

# BOARDROOM LIMITED

(Registration No. 200003902Z)

## SECOND QUARTER FINANCIAL STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2006

### PART I - 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.

	GROUP					
	S\$'000		%	S\$'000		%
	2nd Qtr 1 Oct 2006 to 31 Dec 2006	2nd Qtr 1 Oct 2005 to 31 Dec 2005	Increase/ (Decrease)	Year to Date 1 Jul 2006 to 31 Dec 2006	Year to Date 1 Jul 2005 to 31 Dec 2005	Increase/ (Decrease)
Corporate Secretarial Fees	4,682	4,708	-0.6%	8,461	8,585	-1.4%
Share Registration Fees	1,013	873	16.0%	1,819	1,660	9.6%
Accountancy Fees	2,227	2,015	10.5%	4,595	4,280	7.4%
Corporate Services Fees	23	0	NM	23	0	NM
Others	182	74	145.9%	306	162	88.9%
<b>Total Revenues</b>	<b>8,127</b>	<b>7,670</b>	<b>6.0%</b>	<b>15,204</b>	<b>14,687</b>	<b>3.5%</b>
Other income	173	174	-0.6%	346	277	24.9%
Staff Costs	(3,875)	(3,766)	2.9%	(7,676)	(7,292)	5.3%
Operating Expenses	(1,224)	(947)	29.3%	(2,451)	(1,819)	34.7%
Interest on Borrowings	0	(37)	NM	0	(74)	NM
Depreciation	(123)	(122)	0.8%	(244)	(241)	1.2%
Impairment of Goodwill	(147)	(147)	0.0%	(294)	(294)	0.0%
Loss on Foreign Exchange	145	(86)	NM	21	(87)	-124.1%
	<b>3,076</b>	<b>2,739</b>	<b>12.3%</b>	<b>4,906</b>	<b>5,157</b>	<b>-4.9%</b>
Income derived from Associated Company	0	(7)	NM	0	179	NM
<b>Profit Before Tax</b>	<b>3,076</b>	<b>2,732</b>	<b>12.6%</b>	<b>4,906</b>	<b>5,336</b>	<b>-8.1%</b>
Less: Income Tax	(587)	(559)	5.0%	(1,030)	(1,137)	-9.4%
<b>Profit After Tax</b>	<b>2,489</b>	<b>2,173</b>	<b>14.5%</b>	<b>3,876</b>	<b>4,199</b>	<b>-7.7%</b>

NM: 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.**

	Note	GROUP		COMPANY	
		S\$'000		S\$'000	
		31 DEC 2006	30 JUN 2006	31 DEC 2006	30 JUN 2006
<b>NON-CURRENT ASSETS</b>					
Property, Plant & Equipment		345	528	52	83
Computer Software		227	234	202	202
Interest in Subsidiaries		0	0	5,416	5,407
Interest in Associate		0	0	0	0
Intangible Assets	1	30,250	31,281	0	0
Staff Loans		0	0	0	0
		<b>30,822</b>	<b>32,043</b>	<b>5,670</b>	<b>5,692</b>
<b>CURRENT ASSETS</b>					
Trade Receivables		6,943	8,007	0	0
Unbilled Disbursements		156	66	0	0
Other Receivables		2,382	984	3,314	1,519
Loans to Subsidiaries		0	0	27,341	27,327
Amount due from Subsidiaries (non-trade)		0	0	1,501	1,789
Cash & Cash Equivalents		15,817	16,289	9,591	10,952
		<b>25,298</b>	<b>25,346</b>	<b>41,747</b>	<b>41,587</b>
<b>HELD UNDER TRUST</b>					
Clients' Bank Accounts - contra	2	16,514	11,070	0	0
Clients' Ledger Balances - contra	2	(16,514)	(11,070)	0	0
		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Less:					
<b>CURRENT LIABILITIES</b>					
Trade Payables		3,601	4,166	423	842
Disbursements Billed in Advance		0	133	0	0
Other Payables		246	153	1	5
Amount owing to Subsidiaries (non-trade)		0	0	5,345	1,833
Excess of Progress Billings over Work-In-Progress		1,491	2,092	0	0
Term Loan - Current Portion		0	0	0	0
Provision for Taxation		1,967	1,898	0	0
		<b>7,305</b>	<b>8,442</b>	<b>5,769</b>	<b>2,680</b>
Net Current Assets		17,993	16,904	35,978	38,907
Term Loan		0	0	0	0
Deferred Taxation		(132)	(131)	(74)	(74)
<b>NET ASSETS</b>		<b>48,683</b>	<b>48,816</b>	<b>41,574</b>	<b>44,525</b>
<b>FINANCED BY:</b>					
Share Capital		31,968	31,794	31,968	31,794
Reserves		16,715	17,022	9,606	12,731
<b>SHAREHOLDERS' INTEREST</b>		<b>48,683</b>	<b>48,816</b>	<b>41,574</b>	<b>44,525</b>

