



Results For The Financial Period Ended 30 September 2011
Unaudited Financial Statements and Dividend Announcement

The Directors are pleased to make the following announcement of the unaudited results for the financial period ended 30 Sep 2011

1(a)(i) **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**

	Group			Group		
	Third Quarter Ended			Nine Months Ended		
	S\$'000		%	S\$'000		%
	30/9/11	30/9/10	Change	30/9/11	30/9/10	Change
Revenue	96,854	111,154	(13%)	306,603	320,431	(4%)
Cost of sales	(82,700)	(89,193)	(7%)	(259,322)	(255,508)	1%
Gross profit	14,154	21,961	(36%)	47,281	64,923	(27%)
Other income	104	320	(68%)	682	1,173	(42%)
Marketing and distribution	(5,120)	(5,409)	(5%)	(16,166)	(16,315)	(1%)
Research and development	(1,258)	(1,390)	(9%)	(3,863)	(4,221)	(8%)
Administrative expenses	(5,801)	(7,569)	(23%)	(19,083)	(25,882)	(26%)
Other net operating gains/(costs)	230	(1,309)	NM	(427)	(2,039)	(79%)
Operating expenses	(11,949)	(15,677)	(24%)	(39,539)	(48,457)	(18%)
Operating profit	2,309	6,604	(65%)	8,424	17,639	(52%)
Finance costs, net	(1,105)	(1,002)	10%	(3,110)	(3,046)	2%
Exceptional Items	-	-	NM	-	204	NM
Share of results of associates, net of tax	-	1	NM	-	(12)	NM
Profit before tax	1,204	5,603	(79%)	5,314	14,785	(64%)
Income tax expense	(781)	(961)	(19%)	(1,798)	(3,060)	(41%)
Net profit for the period	423	4,642	(91%)	3,516	11,725	(70%)
Attributable to :						
Owners of the parent	501	4,353	(88%)	3,254	11,356	(71%)
Non-controlling interests	(78)	289	NM	262	369	(29%)
	423	4,642	(91%)	3,516	11,725	(70%)

NM : Not meaningful



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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	
	S\$'000		S\$'000	
	30/9/11	31/12/10	30/9/11	31/12/10
Non-current Assets				
Intangible assets	10,681	11,413	88	88
Property, plant and equipment	28,247	27,290	40	48
Investments in subsidiaries	-	-	56,316	56,316
Investments in associates	-	-	5,170	5,170
Investment securities	1,385	1,390	417	417
Deferred tax assets	485	516	-	-
	40,798	40,609	62,031	62,039
Current Assets				
Inventories	55,553	48,490	-	-
Other receivables and prepayments	5,640	4,430	723	933
Amounts due from subsidiaries	-	-	4,756	4,075
Amounts due from associates	27,946	28,943	26,654	27,951
Trade receivables	94,911	103,354	-	-
Cash and cash equivalents	47,988	52,924	291	2,926
Restricted cash	1,835	3,657	-	-
	233,873	241,798	32,424	35,885
Total Assets	274,671	282,407	94,455	97,924
Equity Attributable to Owners of the Parent				
Share capital	127,359	127,359	127,359	127,359
Treasury shares	(4,781)	(6,602)	(4,781)	(6,602)
Accumulated losses	(13,598)	(11,942)	(68,073)	(62,365)
Foreign currency translation reserve	(7,786)	(7,260)	-	-
Share options reserve	1,415	1,415	1,415	1,415
Capital reserve	(7,517)	(6,373)	(2,950)	(1,807)
	95,092	96,597	52,970	58,000
Non-controlling interests	21,864	21,589	-	-
Total Equity	116,956	118,186	52,970	58,000
Non-current Liabilities				
Deferred tax liabilities	909	1,063	76	76
Lease creditors	2,213	1,680	-	-
Long term payables	541	478	-	-
Amounts due to financial institutions	96	4,918	-	3,000
	3,759	8,139	76	3,076
Current Liabilities				
Provision	706	897	-	-
Income tax payable	1,918	2,796	278	270
Amounts due to financial institutions	52,286	55,363	11,323	8,000
Bills payable	34,314	23,958	-	-
Payables and accruals	64,732	73,068	2,915	2,348
Amounts due to subsidiaries	-	-	26,893	26,230
	153,956	156,082	41,409	36,848
Total Liabilities	157,715	164,221	41,485	39,924
Total Equity and liabilities	274,671	282,407	94,455	97,924



