

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF Q2 RESULTS

1(a) An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

1(a)(i) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTERS ENDED 30 JUNE 2009 AND 30 JUNE 2008

	Group 2Q2009	Group 2Q2008	Increase/ (Decrease)	Group HY2009	Group HY2008	Increase/ (Decrease)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Revenue	84,088	115,461	(27.2%)	156,807	240,021	(34.7%)
Cost of sales	(77,601)	(107,105)	(27.5%)	(144,822)	(223,450)	(35.2%)
Gross profit	6,487	8,356	(22.4%)	11,985	16,571	(27.7%)
Other income	66	379	(82.6%)	334	510	(34.5%)
Sales and distribution costs	(4,019)	(5,254)	(23.5%)	(7,605)	(9,779)	(22.2%)
General and administrative expenses	(2,703)	(3,149)	(14.2%)	(5,494)	(6,075)	(9.6%)
Other expenses	(278)	(1,454)	(80.9%)	(958)	(1,651)	(42.0%)
Interest expense	(98)	(514)	(80.9%)	(234)	(1,027)	(77.2%)
Loss before taxation	(545)	(1,636)	(66.7%)	(1,972)	(1,451)	35.9%
Income tax expense	(224)	(145)	54.5%	(307)	(217)	41.5%
Loss after taxation	(769)	(1,781)	(56.8%)	(2,279)	(1,668)	36.6%
Other comprehensive income / (loss)						
Translation differences relating to financial statements of foreign subsidiaries	1	(2)	N.M	6	2	200.0%
Total comprehensive loss for the quarter / half year	(768)	(1,783)	(56.9%)	(2,273)	(1,666)	36.4%
Loss after taxation attributable to:						
Equity holders of the parent	(769)	(1,781)	(56.8%)	(2,279)	(1,668)	36.6%
	(769)	(1,781)	(56.8%)	(2,279)	(1,668)	36.6%
Total comprehensive loss attributable to:						
Equity holders of the parent	(768)	(1,783)	(56.9%)	(2,273)	(1,666)	36.4%
	(768)	(1,783)	(56.9%)	(2,273)	(1,666)	36.4%

1(a)(ii) NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Notes to the consolidated statement of comprehensive income	2Q2009	2Q2008	HY2009	HY2008
	US\$'000	US\$'000	US\$'000	US\$'000
Interest income	7	58	11	116
Interest on borrowings	(98)	(514)	(234)	(1,027)
Allowance for doubtful trade debts written back	166	50	318	52
Allowance for doubtful trade debts	(5)	(71)	(90)	(71)
Reversal of stocks written down / stocks recovered	374	99	554	185
Stocks written down / off	(816)	(1,658)	(1,760)	(2,116)
Impairment of property, plant and equipment	-	(3)	-	(3)
(Loss) / gain on disposal of property, plant and equipment	(34)	31	13	35
Depreciation of property, plant and equipment	(428)	(256)	(1,000)	(519)
Depreciation on investment property	(16)	(5)	(31)	(11)
Over / (under) provision of tax in respect of prior years	61	(143)	-	(158)
Net foreign exchange (loss) / gain	(5)	75	(33)	165