**Notes:**

- Intangible assets represent goodwill arising from acquisitions of Arthur Andersen's Corporate Secretarial and Accounting Business, Hong Kong and Malaysian subsidiaries. Any excess of the consideration over the fair value of the net assets as at the date of the acquisition represents goodwill.
- Monies Held Under Trust comprises funds received in advance for payments of payroll and disbursements on clients' behalf and clients' monies held in escrow.

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.****Amount repayable in one year or less, or on demand**

As at 31/12/2006		As at 30/06/2006	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	NIL	NIL	NIL

**Amount repayable after one year**

As at 31/12/2006		As at 30/06/2006	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
NIL	NIL	NIL	NIL

**Details of any collateral**

NIL

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			
	S\$'000			
	2nd Qtr 1 Oct 2006 to 31 Dec 2006	2nd Qtr 1 Oct 2005 to 31 Dec 2005	Year to Date 1 Jul 2006 to 31 Dec 2006	Year to Date 1 Jul 2005 to 31 Dec 2005
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit Before Tax	3,076	2,732	4,906	5,336
Adjustments for:				
- Depreciation of Property, Plant and Equipment	110	107	218	208
- Loss / (Profit) from Disposal of Property, Plant and Equipment	64	0	64	0
- Amortisation of Intangible Assets	13	15	26	33
- Impairment of Intangible Assets	147	147	294	294
- Exchange Difference	(305)	108	(128)	66
- Interest Income	(113)	(70)	(233)	(110)
- Interest Expense	0	36	0	74
- Share Based Payment	11	80	(50)	160
- Income derived from Associated Company	0	7	0	(179)
Operating Profit Before Working Capital Changes	3,003	3,162	5,097	5,882
(Increase) / Decrease in Operating Receivables	(189)	448	(483)	302
Increase / (Decrease) in Operating Payables	246	333	(595)	201
Decrease in Excess of Progress Billings over Work-In-Progress	(1,669)	(994)	(552)	(290)
Cash Generated from Operations	1,391	2,949	3,467	6,095
Interest Paid	0	(35)	0	(74)
Income Tax Paid	(742)	(726)	(928)	(833)
<b>Net Cash Generated from Operating Activities</b>	<b>649</b>	<b>2,188</b>	<b>2,539</b>	<b>5,188</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Acquisition of Property, Plant and Equipment	(58)	(61)	(104)	(238)
Acquisition of Computer Software	(19)	0	(19)	(13)
Acquisition of Subsidiaries	0	(13)	0	(13)
Proceeds from Disposal of Property, Plant and Equipment	5	0	5	0
Interest Received	173	70	273	102
<b>Net Cash Generated from / (Used in) Investing Activities</b>	<b>101</b>	<b>(4)</b>	<b>155</b>	<b>(162)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from Exercise of Employee Share Options	146	381	174	384
Proceeds from Rights Issue	0	0	0	10,671
Dividends Paid	(3,280)	(2,764)	(3,280)	(2,764)
Repayment of Term Loan	0	(1,000)	0	(1,500)
<b>Net Cash (Used in) / Generated from Financing Activities</b>	<b>(3,134)</b>	<b>(3,383)</b>	<b>(3,106)</b>	<b>6,791</b>
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>(2,384)</b>	<b>(1,199)</b>	<b>(412)</b>	<b>11,817</b>
Cash and Cash Equivalents at beginning	18,245	18,148	16,289	5,116
Exchange (Loss) / Gain Arising from Translation of Foreign Currencies Cash & Cash Equivalents	(44)	(39)	(60)	(23)
<b>CASH AND CASH EQUIVALENTS AT END (31 DEC)</b>	<b>15,817</b>	<b>16,910</b>	<b>15,817</b>	<b>16,910</b>

- 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.

