

WHISTLE BLOWING POLICY

1. INTRODUCTION

Permasteelisa Pacific Holdings Ltd (“the Company”) directors and employees are expected to carry out their duties as required and conduct themselves in a professional manner at all times and in ways that bring credit to themselves and the Company. We are required to observe high standards of business and personal ethics, honesty and with integrity in fulfilling our responsibilities within all applicable laws and regulations. Being a public company, we were socially responsible in ensuring that this is practised within the organisation, consistent with the Company’s code of ethics.

The Whistle Blowing Policy (“the Code”) is intended to help employees who have major concerns over any wrongdoing within the Company and its subsidiaries (“Group”) relating to unlawful conduct, financial malpractice or dangers to the public or the environment. Specific examples could include:

- 1.1 A criminal offence (e.g. fraud, corruption or theft) has been/is likely to be committed.
- 1.2 Fraud whether actual or suspected or deliberate error in preparing, evaluating or review of any financial statements, recording and maintenance of the financial records of the Group.
- 1.3 Actual or suspected deficiencies in or non-compliance with the Group’s internal controls and procedures.
- 1.4 Any misrepresentation whether actual or suspected by an officer or auditor regarding a matter contained or required to be contained in the Company or Group’s financial records, reports or audit reports.
- 1.5 Information relating to any of the above being deliberately concealed or attempts are being made to conceal the same.

Non-Accounting Malpractice Reporting

- Misappropriation of Cash Sales
- Misuse of Petty Cash
- Unauthorised Discounts
- Falsifying Attendance Record
- Pilferage of Stock in Trade
- Abuse of Authority for Personal Gain
- A criminal offence
- Health or safety of any individual has been or is likely to be endangered

- Discrimination or physical abuse of any member of staff or service
- Discrimination to any member of staff or service recipient on grounds of sex, race or disability
- Any conflict of interest in any activity that is, or appears to be, opposed to the best interest of the Company and the Group.
- Information relating to any of the above being deliberately concealed or attempts are being made to conceal the same.

The Company has established this Code so as to enable you to raise your concerns about such malpractice(s) at an early stage and in the right way. The Company would prefer that you raise the matter when it is just a concern rather than wait for concrete proof.

If something is troubling you, that you think we should know about or look into, please use this policy. If, however, you are aggrieved about your personal position, please approach your manager or General Manager going through the human resource channel. This Code is primarily for concerns where the interests of others or of the Company itself are at risk.

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2. AIMS OF THE WHISTLE BLOWING CODE

The Code aims to:

- 2.1 Encourage employees to feel confident in raising serious concerns and to question and act upon their concerns.
- 2.2 Provide ways for employees to raise those concerns and get feedback on any action taken as a result
- 2.3 Ensure that employees get a response to their concerns..
- 2.4 Reassure employees that if they raise any concerns in good faith and reasonably believe them to be true, they will be protected from possible reprisals or victimization, to the extent where the situation allows.
- 2.5 It is not intended to be used where other more appropriate procedures are available, for example:
 - 2.5.1 Through the personnel department concerning personal grievances.
 - 2.5.2 Unhappiness over inadequate training (approach human resource development).

3. WHO ARE COVERED BY THE CODE?

- 3.1 All employees of the Group may use this Code.
- 3.2 Contractors working for the Company may also use the provisions of this Code to make the Company aware of any concerns that the contractor's staff may have with regard to any contractual or other arrangement with the Company. The private concerns of the contractor's staff relating to non-Company business should be raised

with the relevant contractor and/or other suitable agency/regulator - including the police, if appropriate.

4. WHAT ASSURANCE DO YOU GET?

- 4.1 If you do raise a concern under this Code, you will not be at risk of losing your job or suffering any form of retribution as a result, provided that:
 - 4.1.1 The disclosure is made in good faith.
 - 4.1.2 You reasonably believe that information, and any allegations contained in it, are substantially true.
 - 4.1.3 You are not acting for personal gain.
- 4.2 The Company will not tolerate the harassment *or* victimization of anyone raising a genuine concern. However, we recognize that you may nonetheless want to raise a concern in confidence under this Code. If you ask us to protect your identity by keeping your confidence, we will not disclose it without your consent. *If* the situation arises where we are not able to resolve the concern without revealing your identity (for instance because your evidence is needed in court), we will discuss with you whether and how we can proceed.
- 4.3 Remember that if you do not tell us who you are, it will be much more difficult for us to look into the matter or to protect your position or to give you feedback.
- 4.4 Accordingly, while we will consider anonymous reports, this Code is not well suited to concerns raised anonymously.

