

**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER AND HALF YEAR ENDED 31 DECEMBER 2013**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT 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.*

**Consolidated Income Statement**

|  | <b>Group</b>                |                   |                                 |                        |                   |                                 |
|--|-----------------------------|-------------------|---------------------------------|------------------------|-------------------|---------------------------------|
|  | <b>Second quarter ended</b> |                   | <b>Increase/<br/>(Decrease)</b> | <b>Half year ended</b> |                   | <b>Increase/<br/>(Decrease)</b> |
|  | <b>31/12/2013</b>           | <b>31/12/2012</b> | <b>%</b>                        | <b>31/12/2013</b>      | <b>31/12/2012</b> | <b>%</b>                        |
|  | <b>S\$'000</b>              | <b>S\$'000</b>    |                                 | <b>S\$'000</b>         | <b>S\$'000</b>    |                                 |
| Revenue                                  | 13,497                      | 13,438            | -                               | 31,104                 | 30,206            | 3                               |
| Cost of sales                            | (10,961)                    | (10,396)          | 5                               | (25,073)               | (23,808)          | 5                               |
| <b>Gross profit</b>                      | <b>2,536</b>                | <b>3,042</b>      | <b>(17)</b>                     | <b>6,031</b>           | <b>6,398</b>      | <b>(6)</b>                      |
| Other operating income                   | 16                          | 36                | (56)                            | 78                     | 48                | 63                              |
| Distribution costs                       | (1,311)                     | (1,091)           | 20                              | (2,616)                | (2,194)           | 19                              |
| Administrative expenses                  | (757)                       | (719)             | 5                               | (1,552)                | (1,505)           | 3                               |
| Other operating expenses                 | (7)                         | (2)               | 250                             | -                      | (272)             | N/M                             |
| <b>Results from operating activities</b> | <b>477</b>                  | <b>1,266</b>      | <b>(62)</b>                     | <b>1,941</b>           | <b>2,475</b>      | <b>(22)</b>                     |
| Net finance income                       | 59                          | 56                | 5                               | 136                    | 102               | 33                              |
| <b>Profit before tax</b>                 | <b>536</b>                  | <b>1,322</b>      | <b>(59)</b>                     | <b>2,077</b>           | <b>2,577</b>      | <b>(19)</b>                     |
| Tax expense                              | (100)                       | (264)             | (62)                            | (440)                  | (531)             | (17)                            |
| <b>Net profit for the period</b>         | <b>436</b>                  | <b>1,058</b>      | <b>(59)</b>                     | <b>1,637</b>           | <b>2,046</b>      | <b>(20)</b>                     |
| <b>Earnings per share</b>                |                             |                   |                                 |                        |                   |                                 |
| Basic (cents)                            | 0.20                        | 0.48              |                                 | 0.74                   | 0.92              |                                 |
| Diluted (cents)                          | 0.20                        | 0.48              |                                 | 0.74                   | 0.92              |                                 |

**1(a)(ii) Consolidated Statement of Profit or Loss and Other Comprehensive Income**

|   | <b>Group</b>                |                   |                                 |                        |                   |                                 |
|---|-----------------------------|-------------------|---------------------------------|------------------------|-------------------|---------------------------------|
|   | <b>Second quarter ended</b> |                   | <b>Increase/<br/>(Decrease)</b> | <b>Half year ended</b> |                   | <b>Increase/<br/>(Decrease)</b> |
|   | <b>31/12/2013</b>           | <b>31/12/2012</b> |                                 | <b>31/12/2013</b>      | <b>31/12/2012</b> |                                 |
|   | <b>S\$'000</b>              | <b>S\$'000</b>    | <b>%</b>                        | <b>S\$'000</b>         | <b>S\$'000</b>    | <b>%</b>                        |
| <b>Net profit for the period</b>                                | <b>436</b>                  | <b>1,058</b>      | (59)                            | <b>1,637</b>           | <b>2,046</b>      | (20)                            |
| <b>Other comprehensive income:</b>                              |                             |                   |                                 |                        |                   |                                 |
| Foreign currency translation differences for foreign operations | 11                          | 12                | (8)                             | 22                     | (30)              | N/M                             |
| <b>Total comprehensive income for the period</b>                | <b>447</b>                  | <b>1,070</b>      | (58)                            | <b>1,659</b>           | <b>2,016</b>      | (18)                            |
| <b>Attributable to:</b>   |                             |                   |                                 |                        |                   |                                 |
| Equity holders of the Company                                   | 447                         | 1,070             | (58)                            | 1,659                  | 2,016             | (18)                            |
| <b>Total comprehensive income for the period</b>                | <b>447</b>                  | <b>1,070</b>      | (58)                            | <b>1,659</b>           | <b>2,016</b>      | (18)                            |

