

## First Quarter 2008 Financial Statement And Dividend Announcement

### 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		
	31.03.08	31.03.07	Change
	\$'000	\$'000	%
Revenue	68,970	55,833	23.5
Cost of sales	<u>(58,497)</u>	<u>(45,149)</u>	29.6
<b>Gross profit</b>	<b>10,473</b>	<b>10,684</b>	<b>(2.0)</b>
Other operating income	698	841	(17.0)
Selling and distribution costs	(1,777)	(2,310)	(23.1)
Administrative expenses	(5,263)	(4,544)	15.8
Finance costs	<u>(463)</u>	<u>(433)</u>	6.9
<b>Profit before income tax (Note A)</b>	<b>3,668</b>	<b>4,238</b>	<b>(13.4)</b>
Income tax	<u>(540)</u>	<u>(427)</u>	26.5
<b>Net profit for the period</b>	<b>3,128</b>	<b>3,811</b>	<b>(17.9)</b>

#### Note A:

Profit before income tax is arrived at after crediting (charging) the following:	GROUP		
	31.03.08	31.03.07	Change
	\$'000	\$'000	%
Interest income	193	253	(23.7)
Interest expense	(360)	(305)	18.0
Depreciation of property, plant and equipment	(1,240)	(1,146)	8.2
Amortisation of deferred expenditure	(1,061)	(685)	54.9
Exchange loss	(522)	(557)	(6.3)
Change in fair value of currency derivatives	(7)	-	n.m

**n.m:** Not meaningful

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

	GROUP			COMPANY		
	31.03.08	31.12.07	Change	31.03.08	31.12.07	Change
	\$'000	\$'000	%	\$'000	\$'000	%
<b>ASSETS</b>						
<b>Current assets:</b>						
Cash and bank balances	37,516	36,177	3.7	24,314	27,327	(11.0)
Trade receivables	41,952	44,225	(5.1)	11,817	13,879	(14.9)
Other receivables and prepayments	3,599	3,421	5.2	6,675	1,361	390.4
Derivative Financial Instruments	263	176	49.4	-	20	n.m
Inventories	30,273	36,099	(16.1)	-	-	n.m
<b>Total current assets</b>	<b>113,603</b>	<b>120,098</b>	<b>(5.4)</b>	<b>42,806</b>	<b>42,587</b>	<b>0.5</b>
<b>Non-current assets:</b>						
Investment in subsidiaries	-	-	n.m	54,695	54,658	0.1
Property, plant and equipment	25,573	27,364	(6.5)	856	832	2.9
Investment properties	14,291	14,316	(0.2)	-	-	-
Available-for-sale investments	554	560	(1.1)	516	516	-
Deferred expenditure	6,381	6,245	2.2	6,719	6,580	2.1
Deferred tax assets	-	-	n.m	438	507	(13.6)
<b>Total non-current assets</b>	<b>46,799</b>	<b>48,485</b>	<b>(3.5)</b>	<b>63,224</b>	<b>63,093</b>	<b>0.2</b>
<b>Total assets</b>	<b>160,402</b>	<b>168,583</b>	<b>(4.9)</b>	<b>106,030</b>	<b>105,680</b>	<b>0.3</b>

**n.m:** Not meaningful

	GROUP			COMPANY		
	31.03.08	31.12.07	Change	31.03.08	31.12.07	Change
	\$'000	\$'000	%	\$'000	\$'000	%
<b>LIABILITIES AND EQUITY</b>						
<b>Current liabilities:</b>						
Trade payables	29,171	37,316	(21.8)	89	79	12.7
Other payables and provisions	9,172	9,671	(5.2)	11,101	12,308	(9.8)
Income tax payable	3,440	3,023	13.8	2,202	2,044	7.7
Borrowings (Note B)	19,407	19,729	(1.6)	-	-	n.m
Derivative financial instruments	383	280	36.8	-	15	n.m
<b>Total current liabilities</b>	<b>61,573</b>	<b>70,019</b>	<b>(12.1)</b>	<b>13,392</b>	<b>14,446</b>	<b>(7.3)</b>
<b>Non-current liabilities:</b>						
Borrowings (Note B)	6,873	8,336	(17.6)	-	-	n.m
Deferred tax liability	618	582	6.2	-	-	n.m
<b>Total non-current liabilities</b>	<b>7,491</b>	<b>8,918</b>	<b>(16.0)</b>	<b>-</b>	<b>-</b>	<b>n.m</b>
<b>Total liabilities</b>	<b>69,064</b>	<b>78,937</b>	<b>(12.5)</b>	<b>13,392</b>	<b>14,446</b>	<b>(7.3)</b>
<b>Capital and reserves:</b>						
Share capital	110,013	109,958	0.1	110,013	109,958	0.1
Treasury shares	(4,325)	(3,647)	18.6	(4,325)	(3,647)	18.6
Warrant reserve	1,769	1,769	-	1,769	1,769	-
Investment revaluation reserve	200	200	-	200	200	-
Foreign currency translation reserve	(4,370)	(3,482)	25.5	-	-	-
Employee share-based compensation reserve	622	547	13.7	622	547	13.7
Accumulated losses	(12,571)	(15,699)	(19.9)	(15,641)	(17,593)	(11.1)
<b>Total equity</b>	<b>91,338</b>	<b>89,646</b>	<b>1.9</b>	<b>92,638</b>	<b>91,234</b>	<b>1.5</b>
<b>Total liabilities and equity</b>	<b>160,402</b>	<b>168,583</b>	<b>(4.9)</b>	<b>106,030</b>	<b>105,680</b>	<b>0.3</b>

