



artivision
technologies

Company Registration No. 200407031R

ARTIVISION TECHNOLOGIES LTD.

UNAUDITED RESULTS FOR THE THIRD QUARTER ENDED 31 DECEMBER 2011

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Collins Stewart Pte. Limited, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Company's Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Alex Tan Tiong Huat, Managing Director, Corporate Finance, Collins Stewart Pte. Limited at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854 6160.

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

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2011**

	3 Months			9 Months		
	1 Oct 2011 to 31 Dec 2011	1 Oct 2010 to 31 Dec 2010	+/-	1 Apr 2011 to 31 Dec 2011	1 Apr 2010 to 31 Dec 2010	+/-
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	49	117	(58)	197	395	(50)
Cost of sales	(36)	(86)	(58)	(135)	(236)	(43)
Gross profit	13	31	(58)	62	159	(61)
Distribution expenses	(213)	(316)	(33)	(741)	(957)	(23)
Administrative expenses	(514)	(625)	(18)	(1,503)	(1,847)	(19)
Other operating expenses (including research and development expense)	(447)	(559)	(20)	(1,409)	(1,653)	(15)
Results from operating activities	(1,161)	(1,469)	(21)	(3,591)	(4,298)	(16)
Finance income	4	2	100	6	22	(73)
Finance expenses	(6)	(9)	(33)	(11)	(24)	(54)
Net finance expenses	(2)	(7)	(71)	(5)	(2)	150
Loss before income tax	(1,163)	(1,476)	(21)	(3,596)	(4,300)	(16)
Income tax expense	(5)	(11)	(55)	(17)	(35)	(51)
Loss for the period	(1,168)	(1,487)	(21)	(3,613)	(4,335)	(17)
Other comprehensive loss						
Exchange differences on translation of foreign operations	(12)	5	N.M.	(30)	(12)	150
Tax on other comprehensive loss	-	-	-	-	-	-
Total comprehensive loss for the period	(1,180)	(1,482)	(20)	(3,643)	(4,347)	(16)

N/M – not meaningful

1 (a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

(i) Loss for the period is arrived at after (charging)/crediting the following:

	3 Months			9 Months		
	1 Oct 2011 to 31 Dec 2011	1 Oct 2010 to 31 Dec 2010	+/-	1 Apr 2011 to 31 Dec 2011	1 Apr 2010 to 31 Dec 2010	+/-
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Depreciation of plant and equipments	(48)	(61)	(21)	(163)	(184)	(11)
Amortisation of intangible assets	(3)	(4)	(25)	(11)	(12)	(8)
(Loss)/gain on disposal of plant and equipments	-	(-)*	-	4	(-)*	N.M.
Allowance for inventories obsolescence	(19)	(3)	533	(38)	(6)	533
Impairment in value of investment	-	-	-	-	(1)	N.M.
<u>Finance income</u>						
Interest income	4	2	100	6	22	(73)
<u>Finance expense</u>						
Net foreign exchange loss	(6)	(9)	(33)	(11)	(24)	(54)

N/M – not meaningful

* - Amount less than S\$1,000

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

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2011

	Group		Company	
	31 Dec 2011 S\$'000	31 Mar 2011 S\$'000	31 Dec 2011 S\$'000	31 Mar 2011 S\$'000
Non-current assets				
Plant and equipment	123	284	42	147
Intangible assets	8	20	3	7
Investment in subsidiaries	-	-	1	1
Other investment	- *	- *	- *	- *
Other receivables	-	4	-	4
	131	308	46	159
Current assets				
Inventories	99	123	99	123
Trade and other receivables	359	413	324	264
Cash and cash equivalents	1,674	873	1,258	574
	2,132	1,409	1,681	961
Total assets	2,263	1,717	1,727	1,120
Equity attributable to equity holders of the Company				
Share capital	27,974	24,459	27,974	24,459
Reserves	1,207	1,171	1,248	1,110
Accumulated losses	(30,208)	(26,595)	(30,798)	(27,144)
Total equity	(1,027)	(965)	(1,576)	(1,575)
Current liabilities				
Trade and other payables	540	682	553	695
Non-current liability				
Loan from shareholder	2,750	2,000	2,750	2,000
Total liabilities	3,290	2,682	3,303	2,695
Total equity and liabilities	2,263	1,717	1,727	1,120

* - Amount less than S\$1,000

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 December 2011		As at 31 March 2011	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Bank borrowings	-	-	-	-
Loans from shareholder	-	-	-	-

Amount repayable after one year

	As at 31 December 2011		As at 31 March 2011	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Bank borrowings	-	-	-	-
Loans from shareholder	-	2,750	-	2,000

Details of any collateral

The loans from shareholder are interest-free, unsecured and are repayable at the discretion of the Company.

