



Results For The Financial Period Ended 31 March 2012 Unaudited Financial Statements and Dividend Announcement

The Directors are pleased to make the following announcement of the unaudited results for the financial period ended 31 Mar 2012

- 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		
	First Quarter Ended		
	S\$'000		%
	31/3/12	31/3/11	Change
Revenue	93,596	97,804	(4%)
Cost of sales	(82,398)	(81,209)	1%
Gross profit	11,198	16,595	(33%)
Other income	106	154	(31%)
Marketing and distribution	(5,467)	(5,198)	5%
Research and development	(1,114)	(1,334)	(16%)
Administrative expenses	(5,887)	(7,175)	(18%)
Other net operating costs	(147)	(456)	(68%)
Operating expenses	(12,615)	(14,163)	(11%)
Operating (loss)/profit	(1,311)	2,586	NM
Finance costs, net	(499)	(994)	(50%)
(Loss)/profit before tax	(1,810)	1,592	NM
Income tax expense	67	(520)	NM
Net (loss)/profit for the period	(1,743)	1,072	NM
Attributable to :			
Owners of the parent	(1,233)	1,006	NM
Non-controlling interests	(510)	66	NM
	(1,743)	1,072	NM



Results For The Financial Period Ended 31 March 2012

Unaudited Financial Statements and Dividend Announcement

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year.

(Loss)/profit before tax is stated after crediting/(charging):

Interest income
Interest on borrowings
Depreciation of property, plant and equipment
Amortisation of intangible assets
Gain on disposal of property, plant and equipment
Net write back/(provision) for doubtful debts
Net provision for stock obsolescence
Foreign currency exchange loss

Group		
First Quarter Ended		
S\$'000		%
31/3/12	31/3/11	Change
425	43	888%
(728)	(836)	(13%)
(1,479)	(1,821)	(19%)
(257)	(258)	
11	-	NM
72	(56)	NM
(410)	(362)	13%
(156)	(456)	(66%)

1(a)(iii) A statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year

Net (loss)/profit for the period

Other comprehensive income:-
Foreign currency translation adjustment
Other comprehensive income, net of tax

Total comprehensive income for the period

Total comprehensive income attributable to :-
Owners of the parent
Non-controlling interests

Group		
First Quarter Ended		
S\$'000		%
31/3/12	31/3/11	Change
(1,743)	1,072	NM
(1,759)	(1,416)	24%
(1,759)	(1,416)	24%
(3,502)	(344)	918%
(2,497)	(55)	NM
(1,005)	(289)	248%
(3,502)	(344)	918%



Results For The Financial Period Ended 31 March 2012
Unaudited Financial Statements and Dividend Announcement

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	
	31/3/12	31/12/11	31/3/12	31/12/11
Non-current Assets				
Intangible assets	11,167	10,530	88	88
Property, plant and equipment	26,882	28,119	31	34
Investments in subsidiaries	-	-	56,316	56,316
Investments in associates	-	-	5,170	5,170
Investment securities	5,343	1,371	4,417	417
Deferred tax assets	437	511	-	-
	43,829	40,531	66,022	62,025
Current Assets				
Inventories	56,090	53,745	-	-
Other receivables and prepayments	8,916	5,567	4,379	1,550
Amounts due from subsidiaries	-	-	4,027	3,302
Amounts due from associates	23,789	27,843	22,819	26,671
Trade receivables	89,579	99,016	-	-
Cash and cash equivalents	36,884	41,769	765	2,405
Restricted cash	1,787	1,841	-	-
	217,045	229,781	31,990	33,928
Total Assets	260,874	270,312	98,012	95,953
Equity Attributable to Owners of the Parent				
Share capital	127,359	127,359	127,359	127,359
Treasury shares	(4,772)	(4,772)	(4,772)	(4,772)
Accumulated losses	(13,172)	(13,354)	(64,777)	(67,880)
Foreign currency translation reserve	(8,568)	(7,304)	-	-
Share options reserve	-	1,415	-	1,415
Capital reserve	(7,503)	(7,503)	(2,960)	(2,960)
	93,344	95,841	54,850	53,162
Non-controlling interests	20,869	21,874	-	-
Total Equity	114,213	117,715	54,850	53,162
Non-current Liabilities				
Deferred tax liabilities	780	866	-	-
Lease creditors	1,223	1,463	-	-
Long term payables	1,625	613	-	-
Amounts due to financial institutions	255	394	-	-
	3,883	3,336	-	-
Current Liabilities				
Provision	521	558	-	-
Income tax payable	2,095	1,002	512	390
Amounts due to financial institutions	70,492	81,259	7,000	8,000
Payables and accruals	69,670	66,442	1,659	2,438
Amounts due to subsidiaries	-	-	33,991	31,963
	142,778	149,261	43,162	42,791
Total Liabilities	146,661	152,597	43,162	42,791
Total Equity and liabilities	260,874	270,312	98,012	95,953