N/M: Not meaningful

**1(a)(iii) Net profit for the period has been arrived at after crediting/(charging) the following:**

|  | <b>Group</b>                |                   |                        |                   |
|--|-----------------------------|-------------------|------------------------|-------------------|
|  | <b>Second quarter ended</b> |                   | <b>Half year ended</b> |                   |
|  | <b>31/12/2013</b>           | <b>31/12/2012</b> | <b>31/12/2013</b>      | <b>31/12/2012</b> |
|  | <b>S\$'000</b>              | <b>S\$'000</b>    | <b>S\$'000</b>         | <b>S\$'000</b>    |
| Depreciation of property, plant and equipment            | (227)                       | (225)             | (454)                  | (446)             |
| Gain on disposal of property, plant and equipment        | -                           | 30                | -                      | 30                |
| Foreign currency exchange gain / (loss)                  | (3)                         | (2)               | 44                     | (272)             |
| Net finance income                                       | 59                          | 56                | 136                    | 102               |
| Reversal of allowance for doubtful debts - trade         | -                           | 5                 | 6                      | 5                 |
| Reversal of allowance / (allowance for) inventories, net | 6                           | 44                | 10                     | 275               |
| Inventory written back / (written off)                   | (3)                         | (20)              | (4)                    | (151)             |

**(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

|   | Group                |                      | Company              |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | 31/12/2013           | 30/06/2013           | 31/12/2013           | 30/06/2013           |
|   | S\$'000              | S\$'000              | S\$'000              | S\$'000              |
| <b>Non-current assets</b>                                   |                      |                      |                      |                      |
| Property, plant and equipment                               | 8,230                | 8,276                | 7,954                | 8,059                |
| Investment in subsidiaries                                  | -                    | -                    | 4,607                | 4,607                |
| Other financial assets                                      | 5,147                | 5,191                | 5,147                | 5,191                |
| Deferred tax assets   | -                    | 5                    | -                    | 23                   |
|   | <u>13,377</u>        | <u>13,472</u>        | <u>17,708</u>        | <u>17,880</u>        |
| <b>Current assets</b>                                       |                      |                      |                      |                      |
| Inventories   | 42,544               | 36,415               | 38,410               | 32,700               |
| Trade and other receivables                                 | 18,215               | 19,625               | 19,396               | 20,208               |
| Cash and cash equivalents                                   | 15,802               | 23,048               | 14,486               | 21,686               |
|   | <u>76,561</u>        | <u>79,088</u>        | <u>72,292</u>        | <u>74,594</u>        |
| <b>Total assets</b>   | <b><u>89,938</u></b> | <b><u>92,560</u></b> | <b><u>90,000</u></b> | <b><u>92,474</u></b> |
| <b>Equity attributable to equity holders of the Company</b> |                      |                      |                      |                      |
| Share capital   | 45,750               | 45,750               | 45,750               | 45,750               |
| Revaluation reserve   | 1,860                | 1,860                | 1,860                | 1,860                |
| Currency translation reserve                                | 82                   | 60                   | -                    | -                    |
| Retained earnings   | 38,147               | 40,506               | 38,460               | 40,701               |
| Total equity  | <u>85,839</u>        | <u>88,176</u>        | <u>86,070</u>        | <u>88,311</u>        |
| <b>Current liabilities</b>                                  |                      |                      |                      |                      |
| Trade and other payables                                    | 3,225                | 3,518                | 3,102                | 3,326                |
| Current tax liabilities                                     | 832                  | 866                  | 814                  | 837                  |
|   | <u>4,057</u>         | <u>4,384</u>         | <u>3,916</u>         | <u>4,163</u>         |
| Deferred tax liability                                      | 42                   | -                    | 14                   | -                    |
| <b>Total liabilities</b>                                    | <u>4,099</u>         | <u>4,384</u>         | <u>3,930</u>         | <u>4,163</u>         |
| <b>Total equity and liabilities</b>                         | <b><u>89,938</u></b> | <b><u>92,560</u></b> | <b><u>90,000</u></b> | <b><u>92,474</u></b> |

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

The Group and the Company did not have any borrowings as at 31 December 2013 and 30 June 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.*