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

Amount repayable in one year or less, or on demand

30/9/11		31/12/10	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
373	86,227	828	78,493

Amount repayable after one year

30/9/11		31/12/10	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
96	-	267	4,651

Details of any collateral

Bank term loans with aggregate amount of \$469,000 (31/12/10: \$1,095,000) of subsidiaries are secured on the land and buildings of the subsidiaries.



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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

	Group	
	30/9/11 S\$'000	30/9/10 S\$'000
Cashflow from operating activities		
Profit before income tax	5,314	14,785
Adjustment for:-		
Depreciation and amortisation	6,106	6,397
Gain on disposal of property, plant and equipment	(9)	(667)
Loss on disposal of asset held for sale	-	16
Property, plant and equipment written off	-	41
Gain on disposal of investment securities	-	(58)
Gain on disposal of subsidiaries	-	(204)
Loss/(gain) on revaluation of derivative financial assets	1,288	(75)
Share of results of associated companies, net of tax	-	12
Interest income	(145)	(190)
Interest expense	2,521	2,525
Operating cash flows before reinvestment in working capital	15,075	22,582
Decrease in receivables	7,151	4,586
Increase in inventories	(8,204)	(9,432)
Decrease in payables	(9,975)	(7,982)
(Decrease)/increase in provisions	(191)	226
Changes in amounts due from/to related companies	997	87
Effects of exchange rate changes	(467)	(1,362)
Cash generated from operations	4,386	8,705
Interest paid	(2,521)	(2,525)
Interest received	145	190
Income tax paid	(2,826)	(1,287)
Income tax refund	18	168
Cash (used in)/generated from operating activities	(798)	5,251
Cashflow from investing activities		
Proceeds from disposals of property, plant and equipment	477	1,805
Proceeds from disposal of asset held for sale	-	342
Purchase of property, plant and equipment	(3,439)	(1,745)
Proceeds from disposal of businesses	-	6,622
Proceeds from disposal of equity interests in a subsidiary	-	1,020
Proceeds from disposal of investment securities	-	675
Project development expenditure	(94)	(28)
Net cash (used in)/generated from investing activities	(3,056)	8,691
Cashflow from financing activities		
Payment of lease creditors	(1,108)	(769)
Net proceeds from/(repayment of) bank loans	3,376	(9,582)
(Repayment of)/proceeds received from issue of convertible loans	-	(730)
Payment of dividend	(4,910)	-
Dividend paid to non-controlling interests	(41)	(133)
Decrease/(increase) in fixed deposits pledged	1,808	(1,835)
Net cash used in financing activities	(875)	(13,049)
Net (decrease)/increase in cash and cash equivalents	(4,729)	893
Cash and cash equivalents at 1 January	52,924	43,145
Effect of exchange rate changes on cash and cash equivalents	(207)	(1,932)
Cash and cash equivalents at 30 September	47,988	42,106