GROUP	Share Capital S\$'000	Share Premium S\$'000	Exchange Translation Reserves S\$'000	Capital Reserve S\$'000	Retained Earnings S\$'000	Total S\$'000
<b>Balance at 1 July 2006</b>	31,794	0	(112)	693	16,441	48,816
Issue of shares (under Boardroom Share Option Scheme)	174	-	-	-	-	174
Net Profit for the period	-	-	-	-	3,876	3,876
2006 final tax-exempt dividend of S\$0.018 per share	-	-	-	-	(3,280)	(3,280)
Share option expenses	-	-	-	(50)	-	(50)
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	-	-	(853)	-	-	(853)
<b>Balance at 31 December 2006</b>	<b>31,968</b>	<b>0</b>	<b>(965)</b>	<b>643</b>	<b>17,037</b>	<b>48,683</b>

<b>Balance at 1 October 2006</b>	31,822	0	(156)	632	17,828	50,126
Issue of shares (under Boardroom Share Option Scheme)	146	-	-	-	-	146
Net Profit for the period	-	-	-	-	2,489	2,489
2006 final tax-exempt dividend of S\$0.018 per share	-	-	-	-	(3,280)	(3,280)
Share option expenses	-	-	-	11	-	11
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	-	-	(809)	-	-	(809)
<b>Balance at 31 December 2006</b>	<b>31,968</b>	<b>0</b>	<b>(965)</b>	<b>643</b>	<b>17,037</b>	<b>48,683</b>

	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance at 1 July 2005</b>						
As previously reported	7,233	13,468	166	-	11,106	31,973
Effect of adopting FRS 102	-	-	-	460	(460)	0
As restated	7,233	13,468	166	460	10,646	31,973
Issue of shares (Rights Issue)	1,808	8,863	-	-	-	10,671
Issue of shares (under Boardroom Share Option Scheme)	55	329	-	-	-	384
Net Profit for the period	-	-	-	-	4,199	4,199
2005 final tax dividend of S\$0.00400 per share less tax of 20% paid	-	-	-	-	(582)	(582)
2005 final tax-exempt dividend of S\$0.01200 per share	-	-	-	-	(2,182)	(2,182)
Adoption of FRS 102	-	-	-	160	-	160
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	-	-	(158)	-	-	(158)
<b>Balance at 31 December 2005</b>	<b>9,096</b>	<b>22,660</b>	<b>8</b>	<b>620</b>	<b>12,081</b>	<b>44,465</b>

<b>Balance at 1 October 2005</b>						
As previously reported	9,042	22,333	124	380	12,832	44,711
Effect of adopting FRS 102	-	-	-	160	(160)	0
As restated	9,042	22,333	124	540	12,672	44,711
Issue of shares (under Boardroom Share Option Scheme)	54	327	-	-	-	381
Net Profit for the period	-	-	-	-	2,173	2,173
2005 final tax dividend of S\$0.00400 per share less tax of 20% paid	-	-	-	-	(582)	(582)
2005 final tax-exempt dividend of S\$0.01200 per share	-	-	-	-	(2,182)	(2,182)
Adoption of FRS 102	-	-	-	80	-	80
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company	-	-	(116)	-	-	(116)
<b>Balance at 31 December 2005</b>	<b>9,096</b>	<b>22,660</b>	<b>8</b>	<b>620</b>	<b>12,081</b>	<b>44,465</b>

COMPANY	Share Capital S\$'000	Share Premium S\$'000	Exchange Translation Reserves S\$'000	Capital Reserve S\$'000	Retained Earnings S\$'000	Total S\$'000
<b>Balance at 1 July 2006</b>	31,794	0	0	693	12,038	44,525
Issue of shares (under Boardroom Share Option Scheme)	174	-	-	-	-	174
Net Profit for the period	-	-	-	-	205	205
2006 final tax-exempt dividend of S\$0.018 per share	-	-	-	-	(3,280)	(3,280)
Share option expenses	-	-	-	(50)	-	(50)
<b>Balance at 31 December 2006</b>	<b>31,968</b>	<b>0</b>	<b>0</b>	<b>643</b>	<b>8,963</b>	<b>41,574</b>