1 (c) A statement of cash flows (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 THIRD QUARTER ENDED 31 DECEMBER 2011**

	Group			
	3 months ended 31 Dec 2011 S\$'000	3 months ended 31 Dec 2010 S\$'000	9 months ended 31 Dec 2011 S\$'000	9 months ended 31 Dec 2010 S\$'000
	Cash flows from operating activities			
Loss before income tax	(1,163)	(1,476)	(3,596)	(4,300)
Adjustments for:				
Amortisation of intangible assets	3	4	11	12
Depreciation of plant and equipment	48	61	163	184
Exchange differences	2	(1)	4	2
Interest income	(4)	(2)	(6)	(22)
Loss/(gain) on disposal of plant and equipment	-	-*	(4)	-*
Allowance for inventory obsolescence	19	3	38	6
Impairment loss on other investment	-	-	-	1
Value of employee services received for issue of share options	108	157	294	591
	(987)	(1,254)	(3,096)	(3,526)
Changes in working capital:				
Inventories	-	24	(14)	(2)
Trade and other receivables	(7)	(87)	41	(281)
Trade and other payables	67	20	(165)	23
Cash used in operations	(927)	(1,297)	(3,234)	(3,786)
Interest received	4	73	6	75
Tax refund received/(paid)	36	(11)	13	(35)
Net cash used in operating activities	(887)	(1,235)	(3,215)	(3,746)
Cash flows from investing activities				
Purchase of intangible assets	-	(1)	-	(1)
Proceeds from sales of plant and equipment	-	5	6	5
Purchase of plant and equipment	(2)	(70)	(9)	(79)
Net cash used in investing activities	(2)	(66)	(3)	(75)
Cash flows from financing activities				
Proceeds from new share options granted	-	-*	-*	-*
Proceeds from exercise of share options	54	-	803	-
Proceeds of loan from shareholder	-	-	750	2,000
Proceeds from share placement	-	-	2,484	-
Net cash from financing activities	54	-*	4,037	2,000
Net (decrease)/increase in cash and cash equivalents	(835)	(1,301)	819	(1,821)
Cash and cash equivalents at beginning of the period	2,517	3,139	873	3,685
Effect of exchange rates fluctuations on cash and cash equivalents	(8)	5	(18)	(21)
Cash and cash equivalents at end of the period	1,674	1,843	1,674	1,843

* Amount less than S\$1,000

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 THIRD QUARTER ENDED 31 DECEMBER 2011/2010**

Group	Share capital S\$'000	Foreign currency translation reserve S\$'000	Share option reserve S\$'000	Accumulated losses S\$'000	Total attributable to equity holders of the Company S\$'000
At 1 April 2010	24,459	5	368	(20,891)	3,941
Total comprehensive loss for the period					
Loss for the period	-	-	-	(4,335)	(4,335)
Other comprehensive loss					
Exchange differences on translation of foreign operations	-	(12)	-	-	(12)
Total comprehensive loss for the period	-	(12)	-	(4,335)	(4,347)
Transactions with owners, recorded directly in equity					
<u>Contributions by and distributions to owners</u>					
Value of employee services received for issue of share options	-	-	591	-	591
Total contributions by and distributions to owners	-	-	591	-	591
At 31 December 2010	24,459	(7)	959	(25,226)	185
At 1 April 2011	24,459	(11)	1,182	(26,595)	(965)
Total comprehensive loss for the period					
Loss for the period	-	-	-	(3,613)	(3,613)
Other comprehensive loss					
Exchange differences on translation of foreign operations	-	(30)	-	-	(30)
Total comprehensive loss for the period	-	(30)	-	(3,613)	(3,643)
Transactions with owners, recorded directly in equity					
<u>Contributions by and distributions to owners</u>					
Value of employee services received for issue of share options	-	-	294	-	294
Issue of new shares	2,484	-	-	-	2,484
Share options exercised	1,031	-	(228)	-	803
Proceeds from new share options granted	-	-	- *	-	-*
Total contributions by and distributions to owners	3,515	-	66	-	3,581
At 31 December 2011	27,974	(41)	1,248	(30,208)	(1,027)