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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	Attributable to Members of the Company								Non-controlling Interests	Equity Total	
	Share Capital	Treasury shares	Share options reserves	Fair value reserves	Capital reserves	Foreign currency translation reserve	Reserve classified as held for sale	Accumulated losses			Equity attributable to owners of parent, Total
	(Non-distributable)						Distributable				
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
For The Nine Months Ended 30 Sep 2011											
Balance as at 1 Jan'11	127,359	(6,602)	1,415	-	(6,373)	(7,260)	-	(11,942)	96,597	21,589	118,186
Total comprehensive income for the period	-	-	-	-	-	(526)	-	3,254	2,728	316	3,044
<u>Contributions by and distributions to owners</u>											
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(41)	(41)
Reissue of treasury shares	-	1,821	-	-	(1,144)	-	-	-	677	-	677
Dividends on ordinary shares - final for FY2010	-	-	-	-	-	-	-	(3,819)	(3,819)	-	(3,819)
- interim for FY2011	-	-	-	-	-	-	-	(1,091)	(1,091)	-	(1,091)
Total contributions by and distributions to owners	-	1,821	-	-	(1,144)	-	-	(4,910)	(4,233)	(41)	(4,274)
Balance as at 30 Sep'11	127,359	(4,781)	1,415	-	(7,517)	(7,786)	-	(13,598)	95,092	21,864	116,956
For The Nine Months Ended 30 Sep 2010											
Balance as at 1 Jan'10	127,359	(6,602)	1,415	58	(2,593)	(5,652)	153	(26,140)	87,998	12,165	100,163
Total comprehensive income for the period	-	-	-	(58)	-	(1,914)	(153)	11,356	9,231	172	9,403
<u>Contributions by and distributions to owners</u>											
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(133)	(133)
<u>Changes in ownership interests in subsidiaries that do not result in a loss of control</u>											
Disposal to non-controlling interests	-	-	-	-	(2,068)	-	-	-	(2,068)	3,088	1,020
Balance as at 30 Sep'10	127,359	(6,602)	1,415	-	(4,661)	(7,566)	-	(14,784)	95,161	15,292	110,453

Company	Share Capital	Treasury shares	Share options reserves	Fair value reserves	Capital reserves	Accumulated losses	Total
	(Non-distributable)					Distributable	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
For The Nine Months Ended 30 Sep 2011							
Balance as at 1 Jan'11	127,359	(6,602)	1,415	-	(1,807)	(62,365)	58,000
Total comprehensive income for the period	-	-	-	-	-	(798)	(798)
<u>Contributions by and distributions to owners</u>							
Reissue of treasury shares	-	1,821	-	-	(1,143)	-	678
Dividends on ordinary shares - final for FY2010	-	-	-	-	-	(3,819)	(3,819)
- interim for FY2011	-	-	-	-	-	(1,091)	(1,091)
Total contributions by and distributions to owners	-	1,821	-	-	(1,143)	(4,910)	(4,232)
Balance as at 30 Sep'11	127,359	(4,781)	1,415	-	(2,950)	(68,073)	52,970
For The Nine Months Ended 30 Sep 2010							
Balance as at 1 Jan'10	127,359	(6,602)	1,415	58	(1,807)	(62,618)	57,805
Total comprehensive income for the period	-	-	-	(58)	-	(7,066)	(7,124)
Balance as at 30 Sep'10	127,359	(6,602)	1,415	-	(1,807)	(69,684)	50,681



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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 or 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 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.

During the financial quarter, a financial institution exercised its right to convert share options of an aggregate amount of S\$424,200 into 6,000,000 new shares in the capital of the Company at an exercise price of S\$0.0707 per share in accordance with the terms of a loan and option agreement. This transaction was satisfied by Treasury Shares.

Convertible securities	Number of ordinary shares under options	
	as at	as at
	30/9/11	30/9/10
Employees share options	19,814,000	20,908,000
Options granted to a financial institution	47,000,086	-
(excluding treasury shares)	66,814,086	20,908,000

See below for details relating to the number of shares held as treasury shares.

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.

	Group & Company	
	30/9/11	31/12/10
Total number of issued shares	572,844,427	572,844,427
Less : Treasury shares	(27,234,855)	(36,811,855)
Total number of issued shares (excluding treasury shares)	545,609,572	536,032,572

1(d)(iv) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Please refer to note 1(d)(ii) above.