<b>Balance at 1 October 2006</b>	31,822	0	0	632	12,146	44,600
Issue of shares (under Boardroom Share Option Scheme)	146	-	-	-	-	146
Net Profit for the period	-	-	-	-	97	97
2006 final tax-exempt dividend of S\$0.018 per share	-	-	-	-	(3,280)	(3,280)
Share option expenses	-	-	-	11	-	11
<b>Balance at 31 December 2006</b>	<b>31,968</b>	<b>0</b>	<b>0</b>	<b>643</b>	<b>8,963</b>	<b>41,574</b>

<b>Balance at 1 July 2005</b>						
As previously reported	7,233	13,468	-	-	10,007	30,708
Effect of adopting FRS 102	-	-	-	460	(460)	0
As restated	7,233	13,468	0	460	9,547	30,708
Issue of shares (Rights Issue)	1,808	8,863	-	-	-	10,671
Issue of shares (under Boardroom Share Option Scheme)	55	329	-	-	-	384
Net Profit for the period	-	-	-	-	185	185
2005 final tax dividend of S\$0.00400 per share less tax of 20% paid	-	-	-	-	(582)	(582)
2005 final tax-exempt dividend of S\$0.01200 per share	-	-	-	-	(2,182)	(2,182)
Adoption of FRS 102	-	-	-	160	-	160
<b>Balance at 31 December 2005</b>	<b>9,096</b>	<b>22,660</b>	<b>0</b>	<b>620</b>	<b>6,968</b>	<b>39,344</b>

<b>Balance at 1 October 2005</b>						
As previously reported	9,042	22,333	-	380	9,779	41,534
Effect of adopting FRS 102	-	-	-	160	(160)	0
As restated	9,042	22,333	0	540	9,619	41,534
Issue of shares (under Boardroom Share Option Scheme)	54	327	-	-	-	381
Net Profit for the period	-	-	-	-	113	113
2005 final tax dividend of S\$0.00400 per share less tax of 20% paid	-	-	-	-	(582)	(582)
2005 final tax-exempt dividend of S\$0.01200 per share	-	-	-	-	(2,182)	(2,182)
Adoption of FRS 102	-	-	-	80	-	80
<b>Balance at 31 December 2005</b>	<b>9,096</b>	<b>22,660</b>	<b>0</b>	<b>620</b>	<b>6,968</b>	<b>39,344</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 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.**

During the financial period, a total of 430,000 ordinary shares were allotted pursuant to the exercise of share options granted under the Boardroom Share Option Scheme. This gave rise to an increase in the Company's share capital from \$31,821,718.75 as at 30 September 2006 to \$31,967,928.75 as at 31 December 2006.

As at 31 December 2006, there were 2,581,000 (as at 31 December 2005: 3,977,000) unissued ordinary shares under exercisable options granted and unexercised under the Boardroom Share Option Scheme.

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

These figures have not been audited nor reviewed by the Company's 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.**

Yes.

- 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.**

Nil.

- 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	
	31 DEC 2006	31 DEC 2005
Earnings per ordinary share for the period after deducting any provision for preference dividends :-		
(a) Based on weighted average number of ordinary shares on issue; and	2.13 cents	2.36 cents
(b) On a fully diluted basis	2.12 cents	2.35 cents

**Notes:**

- The earnings per share is calculated based on the profit after tax on the weighted average number of shares in issue of 182,181,081 (31 December 2005 – 178,165,810).
- The diluted earnings per share is calculated based on the profit after tax on the number of shares in issue adjusted for the effect of dilutive potential ordinary shares. The total number of shares amounted to 182,853,314 (31 December 2005 – 178,916,174).

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

	GROUP		COMPANY	
	31 DEC 2006	30 JUN 2006	31 DEC 2006	30 JUN 2006
Net asset value per ordinary share based on issued share capital at the end of the period reported on	26.67 cents	26.82 cents	22.78 cents	24.46 cents

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.**

#### **Revenue**

Total revenues increased by 6.0% and 3.5% for 2Q07 and HY2007 respectively, as compared to the corresponding periods of last year.

For 2Q07 and HY2007, the Corporate Secretarial business decreased by 0.6% and 1.4% respectively due to keen competition, fee pressure and the strengthening of the Singapore dollar.