1(b)(i) Balance sheets (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

BALANCE SHEETS	Group 30/06/2009	Group 31/12/2008	Company 30/06/2009	Company 31/12/2008
	US\$'000	US\$'000	US\$'000	US\$'000
Non-current assets				
Property, plant and equipment	2,269	3,101	-	1
Investment property	1,895	1,926	-	-
Intangible assets	326	326	-	-
Investments in subsidiaries	-	-	13,049	13,049
Current assets				
Trade debtors	47,464	43,590	6	4
Other debtors	1,428	942	52	1
Stocks	28,685	46,251	-	-
Amounts due from subsidiary companies	-	-	17,867	15,229
Tax recoverable	311	311	-	-
Cash and short term deposits	12,705	13,568	2,298	4,876
Total current assets	90,593	104,662	20,223	20,110
Current liabilities				
Trade creditors and accruals	(44,744)	(34,768)	(89)	(90)
Other creditors	(3,918)	(4,945)	(45)	-
Interest-bearing loans and borrowings	(4,866)	(27,703)	-	-
Finance lease obligations	(85)	(86)	-	-
Provision for taxation	(246)	(456)	(13)	(22)
Total current liabilities	(53,859)	(67,958)	(147)	(112)
Net current assets	36,734	36,704	20,076	19,998
Non-current liabilities				
Interest-bearing loans and borrowings	(1,508)	-	-	-
Finance lease obligations	(43)	(86)	-	-
Deferred tax liabilities	(141)	(166)	-	-
Net assets	39,532	41,805	33,125	33,048
Equity attributable to equity holders of the parent				
Share capital	31,429	31,429	31,429	31,429
Reserves	8,103	10,376	1,696	1,619
	39,532	41,805	33,125	33,048

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

Amount repayable in one year or less, or on demand

At 30/06/2009 (US\$'000)		At 31/12/2008 (US\$'000)	
Secured	Unsecured	Secured	Unsecured
85	4,866	86	27,703

Amount repayable after one year

At 30/06/2009 (US\$'000)		At 31/12/2008 (US\$'000)	
Secured	Unsecured	Secured	Unsecured
43	1,508	86	Nil

Details of any collateral

The Group's borrowings as at 30 June 2009 consisted of interest-bearing loans and borrowings, and finance lease obligations. Finance lease obligations were secured over certain motor vehicles owned by the Group.

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 2Q2009	Group 2Q2008	Group HY2009	Group HY2008
	US\$'000	US\$'000	US\$'000	US\$'000
Cash flows from operating activities				
Loss before taxation	(545)	(1,636)	(1,972)	(1,451)
Adjustments for:-				
Interest income	(7)	(58)	(11)	(116)
Interest expense	98	514	234	1,027
Depreciation of property, plant and equipment	428	256	1,000	519
Depreciation of investment property	16	5	31	11
Loss / (gain) on disposal of property, plant and equipment	34	(31)	(13)	(35)
Impairment of property, plant and equipment	-	3	-	3
Operating cash flows before reinvestment in working capital	24	(947)	(731)	(42)
Decrease in stocks	7,309	14,085	17,566	2,551
(Increase) / decrease in debtors	(9,825)	12,430	(4,360)	712
Increase / (decrease) in creditors	3,084	(9,369)	8,949	(2,822)
Cash flows from operations	592	16,199	21,424	399
Interest received	7	58	11	116
Interest paid	(98)	(514)	(234)	(1,027)
Income tax paid	(500)	(143)	(541)	(150)
Net cash flows from / (used in) operating activities	1	15,600	20,660	(662)
Cash flows from investing activities				
Purchase of property, plant and equipment	(153)	(187)	(203)	(346)
Purchase of club membership	-	(72)	-	(103)
Proceeds on disposal of property, plant and equipment	-	224	47	269
Cash flows used in investing activities	(153)	(35)	(156)	(180)
Cash flows from financing activities				
(Decrease) / increase in interest-bearing loans and borrowings	(3,576)	(10,508)	(21,329)	9,333
Decrease in finance lease obligations	(12)	(22)	(44)	(51)
Dividend paid	-	(890)	-	(890)
Net cash flows (used in) / from financing activities	(3,588)	(11,420)	(21,373)	8,392
Net (decrease) / increase in cash and cash equivalents	(3,740)	4,145	(869)	7,550
Cash and cash equivalents at beginning of period	16,444	13,025	13,568	9,616
Effects of exchange rate changes	1	(4)	6	-
Cash and cash equivalents at end of period	12,705	17,166	12,705	17,166

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.