n.m : Not meaningful

**Note B:****Detail of borrowings:**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>31.03.08</b>	<b>31.12.07</b>	<b>31.03.08</b>	<b>31.12.07</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>				
Bills discounted with recourse (secured)	1,037	1,343	-	-
Bills payable (secured)	10,644	10,000	-	-
Export trade loan (secured)	1,607	1,374		
Revolving loan (secured)	-	718	-	-
Term loan (secured)	927	1,436	-	-
Bank loan (secured)	2,674	2,210	-	-
Finance leases (secured)	<u>2,518</u>	<u>2,648</u>	-	-
	<b>19,407</b>	<b>19,729</b>	-	-
<b>Non Current</b>				
Bank loan (secured)	4,457	5,159	-	-
Finance leases (secured)	<u>2,416</u>	<u>3,177</u>	-	-
	<b>6,873</b>	<b>8,336</b>	-	-
<b>Total borrowings</b>	<b>26,280</b>	<b>28,065</b>	-	-

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

### Amount repayable in one year or less, or on demand

As at 31.03.08 (\$'000)		As at 31.12.07 (\$'000)	
Secured	Unsecured	Secured	Unsecured
19,407	-	19,729	-

### Amount repayable after one year

As at 31.03.08 (\$'000)		As at 31.12.07 (\$'000)	
Secured	Unsecured	Secured	Unsecured
6,873	-	8,336	-

### Detail of any collateral

#### Bank borrowings

##### *Trade Finance:*

The Group has banking facilities relating to bills discounted with recourse, trade bills payable, revolving credit, export trade loan, term loan and bank overdrafts of \$53,228,000 (FY2007: \$53,424,000), of which \$13,288,000 (FY2007: \$13,435,000) have been utilised as at 31 March 2008. These banking facilities are secured by a corporate guarantee from the Company. These banking facilities bear interest rates from 3.6% to 6.5% (FY2007: 4.7% to 7.5%) per annum.

The term loan of approximately \$5,059,000 extended to the Group is repayable over 3 years in 2005. The loan bears interest at United States Prime Lending Rate less 0.5% per annum or at 1.5% over the Lender's cost of funds, whichever is higher. It is calculated on a 360 days basis and the actual number of days elapsed. The loan is secured by corporate guarantees from the Company.

##### *Shenzhen Office Property:*

On 1 June 2007, the Group acquired office property in Shenzhen, China for the consideration of \$9.03 million. The acquisition of property was satisfied by a combination of bank borrowings and internal funds.

The bank loan of approximately \$7,131,000 is repayable over 3 years (FY2008: \$2,140,000, FY2009: \$2,140,000 and FY2010: \$2,851,000) commencing June 2007. The loan bears interest at HIBOR plus 1.5% per annum calculated on a 365 days basis and the actual number of days elapsed. The bank loan is secured by a corporate guarantee from 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.**