* Amount less than S\$1,000

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. (Cont'd)

**STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2011/2010**

Company	Share capital S\$'000	Share option reserve S\$'000	Accumulated losses S\$'000	Total equity S\$'000
At 1 April 2010	24,459	368	(21,198)	3,629
Total comprehensive loss for the period				
Loss for the period	-	-	(4,448)	(4,448)
Total comprehensive loss for the period	-	-	(4,448)	(4,448)
Transactions with owners, recorded directly in equity				
<u>Contributions by and distributions to owners</u>				
Value of employee services received for issue of share options	-	591	-	591
Total contributions by and distributions to owners	-	591	-	591
At 31 December 2010	24,459	959	(25,646)	(228)
At 1 April 2011	24,459	1,110	(27,144)	(1,575)
Total comprehensive loss for the period				
Loss for the period	-	-	(3,654)	(3,654)
Total comprehensive loss for the period	-	-	(3,654)	(3,654)
Transactions with owners, recorded directly in equity				
<u>Contributions by and distributions to owners</u>				
Value of employee services received for issue of share options	-	366	-	366
Issue of new shares	2,484	-	-	2,484
Share options exercised	1,031	(228)	-	803
Proceeds from new share options granted	-	- *	-	- *
Total contributions by and distributions to owners	3,515	138	-	3,653
At 31 December 2011	27,974	1,248	(30,798)	(1,576)

* Amount less than S\$1,000

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.

	Number of Shares	Share Capital S\$'000
Issued and fully paid ordinary shares		
Balance at 1 October 2011	498,067,756	27,910
Exercise of employee share options	459,500	64
Balance at 31 December 2011	<u>498,527,256</u>	<u>27,974</u>

The total number of share options outstanding as at 31 December 2011 stands at 46,846,437. (31 December 2010: 36,632,090)

The Company did not have any treasury shares as at 31 December 2011 and 31 December 2010.

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 Company has no treasury shares.

	As at 31 December 2011	As at 31 March 2011
Total issued shares	<u>498,527,256</u>	<u>477,074,124</u>

1 (d)(iv) A statement showing all sales, transfers, disposals, 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 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 reporting period compared with the audited financial statements for the year ended 31 March 2011.

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. Loss 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		9 Months	
	1 Oct 2011 to 31 Dec 2011	1 Oct 2010 to 31 Dec 2010	1 Apr 2011 to 31 Dec 2011	1 Apr 2010 to 31 Dec 2010
Loss per ordinary share for the period based on net loss attributable to equity holders				
	S\$ Cents	S\$ Cents	S\$ Cents	S\$ Cents
(a) Based on weighted average number of ordinary shares on issue	(0.23)	(0.31)	(0.74)	(0.91)
(b) On a fully diluted basis [^]	(0.23)	(0.31)	(0.74)	(0.91)

For the purpose of calculation of the diluted loss per ordinary share, the weighted average number of ordinary shares in issue is adjusted to take into account the dilutive effect arising from the dilutive share options, with the potential ordinary shares weighted for the period outstanding.

The following share options were excluded from the diluted weighted average number of ordinary share calculation as their effect would have been anti-dilutive:

Date of grant of options	As at 31 December 2011	As at 31 March 2011
28 November 2007	Nil	17,108,416
16 January 2009	3,182,500	3,630,000
2 July 2009	3,225,000	12,900,000
20 July 2010	Nil	2,595,000
22 March 2011	Nil	Nil
23 June 2011	12,150,000	Not applicable
23 December 2011	Nil	Not applicable

[^] The diluted loss per share was computed based on the weighted average number of shares of 498,244,147 (31 March 2011: 477,074,124) shares for 3 months ended 31 December 2011 and 491,249,348 (31 March 2011: 477,074,124) shares for 9 months ended 31 December 2011 and did not take into account the dilutive effect of the share options as the Group was making losses.