### Consolidated Statement of Cash Flows

|   | <b>Group</b>                |                      |                        |                      |
|---|-----------------------------|----------------------|------------------------|----------------------|
|   | <b>Second quarter ended</b> |                      | <b>Half year ended</b> |                      |
|   | <b>31/12/2013</b>           | <b>31/12/2012</b>    | <b>31/12/2013</b>      | <b>12/12/2012</b>    |
|   | <b>S\$'000</b>              | <b>S\$'000</b>       | <b>S\$'000</b>         | <b>S\$'000</b>       |
| <b>Cash flows from operating activities</b>                     |                             |                      |                        |                      |
| Profit for the period   | 436                         | 1,058                | 1,637                  | 2,046                |
| <b>Adjustments for :</b>  |                             |                      |                        |                      |
| Depreciation of property, plant and equipment                   | 227                         | 225                  | 454                    | 446                  |
| Gain on disposal of property, plant and equipment               | -                           | (30)                 | -                      | (30)                 |
| Net finance income  | (59)                        | (56)                 | (136)                  | (102)                |
| Tax expense   | 100                         | 264                  | 440                    | 531                  |
|   | <u>704</u>                  | <u>1,461</u>         | <u>2,395</u>           | <u>2,891</u>         |
| Changes in:   |                             |                      |                        |                      |
| Trade and other receivables                                     | 526                         | 2,178                | 1,410                  | 3,503                |
| Trade and other payables  | (302)                       | 482                  | (293)                  | 415                  |
| Inventories   | (1,982)                     | (2,156)              | (6,129)                | (1,286)              |
| <b>Net cash (used in) / generated from operations</b>           | <u>(1,054)</u>              | <u>1,965</u>         | <u>(2,617)</u>         | <u>5,523</u>         |
| Tax paid  | (422)                       | (548)                | (427)                  | (548)                |
| <b>Net cash (used in) / generated from operating activities</b> | <u>(1,476)</u>              | <u>1,417</u>         | <u>(3,044)</u>         | <u>4,975</u>         |
| <b>Cash flows from investing activities</b>                     |                             |                      |                        |                      |
| Proceeds from disposal of property, plant and equipment         | -                           | 30                   | -                      | 30                   |
| Purchase of property, plant and equipment                       | (153)                       | (128)                | (408)                  | (141)                |
| Purchase of other financial assets                              | -                           | (2,033)              | -                      | (2,033)              |
| Interest received   | 64                          | 56                   | 180                    | 102                  |
| <b>Net cash used in investing activities</b>                    | <u>(89)</u>                 | <u>(2,075)</u>       | <u>(228)</u>           | <u>(2,042)</u>       |
| <b>Cash flows from financing activities</b>                     |                             |                      |                        |                      |
| Dividend paid   | (3,996)                     | (4,440)              | (3,996)                | (4,440)              |
| <b>Net cash used in financing activities</b>                    | <u>(3,996)</u>              | <u>(4,440)</u>       | <u>(3,996)</u>         | <u>(4,440)</u>       |
| <b>Net decrease in cash and cash equivalents</b>                | <u>(5,561)</u>              | <u>(5,098)</u>       | <u>(7,268)</u>         | <u>(1,507)</u>       |
| Cash and cash equivalents at beginning of the period            | 21,352                      | 36,118               | 23,048                 | 32,569               |
| Effect of exchange rates fluctuations                           | 11                          | 12                   | 22                     | (30)                 |
| <b>Cash and cash equivalents at end of the period</b>           | <u><u>15,802</u></u>        | <u><u>31,032</u></u> | <u><u>15,802</u></u>   | <u><u>31,032</u></u> |
| <b>Cash and cash equivalents comprise:</b>                      |                             |                      |                        |                      |
| Cash and bank balances  | 5,802                       | 19,032               | 5,802                  | 19,032               |
| Short-term bank deposits  | 10,000                      | 12,000               | 10,000                 | 12,000               |
|   | <u><u>15,802</u></u>        | <u><u>31,032</u></u> | <u><u>15,802</u></u>   | <u><u>31,032</u></u> |

