due to the following:

- i) Trade and other payables decreased by \$0.9 million mainly due to lower purchases from suppliers, in line with the decrease in revenue;
- ii) Decrease in borrowings of \$0.5 million due to repayments made offset by \$0.1 million of new finance lease liabilities; and
- iii) Decrease in current tax payable due to \$0.3 million tax paid.

Unaudited Financial Statement and Dividend Announcement for the First Quarter Ended 30 September 2008

(C) Cash Flow

The funds have been used mainly for the following purposes during the financial period:

i) Repayment of bank borrowings and lease liabilities of \$0.5 million;

ii) New capital expenditure of \$0.1 million; and

iii) For operational and general working capital purposes of \$0.7 million.

Cash and cash equivalents (net of deposits placed with a bank as security) decreased by approximately \$1.1 million from \$20.8 million as at 30 June 2008 to \$19.7 million as at 30 September 2008.

On 19 February 2008, the Company issued 290,185,626 new ordinary shares in the issued and paid-up share capital of the Company pursuant to a renounceable and non-underwritten rights issue ("Rights Issue"). Net proceeds of \$14.3 million were raised from the Rights Issue. Since the close of the Rights Issue until 30 September 2008, an aggregate of S\$2.4 million from the Rights proceeds have progressively been used for working capital purposes.

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 was disclosed to shareholders previously.

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 effect the group in the next reporting period and the next 12 months.

The current global financial, credit and economic crisis is still unfolding. The volatility of commodity prices such as copper and aluminium with downward trending and the lower consumer spendings caused by the global economic downturn have led to lower revenue and higher losses in Q1 FY 2009 compared to Q1 FY 2008 for both our electronic waste recycling and consumer electronic distribution businesses.

In view of the difficult business conditions, the Group expects the outlook for the next few quarters to be intense and challenging. The Group will monitor the market situations closely and focus on managing costs and productivity to optimise the operating performance of the Group in the months ahead. Besides our continuing efforts to explore other possible new business opportunities with high growth potential, we will closely monitor the few business opportunities recently disclosed by the Company such as distribution of digital security systems, solar energy related business, supply and trading of construction materials and acquisition of rights to granite reserve.

11. Dividend**(a) Current financial period reported on**

No dividend has been declared for the financial period reported.

(b) Corresponding period of the immediately preceding financial year

No dividend was declared for the corresponding period of the immediately preceding financial year.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

Unaudited Financial Statement and Dividend Announcement for the First Quarter Ended 30 September 2008

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

No dividend has been declared/recommended.

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Not applicable.

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Not applicable.

15. A breakdown of sales as follows:-

Not applicable.

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable.

17. Interested Person Transactions for the financial period ended 30 September 2008

There are no discloseable interested person transactions during the financial period.

BY ORDER OF THE BOARD

CHNG WENG WAH

Director

13 November 2008

Unaudited Financial Statement and Dividend Announcement for the First Quarter Ended 30 September 2008

NEGATIVE ASSURANCE CONFIRMATION PURSUANT TO RULE 705(4) OF THE LISTING MANUAL

We, Chng Weng Wah and Heng Lee Seng, being two directors of Equation Corp Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the quarter ended 30 September 2008 to be false or misleading in any material respect.

For and on behalf of the Board of Directors

CHNG WENG WAH
Executive Director/Chief Executive Officer

HENG LEE SENG
Director

13 November 2008