The movement of share options of the Group during the financial period, April 2011 to December 2011 is as follows:

Date of Grant	Balance as at 1/4/2011	Granted during 1/4/2011 to 31/12/2011	Exercised during 1/4/2011 to 31/12/2011	Forfeited/Expired during 1/4/2011 to 31/12/2011	Balance as at 31/12/2011	Exercise Price S\$	Expiry Date
28/11/2007	17,108,416	-	(3,364,500)	(3,069,729)	10,674,187	0.1189	28/11/2012
16/01/2009	3,630,000	-	(60,000)	(387,500)	3,182,500	0.17	16/01/2014
02/07/2009	12,900,000	-	(3,194,000)	(1,267,500)	8,438,500	0.12	02/07/2014
20/07/2010	2,595,000	-	(128,750)	(455,000)	2,011,250	0.08	20/07/2015
22/03/2011	3,050,000	-	-	(150,000)	2,900,000	0.05	22/03/2016
23/06/2011	-	12,450,000	-	(410,000)	12,040,000	0.21	23/06/2016
23/12/2011	-	7,600,000	-	-	7,600,000	0.14	23/12/2016
	39,283,416	20,050,000	(6,747,250)	(5,739,729)	46,846,437		

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	
	As at 31 December 2011	As at 31 March 2011	As at 31 December 2011	As at 31 March 2011
Net liability value per ordinary share (S\$ cents)	(0.21)	(0.20)	(0.32)	(0.33)

Net liability value per ordinary share is calculated based on 498,527,256 shares in issue as at 31 December 2011 (477,074,124 shares in issue as at 31 March 2011).

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.**

GROUP FINANCIAL PERFORMANCE

Consolidated Statement of Comprehensive Income

The Group reported a 50% decline in revenue to S\$197K for the nine months ended 31 December 2011 ("FP 2012"). This was due primarily to a decrease in revenue from the Video Management Equipment and Solutions division in the face of intense competition in the industry. In addition, as revenue from the Group's Media Solutions business are denominated in US dollar, the strengthening of the Singapore dollar against the US dollar also contributed to the decrease in the reported revenue.

Gross profit margin decreased from 40.25% in FP 2011 to 31.47% in FP 2012, mainly due to change in sales mix. Our gross profit margin was higher in FP2011 as compared to FP2012 as a greater proportion of our revenue was from sales of services for the Video Management Equipment which had higher gross profit margin compared to sales of services for the Media Solutions business.

The aggregate of distribution and selling, administrative and other operating expenses for FP 2012 were S\$3.65 million compared with S\$4.46 million for FP 2011. This was mainly due to a reduction in headcount, decrease in travel and entertainment expenses, as well as a decrease in share option expenses.

Statement of Financial Position

Non-current assets decreased due mainly to the decrease in plant and equipment and intangible assets. Plant and equipment decreased from S\$0.28 million as at 31 March 2011 to S\$0.12 million as at 31 December 2011 as a result of depreciation while intangible assets decreased from S\$20K to S\$8K during the same period due to amortization.

Current assets increased from S\$1.41 million as at 31 March 2011 to S\$2.13 million as at 31 December 2011 due mainly to the increase in cash and cash equivalents, partially offset by the decrease in inventories as well as trade and other receivables. Cash and cash equivalents increased from S\$0.87 million as at 31 March 2011 to S\$1.67 million as at 31 December 2011 mainly due to the shareholder's loan from Algotech Holdings Ltd of S\$0.75 million. Inventories decreased from S\$0.12 million at 31 March 2011 to S\$0.10 million as at 31 December 2011 due mainly to allowance for inventory obsolescence while trade and other receivables decreased from S\$0.41 million to S\$0.36 million during the same period in line with the decrease in revenue.

Total liabilities increased from S\$2.68 million as at 31 March 2011 to S\$3.29 million as at 31 December 2011 due to an increase in loan from shareholder from S\$2.00 million to S\$2.75 million during the period, partially offset by a decrease in trade and other payables from S\$0.68 million to S\$0.54 million in line with the decrease in revenue.

Total equity as at 31 December 2011 was negative S\$1.03 million compared to negative S\$0.97 million as at 31 March 2011 due to losses sustained by the Group.