Results For The Financial Period Ended 31 March 2012 Unaudited Financial Statements and Dividend Announcement

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

Amount repayable in one year or less, or on demand

31/3/12		31/12/11	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
52	70,440	181	81,078

Amount repayable after one year

31/3/12		31/12/11	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
71	184	84	310

Details of any collateral

Bank term loans with aggregate amount of \$123,000 (31/12/11: \$265,000) of subsidiaries are secured on the land and buildings of the subsidiaries.



Results For The Financial Period Ended 31 March 2012
Unaudited Financial Statements and Dividend Announcement

1(c) A cash flow statement for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group	
	31/3/12 S\$'000	31/3/11 S\$'000
Cashflow from operating activities		
(Loss)/profit before income tax	(1,810)	1,592
Adjustment for:-		
Depreciation of property, plant and equipment	1,479	1,821
Amortisation of intangible assets	257	258
Gain on disposal of property, plant and equipment	(11)	-
Provision for impairment in property, plant and equipemnt	2	-
(Gain)/loss on revaluation of derivative financial assets	(619)	172
Interest income	(425)	(43)
Interest expense	728	836
Currency realignment	(1,779)	(1,191)
Operating cash flows before reinvestment in working capital	(2,178)	3,445
Decrease in receivables	8,605	7,625
Increase in inventories	(2,361)	(7,158)
Increase in payables	3,936	4,363
Increase in provisions	(37)	(60)
Changes in amounts due from/to related companies	396	1,115
Cash generated from operations	8,361	9,330
Interest paid	(728)	(836)
Interest received	83	32
Income tax paid	(121)	(456)
Income tax refund	1,255	18
Cash generated from operating activities	8,850	8,088
Cashflow from investing activities		
Proceeds from disposals of property, plant and equipment	12	2
Purchase of property, plant and equipment	(925)	(629)
Project development expenditure	(138)	(36)
Advance paid for Company's subscription to an associate's rights issue	(2,495)	-
Net cash used in investing activities	(3,546)	(663)
Cashflow from financing activities		
Payment of lease creditors	(254)	(427)
Repayment of bank borrowings	(9,022)	(13,449)
Net cash used in financing activities	(9,276)	(13,876)
Net decrease in cash and cash equivalents	(3,972)	(6,451)
Cash and cash equivalents at 1 January	41,769	52,924
Effect of exchange rate changes on cash and cash equivalents	(913)	(998)
Cash and cash equivalents at 31 March	36,884	45,475



Results For The Financial Period Ended 31 March 2012
Unaudited Financial Statements and Dividend Announcement

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 First Quarter Ended 31 Mar 2012											
Balance as at 1 Jan'12	127,359	(4,772)	1,415	-	(7,503)	(7,304)	-	(13,354)	95,841	21,874	117,715
Total comprehensive income for the period	-	-	-	-	-	(1,264)	-	(1,233)	(2,497)	(1,005)	(3,502)
<u>Contribution by and distribution to owners</u>											
Expiry of employees share options	-	-	(1,415)	-	-	-	-	1,415	-	-	-
Balance as at 31 Mar'12	127,359	(4,772)	-	-	(7,503)	(8,568)	-	(13,172)	93,344	20,869	114,213
For The First Quarter Ended 31 Mar 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	-	-	-	-	-	(1,061)	-	1,006	(55)	(289)	(344)
<u>Contributions by and distributions to owners</u>											
Reissue of treasury shares	-	711	-	-	(458)	-	-	-	253	-	253
Balance as at 31 Mar'11	127,359	(5,891)	1,415	-	(6,831)	(8,321)	-	(10,936)	96,795	21,300	118,095