5. HOW SHOULD AN EMPLOYEE RAISE A CONCERN?

5.1 Reporting Allegation

Information about known or suspected violations by any employee should be reported promptly to the Chairman of the Audit Committee.

Complainant should forward the original copy of the signed written complaint letter to the attention of "Chairman of Audit Committee of Permasteelisa Pacific Holdings Limited" to the Company Secretary at the following address :

c/o Tricor Evatthouse Corporate Services
8 Cross Street #11-00 PWC Building
Singapore 048424

The complainant's full name and contact details must be appended in the said letter for communication purposes, where necessary.

- 5.2 Employees who wish to make a written report should use the following format

- 5.2.1 The background and history of the concern (giving relevant dates).
- 5.2.2 The reason why they are particularly concerned about the situation.

6. HOW WILL THE COMPANY RESPOND?

- 6.1 When a concern is raised the employee must indicate if the concern is to be treated in confidence. The limit of that confidence will be checked out by the person receiving the information. The relevant person and/or the Human Resource Executive will also ensure that the Company's management receives adequate details of the employee's concerns for the purpose of corporate recording and monitoring purposes.
- 6.2 Once you have told us of your concern, we will look into it to assess initially what action should be taken. This may involve an internal inquiry or a more formal investigation. We will tell you who may be handling the matter, how you can contact him/her and whether your further assistance may be needed.
- 6.3 When you raise the concern you may be asked how you think the concern(s) might best be resolved. If you do have any personal interest in the matter, we do ask that you tell us at the outset. Should your concern be best handled by another approach such as through the human resource development channel, we will tell you.
- 6.4 While the purpose of this Code is to enable us to investigate possible malpractice and take appropriate steps to deal with it, please note, however, that we may not be able to tell you the precise action we take where this would infringe a duty of confidence owed by us to someone else.
- 6.5 Concerns or allegations which fall within the scope of specific procedures will normally be referred for consideration under that relevant procedure. Some concerns may be resolved by agreed action without the need for investigation. If urgent action is required, this will be taken before any investigation is conducted.
- 6.6 Where appropriate, the matters raised may:
 - 6.6.1 Be investigated by management, internal audit, a committee set up by the Board of Directors or through the disciplinary process
 - (a) be referred to the police
 - (b) be referred to the external auditor
 - (c) form the subject of an independent inquiry.
 - 6.6.2 Usually, within four weeks of a concern being raised, the person looking into the concern will write to you:
 - (a) Acknowledging that the concern has been received.
 - (b) Indicating how the Company proposes to deal with the matter.
- 6.7 Subject to any legal constraints, the relevant employee will normally be informed of the final outcome of any investigation.

7. WHAT SAFEGUARDS ARE THERE FOR THE EMPLOYEE?

- 7.1 The Company will not tolerate any harassment or victimization (including formal pressures) and will take appropriate action to protect those who raise a concern in good faith.
- 7.2 Any investigation into allegations of potential malpractice will not influence or be influenced by any disciplinary or redundancy procedures already taking place concerning the employee.
- 7.3 No action will be taken against anyone who makes an allegation in good faith, reasonably believing it to be true, even if the allegation is not subsequently confirmed by the investigation.
- 7.4 Every effort will be made to ensure confidentiality as far as this is reasonably practical.
- 7.5 Help will be provided to you in order to minimize any difficulties which you may experience. This may include advice on giving evidence if needed.

On behalf of the Board of Directors and the Audit Committee
of Permasteelisa Pacific Holdings Ltd

Lucio Mafessanti
Executive Chairman

Lim Shook Kong
Audit Committee Chairman

1 April 2007