Net liabilities for the Group increased from S\$0.97 million as at 31 March 2011 to S\$1.03 million as at 31 December 2011 mainly due to funds utilized for the Group's operations.

Consolidated Statement of Cash Flows

Net cash used in operating activities was S\$3.22 million due mainly to losses sustained by the Group. Cash and cash equivalents increased from S\$0.88 million as at 31 March 2011 to S\$1.67 million as at 31 December 2011. This was mainly due to proceeds from the share placement (S\$2.48 million), additional loan from Algotech (S\$0.75 million) and proceeds from exercise of share options (S\$0.80 million) in FP 2012. The funds raised were offset by cash used in Group's operation of S\$3.22 million.

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 business environment remained challenging as the intensity of competition in the video security surveillance sector continued unabated. The Group continues to pursue projects in both business segments.

Video Management Equipment and Solutions

On 4 November 2011, the Group announced that its subsidiary, Artisecurity Technologies Pte Ltd has passed the pre-qualification of the People's Republic of China's Ministry of Railway. The initial project is presently planned for implementation in 2012 pending the requirement definitions by Beijing Daheng Innovative Technology Co. Ltd. ("Beijing Daheng") and the Ministry of Railway. This initial project is worth more than S\$25 million for Beijing Daheng. Barring any unforeseen circumstances, the Group's share of the gross revenue from this initial project is expected to be approximately S\$9 million. Upon successful completion of the initial project, the solution will be implemented across China's train stations covering more than 150,000 channels and will be worth over S\$350 million for Beijing Daheng.

Media Solutions

On the media solutions front, the Group's strategic partner in China 文翰易德北京文化传媒有限公司 ("One Hand Edit Media (Beijing) Culture & Media Co., Ltd.") continues to secure agreements with a number of China's top online video entertainment websites in terms of views such as 迅雷看看 ("Xunlei Kankan"), China Network Television ("CNTV"), www.56.com and 爆米花 ("Baomihua"). These online publishers will utilise the Group's proprietary online video advertising technology, TargetRoll (formerly known as Target-Ad) on their online videos.

On 5 February 2012, the Group announced that its subsidiary, Artimedia Pte Ltd has signed a Memorandum of Understanding with U.S. semiconductor chip maker giant Intel Corporation Inc. Details of the definitive agreement will be disclosed once finalised.

The Group sees further business opportunities for our video content analysis technology due to its wide-ranging applicability on different operating platforms. The Group will continue to focus on building its business through establishing a large network of partners and customers, and investing in research and development activities to maintain its technological edge.

On 4 January 2012 entered into a convertible loan agreement (the "Loan Agreement") with Ching Chiat Kwong (the "Lender"), pursuant to which the Lender has agreed to grant to the Company loans of up to S\$5 million in principal amount (the "Loans"), convertible into such number of new ordinary shares in the share capital of the Company (the "Conversion Shares") at an issue price of S\$0.20 for each Conversion Share on the terms and subject to the conditions therein. On 30 January 2012, 25,000,000 Conversion Shares was allotted and issued to the Lender pursuant to the Lender exercising his conversion rights under the Loan Agreement. The Directors believe that the capitalisation of the Loan would strengthen the financial position of the Group and enable it to capitalise on opportunities in the Video Management Equipment and Media Solutions businesses.

Barring any unforeseen circumstances, the Group remains cautiously optimistic on the business outlook.

11. Dividends.

Not applicable.

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

No dividend has been declared or recommended.

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.

On 25 April 2011, the Company entered into a second agreement with Algotech Holdings Ltd, its controlling shareholder, for a further loan of S\$0.75 million to meet the working capital requirements of the Group. The loan is interest-free, unsecured and is repayable at the discretion of the Company. The S\$0.75 million has been received by the Company. The aggregate outstanding due to Algotech Holdings Ltd as at the date of this announcement is S\$2.75 million.

The Company does not have a general mandate from shareholders for interested person transactions.

14. Confirmation by the Board pursuant to Rule 705(5) of the Catalist Listing Manual.

The Board of Directors confirms that, to the best of their knowledge, nothing has come to their attention which may render the interim financial results for the third quarter ended 31 December 2011 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Philip Soh
Chairman
10 February 2012