	<b>31.03.08</b>	<b>31.03.07</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Operating activities:</b>		
Profit before income tax	3,668	4,238
Adjustments for:		
Share based payment	75	29
Allowance for inventories	101	12
Provision for warranty	9	34
Depreciation	1,240	1,146
Amortisation of deferred expenditure	1,061	685
Change in fair value of currency derivatives	7	-
Interest income	(193)	(253)
Interest expense	360	305
Operating cash flows before movements in working capital	6,328	6,196
Trade receivables	892	14,780
Other receivables and prepayments	(257)	(332)
Inventories	4,671	(7,549)
Trade payables	(7,005)	(4,399)
Other payables and provisions	(378)	(2,140)
Currency translation adjustment	560	280
Cash generated from operations	4,811	6,836
Interest paid	(360)	(305)
Income tax paid	(77)	(22)
<b>Net cash from operating activities</b>	<b>4,374</b>	<b>6,509</b>
<b>Investing activities:</b>		
Purchase of property, plant and equipment	(278)	(666)
Deferred expenditure	(1,197)	(1,218)
Interest received	193	253
<b>Net cash used in investing activities</b>	<b>(1,282)</b>	<b>(1,631)</b>

	<b>31.03.08</b>	<b>31.03.07</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Financing activities:</b>		
Proceeds from issue of shares	55	486
Net (repayment) proceeds from bank borrowings	(183)	1,135
Repayment of obligations under finance leases	(710)	(651)
Purchase of treasury shares	(678)	(451)
<b>Net cash (used in) from financing activities</b>	<b>(1,516)</b>	<b>519</b>
Net increase in cash and cash equivalents	1,576	5,397
Exchange effects on cash and cash equivalents	(237)	(70)
Cash and cash equivalents at beginning of period **	36,177	29,177
<b>Cash and cash equivalents at end of period</b>	<b>37,516</b>	<b>34,504</b>

\*\* The cash and cash equivalents at beginning of period are for 31 December 2007.

**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.**

	Share capital	Treasury shares	Warrant reserve	Investment revaluation reserve	Foreign currency translation reserve	Employee share-based compensation reserve	Accumulated losses	Total
Group	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Latest Period</b>								
<b>Balance at 1 January 2008</b>	<b>109,958</b>	<b>(3,647)</b>	<b>1,769</b>	<b>200</b>	<b>(3,482)</b>	<b>547</b>	<b>(15,699)</b>	<b>89,646</b>
<i>Currency translation differences</i>	-	-	-	-	(888)	-	-	(888)
<i>Net expenses directly recognised in equity</i>	-	-	-	-	(888)	-	-	(888)
<i>Net profit for the period</i>	-	-	-	-	-	-	3,128	3,128
<b>Total recognised income and expense for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(888)</b>	<b>-</b>	<b>3,128</b>	<b>2,240</b>
Issue of shares	55	-	-	-	-	-	-	55
Employees' share option benefit	-	-	-	-	-	75	-	75
Repurchase of shares and held as treasury shares	-	(678)	-	-	-	-	-	(678)
<b>Balance at 31 March 2008</b>	<b>110,013</b>	<b>(4,325)</b>	<b>1,769</b>	<b>200</b>	<b>(4,370)</b>	<b>622</b>	<b>(12,571)</b>	<b>91,338</b>
<b>Previous Corresponding Period</b>								
<b>Balance at 1 January 2007</b>	<b>108,342</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,329)</b>	<b>514</b>	<b>(26,621)</b>	<b>80,906</b>
<i>Currency translation differences</i>	-	-	-	-	(55)	-	-	(55)
<i>Net expenses directly recognised in equity</i>	-	-	-	-	(55)	-	-	(55)
<i>Net profit for the period</i>	-	-	-	-	-	-	3,811	3,811
<b>Total recognised income and expense for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(55)</b>	<b>-</b>	<b>3,811</b>	<b>3,756</b>
Issue of shares	486	-	-	-	-	-	-	486
Employees' share option benefit	88	-	-	-	-	(59)	-	29
Repurchase of shares and held as treasury shares	-	(451)	-	-	-	-	-	(451)
<b>Balance at 31 March 2007</b>	<b>108,916</b>	<b>(451)</b>	<b>-</b>	<b>-</b>	<b>(1,384)</b>	<b>455</b>	<b>(22,810)</b>	<b>84,726</b>