**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.*

### **Consolidated Statement of Changes in Equity for the Group**

|  | Share capital | Revaluation reserve | Translation reserve | Retained earnings | Total         |
|--|---------------|---------------------|---------------------|-------------------|---------------|
|  | S\$'000       | S\$'000             | S\$'000             | S\$'000           | S\$'000       |
| <b>Balance as at 1 July 2013</b>                                   | <b>45,750</b> | <b>1,860</b>        | <b>60</b>           | <b>40,506</b>     | <b>88,176</b> |
| Total comprehensive income for the quarter ended 30 September 2013 | -             | -                   | 11                  | 1,201             | 1,212         |
| <b>Balance as at 30 September 2013</b>                             | <b>45,750</b> | <b>1,860</b>        | <b>71</b>           | <b>41,707</b>     | <b>89,388</b> |
| Total comprehensive income for the quarter ended 31 December 2013  | -             | -                   | 11                  | 436               | 447           |
| Dividend paid  | -             | -                   | -                   | (3,996)           | (3,996)       |
| <b>Balance as at 31 December 2013</b>                              | <b>45,750</b> | <b>1,860</b>        | <b>82</b>           | <b>38,147</b>     | <b>85,839</b> |
| <b>Balance as at 1 July 2012</b>                                   | <b>45,750</b> | <b>1,860</b>        | <b>29</b>           | <b>40,654</b>     | <b>88,293</b> |
| Total comprehensive income for the quarter ended 30 September 2013 | -             | -                   | (42)                | 988               | 946           |
| <b>Balance as at 30 September 2012</b>                             | <b>45,750</b> | <b>1,860</b>        | <b>(13)</b>         | <b>41,642</b>     | <b>89,239</b> |
| Total comprehensive income for the quarter ended 31 December 2012  | -             | -                   | 12                  | 1,058             | 1,070         |
| Dividend paid  | -             | -                   | -                   | (4,440)           | (4,440)       |
| <b>Balance as at 31 December 2012</b>                              | <b>45,750</b> | <b>1,860</b>        | <b>(1)</b>          | <b>38,260</b>     | <b>85,869</b> |

### **Statement of Changes in Equity for the Company**

|  | Share capital | Revaluation reserve | Retained earnings | Total         |
|--|---------------|---------------------|-------------------|---------------|
|  | S\$'000       | S\$'000             | S\$'000           | S\$'000       |
| <b>Balance as at 1 July 2013</b>                                   | <b>45,750</b> | <b>1,860</b>        | <b>40,701</b>     | <b>88,311</b> |
| Total comprehensive income for the quarter ended 30 September 2013 | -             | -                   | 1,237             | 1,237         |
| <b>Balance as at 30 September 2013</b>                             | <b>45,750</b> | <b>1,860</b>        | <b>41,938</b>     | <b>89,548</b> |
| Total comprehensive income for the quarter ended 31 December 2013  | -             | -                   | 518               | 518           |
| Dividend paid  | -             | -                   | (3,996)           | (3,996)       |
| <b>Balance as at 31 December 2013</b>                              | <b>45,750</b> | <b>1,860</b>        | <b>38,460</b>     | <b>86,070</b> |
| <b>Balance as at 1 July 2012</b>                                   | <b>45,750</b> | <b>1,860</b>        | <b>40,882</b>     | <b>88,492</b> |
| Total comprehensive income for the quarter ended 30 September 2012 | -             | -                   | 945               | 945           |
| <b>Balance as at 30 September 2012</b>                             | <b>45,750</b> | <b>1,860</b>        | <b>41,827</b>     | <b>89,437</b> |
| Total comprehensive income for the quarter ended 31 December 2012  | -             | -                   | 1,034             | 1,034         |
| Dividend paid  | -             | -                   | (4,440)           | (4,440)       |
| <b>Balance as at 31 December 2012</b>                              | <b>45,750</b> | <b>1,860</b>        | <b>38,421</b>     | <b>86,031</b> |

**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.*

There was no change in the share capital of the Company during the period reported on.

There were no outstanding convertibles and treasury shares as at 31 December 2013 and 31 December 2012.

**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:*

|                           | <b>As at 31/12/2013</b> | <b>As at 30/06/2013</b> |
|---------------------------|-------------------------|-------------------------|
| Number of shares in issue | 222,000,000             | 222,000,000             |

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

Not applicable.

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

The figures in respect of the period ended 31 December 2013 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 a matter).*

Not applicable.

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

The Group 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 30 June 2013.