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 First Quarter Ended 31 Mar 2012							
Balance as at 1 Jan'12	127,359	(4,772)	1,415	-	(2,960)	(67,880)	53,162
Total comprehensive income for the period	-	-	-	-	-	1,688	1,688
<u>Contributions by and distributions to owners</u>							
Expiry of employees share options	-	-	(1,415)	-	-	1,415	-
Balance as at 31 Mar'12	127,359	(4,772)	-	-	(2,960)	(64,777)	54,850
For The First Quarter Ended 31 Mar 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	-	-	-	-	-	(95)	(95)
<u>Contributions by and distributions to owners</u>							
Reissue of treasury shares	-	711	-	-	(458)	-	253
Balance as at 31 Mar'11	127,359	(5,891)	1,415	-	(2,265)	(62,460)	58,158



Results For The Financial Period Ended 31 March 2012 Unaudited Financial Statements and Dividend Announcement

- 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.

No ordinary shares were issued during the period.

Convertible securities	Number of ordinary shares under options	
	as at	as at
	31/3/12	31/3/11
Employees share options	4,624,000	20,872,000
Options granted to a financial institution (excluding treasury shares)	-	53,000,086
	4,624,000	73,872,086

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	
	31/3/12	31/12/11
Total number of issued shares	572,844,427	572,844,427
Less : Treasury shares	(27,234,855)	(27,234,855)
Total number of issued shares (excluding treasury shares)	545,609,572	545,609,572

- 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

Other than the adoption of the amended Financial Reporting Standards (FRS) that are effective from the current financial year, the accounting policies and methods of computation applied by the Group in the financial statements for the period ended 31 March 2012, are consistent with those of the audited financial statement as at 31 December 2011.



Results For The Financial Period Ended 31 March 2012 Unaudited Financial Statements and Dividend Announcement

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

The adoption of the amended FRS is assessed to have no material impact to the financial position or financial performance of the Group.

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	
	First Quarter Ended	
	31/3/12	31/3/11
(Loss)/earning per share after deducting any provision for preference dividends:-		
a) Based on weighted average number of ordinary shares in issue	(0.23) cents	0.19 cents
Weighted average number of shares	545,609,572	537,238,302
b) On a fully diluted basis	(0.23) cents	0.18 cents
Adjusted weighted average number of shares	545,609,572	552,196,702

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	
	31/3/12	31/12/11	31/3/12	31/12/11
Net assets value per ordinary share	17.11 cts	17.57 cts	10.05 cts	9.74 cts
Number of ordinary shares at end of financial period	545,609,572	545,609,572	545,609,572	545,609,572

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



Results For The Financial Period Ended 31 March 2012

Unaudited Financial Statements and Dividend Announcement

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>1Q2012</u>	<u>1Q2011</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Backend Equipment Solutions & Technologies ("BEST")	19,073	23,093
Distribution & Services	74,523	74,711
	<u>93,596</u>	<u>97,804</u>

INCOME STATEMENT

Revenue

In 1Q2012, the Group reported a 4.3% or \$4.2 million decline in revenue from \$97.8 million (1Q2011) to \$93.6 million (1Q2012).

Backend Equipment Solutions & Technologies ("BEST") business, which accounted for 20.4% of the Group's revenue, recorded a 17.4% decline from \$23.1 million (1Q2011) to \$19.1 million (1Q2012) due mainly to the prevailing slow demand in the global semiconductor industry. The Distribution & Services business remained comparable to the prior year.

Gross Profit

Gross profit margin for the Group fell to 12% in 1Q2012 compared 17% in 1Q2011, mainly due to a change in product mix in the distribution business and the lower sales revenue contributed by the BEST business, which generally commands higher gross profit margin.

Operating Expenses

Marketing & distribution, research & development and general administrative expenses decreased 9% from \$13.7 million (1Q2011) to \$12.5 million (1Q2012) in line with the lower business activities of the BEST business.

Financing costs were lower by 49.8% declining from \$1.0 million (1Q2011) to \$0.5 million (1Q2012) due to the interest income from an associate.

The Group reported a foreign exchange loss of \$0.2 million in 1Q2012, compared to the loss of \$0.5 million reported in 1Q2011.