HY2009

The Group	Equity attributable to equity holders of the parent Total	Share capital	Foreign currency translation reserve	Statutory reserve	Revenue reserve
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
At 1 January 2009	41,805	31,429	(936)	25	11,287
Total comprehensive loss for the half year	(2,273)	-	6	-	(2,279)
At 30 June 2009	39,532	31,429	(930)	25	9,008
At 1 January 2008	44,169	31,429	(927)	25	13,642
Total comprehensive loss for the half year	(1,666)	-	2	-	(1,668)
Dividend paid on ordinary shares	(890)	-	-	-	(890)
At 30 June 2008	41,613	31,429	(925)	25	11,084

2Q2009

The Group	Equity attributable to equity holders of the parent Total	Share capital	Foreign currency translation reserve	Statutory reserve	Revenue reserve
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
At 1 April 2009	40,300	31,429	(931)	25	9,777
Total comprehensive loss for the quarter	(768)	-	1	-	(769)
At 30 June 2009	39,532	31,429	(930)	25	9,008
At 1 April 2008	44,286	31,429	(923)	25	13,755
Total comprehensive loss for the quarter	(1,783)	-	(2)	-	(1,781)
Dividend paid on ordinary shares	(890)	-	-	-	(890)
At 30 June 2008	41,613	31,429	(925)	25	11,084

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 (Cont'd)

HY2009

The Company	Equity attributable to equity holders of the parent Total	Share capital	Revenue reserve
	US\$'000	US\$'000	US\$'000
At 1 January 2009	33,048	31,429	1,619
Total comprehensive income for the half year	77	-	77
At 30 June 2009	33,125	31,429	1,696
At 1 January 2008	33,773	31,429	2,344
Total comprehensive income for the half year	147	-	147
Dividend paid on ordinary shares	(890)		(890)
At 30 June 2008	33,030	31,429	1,601

2Q2009

The Company	Equity attributable to equity holders of the parent Total	Share capital	Revenue reserve
	US\$'000	US\$'000	US\$'000
At 1 April 2009	33,077	31,429	1,648
Total comprehensive income for the quarter	48	-	48
At 30 June 2009	33,125	31,429	1,696
At 1 April 2008	33,834	31,429	2,405
Total comprehensive income for the quarter	86	-	86
Dividend paid on ordinary shares	(890)		(890)
At 30 June 2008	33,030	31,429	1,601

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 well as the number of shares held as treasury shares, if any, against the total 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.

The number of shares issued as at 30 June 2009 and 31 December 2008 was 486,022,200.

There were no treasury shares as at 30 June 2009 and 31 December 2008.

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.

	2Q2009	FY2008
Number of issued shares	486,022,200	486,022,200

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

N.A.

2. Whether the figures have been audited or reviewed, in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by our auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

N.A.

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 applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2008, except as disclosed below.

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.

On 1 January 2009, the Group adopted the following new/revised FRS and interpretation of FRS ("INT FRS") which are effective for annual periods on or after 1 January 2009.

The following are the new or amended FRS that are relevant to the Group:-

- (i) FRS 1 (Revised) Presentation of Financial Statements
- (ii) Amendments to FRS 23 Borrowing Costs
- (iii) FRS 108 Operating Segments

The adoption of the above FRS did not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements. However, there is a change in presentation of the Consolidated Statement of Comprehensive income under FRS 1 (Revised). Based on the requirements of the standard, the Group:-

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 (cont'd).

- Separated the presentation of owner and non-owner changes in equity. The Statements of Changes in Equity include only details of transactions with owners, with all non-owner changes in equity presented as a single line as "Total comprehensive income/loss for the quarter/half year".
- Elected to present all items of income and expense, including those accounted for directly in equity, in a single Consolidated Statement of Comprehensive Income.

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.

	Group		Group	
	2Q2009	2Q2008	HY2009	HY2008
Based on weighted average number of ordinary shares (US cents)	(0.16)	(0.37)	(0.47)	(0.34)
On a fully diluted basis (US cents)	N.A.	N.A.	N.A.	N.A.

Earnings per share for 2Q2009 and 2Q2008 have been computed based on the share capital of 486,022,200 shares.