	Share capital	Treasury shares	Warrant reserve	Investment revaluation reserve	Foreign currency translation reserve	Employee share-based compensation reserve	Accumulated losses	Total
Company	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Latest Period</b>								
<b>Balance at 1 January 2008</b>	<b>109,958</b>	<b>(3,647)</b>	<b>1,769</b>	<b>200</b>	-	<b>547</b>	<b>(17,593)</b>	<b>91,234</b>
<i>Net profit for the period</i>	-	-	-	-	-	-	1,952	1,952
<b>Total recognised income and expenses for the period</b>	-	-	-	-	-	-	<b>1,952</b>	<b>1,952</b>
Issue of shares	55	-	-	-	-	-	-	55
Employees' share option benefit	-	-	-	-	-	75	-	75
Repurchase of shares and held as treasury shares	-	(678)	-	-	-	-	-	(678)
<b>Balance at 31 March 2008</b>	<b>110,013</b>	<b>(4,325)</b>	<b>1,769</b>	<b>200</b>	-	<b>622</b>	<b>(15,641)</b>	<b>92,638</b>
<b>Previous Corresponding Period</b>								
<b>Balance at 1 January 2007</b>	<b>108,342</b>	-	-	-	-	<b>514</b>	<b>(20,443)</b>	<b>88,413</b>
<i>Net profit for the period</i>	-	-	-	-	-	-	432	432
<b>Total recognised income and expenses for the period</b>	-	-	-	-	-	-	<b>432</b>	<b>432</b>
Issue of shares	486	-	-	-	-	-	-	486
Employees' share option benefit	88	-	-	-	-	(59)	-	29
Repurchase of shares and held as treasury shares	-	(451)	-	-	-	-	-	(451)
<b>Balance at 31 March 2007</b>	<b>108,916</b>	<b>(451)</b>	-	-	-	<b>455</b>	<b>(20,011)</b>	<b>88,909</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.**

	<b>Number of Shares ('000)</b>	<b>\$'000</b>
<b>Share Capital</b>		
<b><u>Ordinary shares issued and fully paid</u></b>		
Balance as at 1 January 2008	419,826	109,958
Issue of new shares	500	55
Balance as at 31 March 2008	420,326	110,013

As at 31 March 2008, there were 11,229,600 (FY2007: 11,819,600) unissued ordinary shares under exercisable options granted and unexercised under Aztech Group Employee Share Option Scheme 2000.

As at 31 March 2008, there were 103,844,250 (FY2007: 103,844,250) outstanding convertible warrant with exercise price \$0.51 for each ordinary share.

	<b>Number of Shares ('000)</b>	<b>\$'000</b>
<b>Treasury Shares</b>		
Balance as at 1 January 2008	9,793	3,647
Repurchased during the period	2,805	678
Balance as at 31 March 2008	12,598	4,325

The Company Act was amended to allow companies to hold Treasury Shares after 30 January 2006. Pursuant to a share purchase mandate ("Share Purchase Mandate") approved by shareholders on 12 April 2006 and renewed on 10 April 2007, the Company purchased a total of 12,598,000 shares through market purchase on the Singapore Exchange Securities Trading Limited during the period. The total amount paid to acquire shares pursuant to the Share Purchase Mandate was \$4,325,000 and has been deducted from shareholders' equity. The repurchased shares are held as "Treasury Shares".

**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 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 adopted the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2007.

**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.**

	<b>GROUP</b>	
	<b>31.03.08</b>	<b>31.03.07</b>
	<b>(in cents)</b>	<b>(in cents)</b>
Earnings per share		
(a) Based on weighted average number of ordinary shares in issue	0.76	0.93
(b) On a fully diluted basis	0.76	0.92

Earnings per share for 1Q2008 and 1Q2007 have been computed based on the weighted average share capital of 409,317,615 and 410,820,122 shares respectively.

**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	
	31.03.08	31.12.07	31.03.08	31.12.07
	(in cents)	(in cents)	(in cents)	(in cents)
Net asset value per ordinary share	22.40	21.86	22.72	22.25
Net tangible asset value per ordinary share	20.84	20.34	21.07	20.65

The Group's and the Company's net assets value per ordinary share as at 31 March 2008 and 31 December 2007 have been computed based on the share capital of 407,728,000 shares and 410,033,000 shares respectively.

**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.

**Review of Group's performance**

**Financial Summary**

	1Q2007	2Q2007	3Q2007	4Q2007	1Q2008
Revenue (\$'million)	55.83	61.80	67.50	83.18	68.97
Gross Profit Margin%	19.1%	19.2%	18.4%	13.7%	15.2%
Operating profit (\$'million) **	3.81	5.22	3.59	3.05	3.13
Net Profit Margin%	6.8%	8.4%	5.3%	3.7%	4.5%

\*\* Exclude the net revaluation gain on investment properties amounting to \$2.51 million in FY2007.

The Group saw some positive improvement in its performance in 1Q2008 compared to 4Q2007 where the Group net profit margin increased from 3.7% to 4.5%.

## Results for 1Q2008

Group's revenue for 1Q2008 grew by 23.5% against the same period last year to \$68.97 million as a result of increase in sales of ADSL2/2+ modems/routers and increase in sales orders from the Group's contract manufacturing customers.