2. Whether the figures have been audited, or reviewed and in accordance with which (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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 revised FRS 24 Related Party Disclosures for the financial period ended 30 June 2011. The revised standard is effective for annual periods beginning on or after 1 January 2011.

The revised FRS 24 clarifies the definition of a related party to simplify the identification of such relationships and to eliminate inconsistencies in its applications. The revised FRS 24 expands the definition of a related party and would treat two entities as related to each other whenever a person (or a close member of that person's family) or a third party has control or joint control over the entity, or has significant influence over the entity. The revised standard also introduces a partial exemption of disclosure requirements for government-related entities.

As this is a disclosure standard, the abovementioned change will have no impact on the financial position or financial performance of the Group.

Saved as disclosed above, the Group has applied accounting policies and methods of computation in the financial statements for the period ended 30 September 2011, consistent with those of the audited financial statement as at 31 December 2010.



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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**

Please refer to note 4 above.

6. **Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

	Group			
	Third Quarter Ended		Nine Months Ended	
	30/9/11	30/9/10	30/9/11	30/9/10
Earning per share after deducting any provision for preference dividends:-				
a) Based on weighted average number of ordinary shares in issue	0.09 cents	0.81 cents	0.60 cents	2.12 cents
Weighted average number of shares	545,609,572	536,032,572	542,594,708	536,032,572
b) On a fully diluted basis	0.09 cents	0.81 cents	0.59 cents	2.12 cents
Adjusted weighted average number of shares	545,609,572	536,032,572	554,017,641	536,032,572

7. **Net asset value (for the issuer and group) per ordinary share based on total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year**

	Group		Company	
	30/9/11	31/12/10	30/9/11	31/12/10
Net assets value per ordinary share	17.43 cents	18.02 cents	9.71 cents	10.82 cents
Number of ordinary shares at end of financial period	545,609,572	536,032,572	545,609,572	536,032,572

The number of ordinary shares used in the computation of net assets value per share excludes those shares held as treasury shares.



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8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

(A) Analysis of Group Performance

<u>Business Segment</u>	<u>Sales</u>					
	<u>3Q2011</u>	<u>3Q2010</u>	<u>9Mths 2011</u>	<u>9Mths 2010</u>	<u>2Q2011</u>	<u>2Q2010</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Backend Equipment Solutions & Technologies ("BEST")	21,673	36,300	70,085	106,211	25,319	34,908
Distribution & Services	75,181	74,854	236,518	214,220	86,626	60,728
	96,854	111,154	306,603	320,431	111,945	95,636

INCOME STATEMENT

Revenue

In 3Q2011, the Group reported a 12.9% or \$14.3 million decrease in revenue from \$111.2 million (3Q2010) to \$96.9 million (3Q2011).

Backend Equipment Solutions & Technologies ("BEST") business, which accounted for 22.6% of the Group's revenue, recorded a 40.3% decrease from \$36.3 million (3Q2010) to \$21.7 million (3Q2011) as business activities slowed down due to the global economic uncertainties whereby customers generally deferred capital expenditure. The Distribution & Services business posted a slight increase of 0.4% in revenue from \$74.9 million (3Q2010) to \$75.2 million (3Q2011).

Gross Profit Margin

Gross profit margin for the Group fell to 14.6% in 3Q2011 compared 19.8% in 3Q2010, mainly due to the lower sales revenue contributed by the BEST business which generates higher gross profit margin.

Operating Expenses

Selling & marketing, research & development and general administrative expenses decreased 15.2% from \$14.4 million (3Q2010) to \$12.2 million (3Q2011) in line with the reduced business activities of the BEST business.

Financing costs were higher by \$0.1 million from \$1.0 million (3Q2010) to \$1.1 million (3Q2011) due to higher bank borrowings to cater for increase in business activities in the Distribution & Services business.

The Group reported a foreign exchange gain of \$0.2 million in 3Q2011, compared to the loss of \$1.9 million in 3Q2010 mainly due to the strengthened US dollar against the Singapore dollar towards the end of 3Q2011.