Net Earnings

The Group reported an operating loss of \$1.3 million and a net loss attributable to shareholders of \$1.2 million for 1Q2012, compared to operating profit of \$2.6 million and net profit of \$1.0 million in 1Q2011. This is due mainly to the lower revenue and gross profit margin in 1Q2012.



Results For The Financial Period Ended 31 March 2012

Unaudited Financial Statements and Dividend Announcement

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

BALANCE SHEET

As at 31 March 2012, total assets stood at \$260.9 million comprising \$43.8 million from non-current asset and \$217.1 million from current assets. Total liabilities stood at \$146.7 million comprising current liabilities of \$142.8 million and non-current liabilities of \$3.9 million. Shareholders' equity including minority interests stood at \$114.2 million.

The following are highlights of the Group's balance sheet as at 31 March 2012.

Intangible assets

Intangible assets increased \$0.6 million from \$10.5 million to \$11.1 million mainly due to the increase in intellectual property acquired, which was offset by the amortisation of the intangible assets during the period.

Property, plant and equipment

Property, plant and equipment decreased \$1.2 million from \$28.1 million to \$26.9 million mainly due to depreciation of property, plant and equipment during the quarter.

Investment securities

Investment securities increased \$4.0 million mainly due to the acquisition of unquoted equity shares in the capital of APS Investment Pte Ltd ("APSI Acquisition") from an associate – Advanced Systems Automation Limited ("ASA").

Inventories

Inventory balance increased from \$53.7 million to \$56.1 million in anticipation of customers' demand for its BEST business.

Other receivables and prepayments

Other receivables and prepayments increased \$3.3 million from \$5.6 million to \$8.9 million. Included in the other receivables and prepayments was an advance of \$2.5 million paid to ASA as confirmation that the Company has the necessary financial resources to make cash payment for the subscription of its entitlement in the rights issue undertaken by ASA. (For more information on the ASA's rights issue, please refer to the circular that was despatched to the shareholders on 13 January 2012).

Trade receivables

Compared to 31 December 2011, trade receivables' balance decreased from \$99.0 million to \$89.6 million, mainly due to the lower revenue in the current quarter.

Amounts due from associates

Amounts due from associates decreased S\$4.1 million from \$27.8 million to S\$23.8 million due mainly to the S\$4.0 million consideration paid by the Company for the APSI Acquisition.

Amounts due to financial institutions

Amounts due to financial institutions decreased \$10.9 million from \$81.7 million to \$70.7 million, due mainly to the repayment of bank borrowings and lower utilization of trade financing.

Payables and accruals

Payables and accruals increased \$3.2 million from \$66.4 million to \$69.7 million, which was in line with the increase in inventories.

Long term payables

Long term payables increased \$1.0 million from \$0.6 million to \$1.6 million, mainly due to the Group's purchase of intangible assets.

Share option reserves

Share option reserves decreased from \$1.4 million to \$nil upon the expiry of certain employees share.

CASHFLOW STATEMENT

The Group generated \$8.4 million from its operations, utilised \$0.6 million for the payments of interest and received a net tax refund of S\$1.1 million. An amount of \$0.9 million was utilised for the purchase of property, plant and equipment and a net amount of \$9.3 million was used to repay financial institutions. In addition, the Group made an advancement of \$2.5 million for the purpose of subscription of its entitlement under a rights issue of ASA. As a result, cash and cash equivalents decreased to \$36.9 million (31 March 2012) from \$41.8 million (31 December 2011).



Results For The Financial Period Ended 31 March 2012 Unaudited Financial Statements and Dividend Announcement

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 expects business for both its BEST and Distribution and Services segments to improve in the second quarter. The business visibility for its BEST business has improved but for the Distribution and Services segment, the visibility remains short. The Group remains cautious about its performance in the second quarter of FY2012.

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

- (c) **Date payable**

Not Applicable

- (d) **Books closure date**

Not Applicable

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

Please refer to note 11(a).

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

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)



Results For The Financial Period Ended 31 March 2012 Unaudited Financial Statements and Dividend 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

(Not applicable to quarterly announcement)

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

(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 31 March 2012.

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 31 March 2012 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Woo Kwek Kiong
Company Secretary
12 May 2012