Business Segment	1Q2008 (\$' million)	%	1Q2007 (\$' million)	%	% Changes
ODM/OEM Sales	35.48	51.5	28.34	50.8	25.2
Contract Manufacturing	28.85	41.8	22.63	40.5	27.5
Retail Distribution	4.64	6.7	4.86	8.7	(4.5)
<b>Total</b>	<b>68.97</b>	<b>100</b>	<b>55.83</b>	<b>100</b>	<b>23.5</b>

Geographical Segment	1Q2008 (\$' million)	%	1Q2007 (\$' million)	%	% Changes
North and South America	30.97	44.9	16.27	29.1	90.4
Europe	23.65	34.3	22.80	40.8	3.7
Asia Pacific	7.12	10.3	13.04	23.4	(45.4)
Others	7.23	10.5	3.72	6.7	94.4
<b>Total</b>	<b>68.97</b>	<b>100</b>	<b>55.83</b>	<b>100</b>	<b>23.5</b>

### 2. Profitability

Gross profit was maintained at the same level as compared with 1Q2007 while gross profit margin decreased from 19.1% in 1Q2007 to 15.2% in 1Q2008. The causes of the margin pressures, which existed in the last half of FY2007, and documented in the Group's 2007 annual report, prevailed during this financial period. To overcome the prevailing costs pressures, the Group continued its focus on executing the following profit growth plans:

1. leverage on the increasing worldwide broadband demand with ADSL2/2+ modem/routers;
2. penetrate into new emerging markets (South America, Eastern Europe);
3. develop new products of the finest quality and higher margin; and
4. transformed towards more automation, with less dependence on manual workforce, increasing productivity and efficiency.

Other operating income decreased by 17.0% to \$0.70 million in 1Q2008 mainly due to the decrease in interest income as a result of the drop in market interest rate recently.

While the total operating costs (including the selling, administrative and finance expenses) went up by 3.0% to \$7.50 million in 1Q2008, the percentage of the operating costs to the Group's revenue actually decreased from 13.1% in 1Q2007 to 10.9% in 1Q2008. This is the result of the management's success in maintaining a cost efficient structure.

Profit before taxation was \$3.67 million, a decrease of 13.4% from \$4.24 million in 1Q2007. After factoring in an increase in effective tax rate following reduction of tax losses carried forward, net profit for the period was \$3.13 million, a decrease of 17.9% over 1Q2007. Earnings per share were recorded at 0.76 cents (1Q2007: 0.93 cents).

The balance sheet remained strong with cash and cash deposits totaling \$37.52 million (FY2007: \$36.18 million). Net cash flow generated from operating activities was \$4.37 million in 1Q2008, compared to \$6.51 million in 1Q2007. Total interest bearing debt (including lease obligations, but excluding trade finance related facilities) was \$12.99 million (FY2007: \$14.63 million). The current ratio was further enhanced from 1.7 in FY2007 to 1.8 in 1Q2008.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

The 1Q2008 financial results are in line with the prospect statement made in 4Q2007 announcement dated 5 February 2008.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group achieved steady growth on revenue over the past few quarters. Moving forward, the Group's primary focus will be to aggressively expand its customer network, roll out new innovative products and grow its design services business.

Meanwhile, challenges to achieve the targeted revenue and profit are expected under the recent global economic developments. On the cost side, oil prices remain at a high level and there is constant upward pressure on commodity prices. The appreciation of Renminbi, rising inflation and the implementation of new labour laws in China will exert further pressure on operations in China. The Group continues to enforce all initiatives that had been put in place as mentioned in paragraph 8 above to counter the challenges while it seeks new areas of growth.

In February of this year, the Group announced its venture into the procurement and supply of building and construction materials. The first shipment of materials under the Group's new business sector was made in April 2008. The Group expects the business to have a positive contribution to the Group's financial performance in 2008.

Barring any unforeseen circumstances, the Group is cautiously optimistic of its performance for 2Q2008 and FY2008.

**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***

N/A

***(d) Books closure date***

N/A

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

N/A

**AZTECH SYSTEMS LTD AND SUBSIDIARY COMPANIES**

**CONFIRMATION BY THE BOARD**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the first quarter ended 31 March 2008 to be false or misleading.

On behalf of the Board of Directors

Michael Mun Hong Yew  
CEO and Chairman

Martin Chia Heok Miin  
Executive Director

Singapore  
22 April 2008