Net Result

Despite the lower operating costs, the Group reported an operating profit of \$2.3 million and a net profit attributable to shareholders of \$0.5 million for 3Q2011, compared to operating profit of \$6.6 million and net profit of \$4.4 million in 3Q2010 due to slower business activities in its BEST business.

BALANCE SHEET

As at 30 September 2011, total assets stood at \$274.7 million comprising \$40.8 million from non-current asset and \$233.9 million from current assets. Total liabilities stood at \$157.7 million comprising current liabilities of \$154.0 million and non-current liabilities of \$3.7 million. Shareholders' equity including minority interests stood at \$117.0 million.

The following are highlights of the Group's balance sheet as at 30 June 2011.

Intangible assets

Intangible assets decreased by \$0.7 million from \$11.4 million to \$10.7 million mainly due to the amortisation of the intangible assets during the period.

Property, plant and equipment

Property, plant and equipment decreased \$0.9 million from \$27.3 million to \$28.2 million mainly due to depreciation of fixed assets which was offset by additional capital expenditure during the period.

Inventory

Inventory balance increased from \$48.5 million to \$55.6 million in anticipation of customers' demand in the next quarter for Distribution & Services business.

Trade receivables

Compared to 31 December 2010, trade receivables' balance decreased from \$103.4 million to \$94.9 million, mainly due to the decline in sales in this quarter.

Payables and accruals

Creditors and accruals decreased \$8.4 million from \$73.1 million to \$64.7 million due to the lower business activities for the BEST business.



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(A) Analysis of Group Performance (cont'd)

CASHFLOW STATEMENT

The Group utilised \$4.4 million for its operating activities. It also utilised a net amount of \$5.2 million for the payments of interest and taxes. A net amount of \$3.0 million was utilised for the replacement of property, plant and equipment. In addition, a net proceed of \$2.3 million was made available by the financial institutions during the period. \$4.9 million was utilised for payment of final dividend declared for FY2010 and also the payment of interim dividend declared for FY2011. As a result, cash and cash equivalents decreased to \$48.0 million (30 September 2011) from \$52.9 million (31 December 2010).

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 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 has maintained its profitability for the 9 months ended 30 September 2011. However, both our BEST and Distribution & Services businesses continue to experience low visibilities due to the global economic uncertainties.

In view of the declining market demand, the Group has adopted cost controlling measures and will look into streamlining its operations. This will help to further boost the Group's efficiency as it continues to search for new business opportunities.

Surrounded by the current uncertain business environment, the Group is cautious about its performance in the fourth quarter of the year. Nonetheless, it will continue to closely monitor the situation and adopt appropriate strategies as required.

Our business is prone to economic uncertainties and the cyclical nature of the semiconductor industry. Other unforeseeable factors including but not limited to foreign exchange fluctuations, intellectual property litigations, product and technology obsolescence, and inventory adjustments continue to be challenges that we may encounter. In view of these factors, we will remain prudent and cautious in the management of our business.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No dividend is declared for the current financial quarter reported on.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None



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11. Dividend (Cont'd)

(c) Date payable

Not Applicable

(d) Books closure date

Not Applicable

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

Not applicable

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 to quarterly announcement)

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

Please refer to note 8.

15. A breakdown of sales

(Not applicable to quarterly announcement)

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 to quarterly announcement)

17. Disclosure of person occupying a managerial position in the issuer of any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(11) in the format below. If there are no such persons, the issuer must make an appropriate negative statement

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year

(Not applicable to quarterly announcement)

18. If the Group has obtained a general mandate from shareholders for interested person transactions ("IPT") as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

There is no general mandate obtained for IPT and there were no IPT for the period ended 30 September 2011.

19. Negative Confirmation by the Board pursuant to Rule 705(5)

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results for the financial period ended 30 September 2011 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Woo Kwek Kiong
Company Secretary
11 November 2011