**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:*

#### Earnings per Share

|   | Group                |             | Group           |             |
|---|----------------------|-------------|-----------------|-------------|
|   | Second quarter ended |             | Half year ended |             |
|   | 31/12/2013           | 31/12/2012  | 31/12/2013      | 31/12/2012  |
| Earnings per share (cents)                              |                      |             |                 |             |
| (a) based on weighted average number of shares in issue | 0.20                 | 0.48        | 0.74            | 0.92        |
| (b) on a fully diluted basis                            | 0.20                 | 0.48        | 0.74            | 0.92        |
| Weighted average number of shares in issue              | 222,000,000          | 222,000,000 | 222,000,000     | 222,000,000 |

7. *Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:*

- (a) *current financial period reported on; and*  
 (b) *immediately preceding financial year.*

#### Net Asset Value per Share

|   | Group       |             | Company     |             |
|---|-------------|-------------|-------------|-------------|
|   | 31/12/2013  | 30/06/2013  | 31/12/2013  | 30/06/2013  |
| Net asset value per share based on issued share capital (cents) | 38.7        | 39.7        | 38.8        | 39.8        |
| Number of shares on issue                                       | 222,000,000 | 222,000,000 | 222,000,000 | 222,000,000 |

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 and liabilities of the group during the current financial period reported on.*

## REVIEW OF PERFORMANCE

### Comprehensive Income

The Group posted a revenue of \$13.50 million for the second quarter ended 31 December 2013 ("2Q2014"), maintaining the same level as in the corresponding quarter of the previous year ("2Q2013"). Demand for stainless steel products generally remained stable amidst price competition.

The revenue of \$31.10 million achieved in the half-year ended 31 December 2013 ("1H2014") was marginally higher than \$30.21 million posted in 1H2013, the corresponding period in the preceding year.

Gross profit for 2Q2014 was lower partly due to certain bulk shipments, for which profit margin was lower, and partly due to decrease in average selling price.

Other operating income for 2Q2014 was lower versus 2Q2013 mainly because there was a gain on disposal of property, plant and equipment in 2Q2013 but none in 2Q2014.

For 1H2014, other operating income was higher mainly due to foreign currency exchange gain of \$44,000 whereas there was an exchange loss of \$272,000 in 1H2013 reflected as other operating expenses.

Distribution costs and administrative expenses for 2Q2014 were higher versus 2Q2013 mainly due to increase in manpower costs and marketing expenses, which also led to higher distribution costs and administrative expenses for the half-year ended 31 December 2013 compared with 1H2013.

The above factors adversely affected the profit for the second quarter ended 31 December 2013, resulting in a lower profit of \$436,000 in 2Q2014 compared with \$1.06 million in 2Q2013. For the same reasons, a lower profit of \$1.64 million was achieved in 1H2014 versus \$2.05 million posted in 1H2013.

### **Financial Position and Cash Flows**

The Group's inventories increased further by \$1.98 million during 2Q2014. A substantial amount of the increase was for the purchase of new products comprising duplex, super-duplex and nickel-alloy materials of varying grades and specifications. Together with the inventories replenished in the first quarter of the current financial year, total inventories rose 17% or \$6.13 million during the half-year ended 31 December 2013.

Trade and other receivables decreased in 2Q2014 by a smaller amount of \$526,000 (2Q2013: \$2.18 million) partly due to the delay in receipt for certain shipments/deliveries until after the close of 2Q2014 and partly due to larger collections in 2Q2013.

Trade and other payables were lower due to timing of payments to certain suppliers.

These factors collectively resulted in a negative \$1.05 million in cash used in operations in 2Q2014 compared with a positive \$1.97 million generated from operations in 2Q2013. For the same reasons, a negative \$2.62 million in cash was used in operations in 1H2014 whereas a positive \$5.52 million in cash was generated from operations in 1H2013.

A dividend of \$4.00 million (2Q2013: \$4.44 million) was paid during 2Q2014 in respect of financial year ended 30 June 2013.

Net decrease in cash and cash equivalents consequently decreased during the quarter and the half-year ended 31 December 2013.

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.*

Nickel price has increased. However, London Metals Exchange stockpile supply is still high which should contain the effect of nickel price increase to a certain extent. Demand for our products is stable amidst intense price competition.

The Group remains cautiously optimistic for the current year ending 30 June 2014.



**11. Dividend***(a) Current Financial Period Reported On*

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

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

Any dividend declared for the corresponding period of the immediately preceding financial year? No

*(c) Date payable*

Not applicable

*(d) Books closure date*

Not applicable

*(e) The date on which Registrable Transfers received by the company 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 the quarter ended 31 December 2013.

**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 does not have any general mandate from shareholders pursuant to Rule 920.

**Confirmation by Directors**

Pursuant to Rule 705(5) of the Listing Manual, we, the undersigned, on behalf of the Board of Directors of the Company, confirm 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 unaudited financial statements for the second quarter ended 31 December 2013 to be false or misleading in any material aspect.

Kua Ghim Siong  
Director / Chief Executive Officer

Kua Chee Seng  
Director

BY ORDER OF THE BOARD

Kua Ghim Siong  
Chief Executive Officer

29 January 2014