For 2Q07 and HY2007, the Share Registration business in Singapore increased by 16.0% and 9.6% respectively due to the increased number of clients and their level of corporate activities.

For 2Q07 and HY2007, the Accounting business increased by 10.5% and 7.4% respectively due to increase in the number of clients and additional assignments awarded.

#### **Expenses**

For 2Q07 and HY2007, staff costs increased by 2.9% and 5.3% respectively due mainly to additional staff recruited to support the increased business and a one-off ex-gratia payment of \$198,150 paid to our former Chief Executive Officer in September 2006 upon his departure.

Likewise, operating expenses increased by 29.3% and 34.7% respectively due mainly to a write-back of provision for bad and doubtful debts of \$134,000 in 2Q06 against a provisioning charge of \$89,000 in 2Q07; and a write-back of \$308,000 in HY2006 against a provision charge of \$168,000 in HY2007. The net adverse effect on operating expenses was \$223,000 and \$476,000 for the 2Q07 and HY2007 respectively as compared to the corresponding periods of last year. In addition, a one-off cost of approximately \$80,000 was incurred on the Mandatory Conditional Offer for our Company by Salacca Pte Ltd in September 2006. Excluding the above, the operating expenses were comparable to those of the corresponding periods last year.

#### **Loss on foreign exchange**

The foreign currency translation loss was due to the strengthening of the Singapore dollar against the Hong Kong dollar and Malaysian Ringgit on amounts owing by our Hong Kong and Malaysian subsidiaries to the Company.

#### **Income derived from Associated Company**

No income was derived from any associated company for 2Q07 and HY2007 following the disposal last May of our equity interest in Talent Shanghai Inc., Ltd, the only associated company that was income yielding.

#### **Income tax**

The effective income tax levels remained fairly consistent for 2Q07 and HY2007 as compared to the corresponding periods last year.

**Profit after tax**

For 2Q07, profit after tax increased by 14.5% due mainly to better profit margin achieved. However, the profit after tax for HY2007 decreased by 7.7% due mainly to certain one-off costs incurred in September 2006 and the significant write-back of provision for bad and doubtful debts in HY2006 as narrated above.

**Intangible assets**

Intangible assets decreased by \$1.0 million from \$31.3 million as at 30 June 2006 to \$30.3 million due mainly to the foreign currency translation loss arising from the strengthening of the Singapore dollar against Hong Kong dollar on the intangible assets of our Hong Kong subsidiary.

**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.**

Growth in revenue is expected to trend the positive economic and business outlook. The recently established Corporate Services is expected to contribute to this growth, albeit modestly to begin with.

Costs, however, will come under pressure given the need to relocate offices in all the three operating locations and the increasing staffing costs. Also, any further strengthening of the Singapore dollar, especially against the HK dollar will have an adverse effect on the Group's results.

**11. Dividend**

**(a) Current Financial Period Reported On**

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

Name of Dividend	Interim Tax Exempt Dividend
Dividend Type	Cash
Dividend Amount per Share (in cents)	1 cent per ordinary share
Tax Rate	Tax-exempt one-tier

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

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	Interim Tax Exempt Dividend
Dividend Type	Cash
Dividend Amount per Share (in cents)	1 cent per ordinary share
Tax Rate	Tax-exempt one-tier

**(c) Date payable**

9 March 2007

**(d) Books closure date**

Notice is hereby given that the Register of Members and Register of Transfer Books of the Company will be closed on 1 March 2007 for the purpose of determining shareholders' entitlements to dividends.

Registrable Transfers received by the Company's Registrar, Lim Associates (Pte) Ltd at 3 Church Street, #08-01 Samsung Hub, Singapore 049483 up to 5.00pm on 28 February 2007 will be registered before entitlements to the dividend are determined.

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

Not applicable.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

**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.**

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. Confirmation by the Board.**

We, Goh Geok Khim and Tan Cher Liang, being two directors of Boardroom 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 results for the second quarter ended 31 December 2006 to be false or misleading.

On behalf of the board of directors

GOH GEOK KHIM  
Chairman  
& Acting Chief Executive Officer

TAN CHER LIANG  
Managing Director

**BY ORDER OF THE BOARD**

**Tan Cher Liang**  
**Managing Director**  
9 February 2007