

**MTQ CORPORATION LIMITED**

(Incorporated in Singapore)

[Co. Registration No. 196900057Z]

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**SUBSCRIPTION AND/OR PURCHASE OF PLACEMENT SHARES IN HAI LECK HOLDINGS LIMITED INITIAL PUBLIC OFFERING**

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The Board of Directors of MTQ Corporation Limited (“MTQ” or “Company”) is pleased to announce that its wholly owned subsidiary, Violetbloom Investments Pte. Ltd., has today accepted the 16 million new ordinary shares in Hai Leck Holdings Limited (“HL”) provisionally allotted to it at S\$0.26 per share under the placement tranche offered by HL in its Initial Public Offering (“IPO”) exercise, representing 4.92% of the post-invitation issued and paid up share capital of HL.

**Consideration**

The purchase consideration for the 16 million shares amounts to S\$4,160,000. The purchase consideration was paid in accordance with the terms of the offer document relating to the IPO and was satisfied fully by the internal cash resources of MTQ.

**Investment Rationale**

Based in Singapore, HL is a leading integrated service provider of scaffolding, corrosion prevention and insulation works for the oil and gas and petrochemical industry.

The Company views the purchase of shares in HL as a long-term strategic investment that will enable it to develop new commercial relationships and establish contacts within the petrochemical industry, which may lead to new business opportunities. Through the investment, MTQ may also reap the benefits of diversification into markets that are complementary to its existing core Oilfield Engineering business.

**Financial Effects of the Investment**

The results of the allotment / allocation of the shares in HL are expected to be announced on 27 August 2008. Assuming that (i) Violetbloom Investments Pte. Ltd. is finally allotted / allocated all the aforesaid 16 million shares in HL pursuant to the terms of the prospectus; and (ii) such final allotment / allocation had taken place today, the financial effects of the investment and the relative figures under Rule 1006 of the Listing Manual are as set out below.

Effect on Net Tangible Asset (“NTA”) per share

Based on the audited consolidated results of the Group for the financial year ended 31 March 2008, and assuming that the transaction had been completed at 31 March 2008, there will be no material impact on the consolidated NTA per share of the Group.

	Before Acquisition	After Acquisition
NTA per share (Singapore cents)	53.57	53.57

### Effect on Earnings Per Share ("EPS")

Based on the audited consolidated results of the Group for the financial year ended 31 March 2008, and assuming that the transaction had been effected at 1 April 2007, there will be no change to the EPS per share of the Group for the financial year ended 31 March 2008.

	Before Acquisition	After Acquisition
EPS per share (Singapore cents)	40.96	40.96

### **Relative Figures under Rule 1006 of the Listing Manual**

#### Rule 1006(a)

The basis of comparison set out in Rule 1006(a) of the Listing Manual is not applicable.

#### Rule 1006(b)

The basis of comparison set out in Rule 1006(b) of the Listing Manual is not applicable.

#### Rule 1006(c)

The aggregate value of the consideration given for the investment in HL is S\$4,160,000. MTQ's market capitalisation as at 15 August 2008 based on 91,842,117 issued shares (excluding treasury shares) and the latest available transacted weighted average price of S\$0.59 is S\$54,186,849.

From the above, the relative figure calculated based on the aggregate value of the consideration given compared with the Company's market capitalisation is approximately 7.68%.

#### Rule 1006(d)

The basis of comparison set out in Rule 1006(d) of the Listing Manual is not applicable.

Based on the computation under Rule 1006(c), the investment in HL is a discloseable transaction under Chapter 10 of the Listing Manual.

### **Interests of Directors and Substantial Shareholders**

Mr. Kuah Kok Kim is a controlling shareholder of MTQ and a director of MTQ and Violetbloom Investments Pte. Ltd. Save aforesaid or through their respective shareholdings in MTQ, none of the Directors of the Company has any direct or indirect interest in the aforesaid investment. The Directors are not aware of any substantial shareholder having any interest, direct or indirect, in the investment and have not received any notification of interest in the investment from any substantial shareholders.

By Order of the Board

Kuah Kok Kim  
Chairman & CEO  
18 August 2008