7. Net asset value (for the issuer and Group) per ordinary share based on the total number of issued share excluding treasury shares of the issuer at the end of the:-

- (a) current financial period reported on; and
- (b) immediately preceding financial year.

	Group		Company	
	30/06/2009	31/12/2008	30/06/2009	31/12/2008
Net asset value per ordinary share based on existing issued share capital as at end of period reported on (US cents)	8.13	8.60	6.82	6.80

The Group's and the Company's net asset value per ordinary share have been computed based on the share capital of 486,022,200 ordinary shares.

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.

(a)

Turnover

The Group ended 2Q09 with revenue of US\$84.1 million compared with US\$115.5 million in 2Q08. Revenue for the 6 months ended 30 June 2009 was US\$156.8 million, compared to US\$240.0 million for the same period of 2008. The decline in revenue for the cumulative 6 months period compared to 1H08 was a result of an increasingly challenging business environment from the global economic slowdown.

Gross profit

Gross profit stood at US\$6.5 million in 2Q09, a decrease of 22.4% from US\$8.4 million in 2Q08. Gross profit for the 6 months was US\$12.0 million, a decrease of 27.7% from US\$16.6 million in 1H08. Despite this, gross margin improved from 7.2% in 2Q08 to 7.7% in 2Q09 due mainly to higher margin from design-in business.

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 (cont'd):-

- (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.**

Expenses

Total operating expenses – comprising sales and distribution costs, general and administrative expenses, other expenses and interest expense – stood at US\$7.1 million in 2Q09, a decline from US\$10.4 million in 2Q08. The decrease is a result of the Group's continued focus on cost containment measures and streamlining of its business. The Group was also able to lower its finance and banking charges due to better management of its working capital.

Profitability

The Group's net loss after tax in 2Q09 decreased by US\$1.0 million or 56.8% from US\$1.8 million in 2Q08 to US\$0.8 million in 2Q09 mainly to lower stocks written down/off. The Group recorded a net loss after tax of US\$2.3 million in 1H09 as compared with a net loss after tax of US\$1.7 million in 1H08.

(b)

Balance sheet

On the Group's balance sheet, stock balance was reduced to US\$28.7 million in 2Q09 from US\$46.3 million in 4Q08 as a result of ongoing focus on rationalising and managing inventory. Trade debtors' balance increased to US\$47.5 million in 2Q09 from US\$43.6 million in 4Q08 due to higher revenue.

The Group reduced its short-term interest bearing loans and borrowings by US\$22.8 million from US\$27.7 million in 4Q08 to US\$4.9 million in 2Q09. Trade creditors' balance increased to US\$44.7 million in 2Q09 from US\$34.8 million in 4Q08.

Correspondingly, cash flow from operating activities in 2Q09 declined by US\$15.6 million as compared with 2Q08, due to higher trade debtors' balances. As a result, cash and cash equivalents of the Group was reduced to US\$12.7 million in 2Q09, a decrease of US\$4.5 million from US\$17.2 million in 2Q08.

The Group reported net cash position of US\$6.2 million in 2Q09 compared with net borrowing position of US\$14.3 million in 4Q08 due to improved cash flow management and working capital control.

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

N.A.

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 continuous impact of the global economic downturn, the impact of the H1N1 flu on the world economy and the challenging cyclical balance of supply versus demand within the electronics industry will continue to affect the business environment that the Group operates in. The Group will continue to focus on cost savings and containment measures, tighten credit control on customers, inventory rationalisation, streamlining its businesses and strengthening its cash reserves through prudent working capital management.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? **No.**

11. Dividend (cont'd)

(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/ recommended, a statement to that effect.

No dividend has been declared for 2Q2009.

13. Confirmation by the Board pursuant to Rule 705(4) of the Listing Manual

The Board of Directors of the Company hereby confirm to the best of their knowledge that nothing has come to their attention which may render the financial statements for the second quarter ended 30 June 2009 to be false or misleading.

BY ORDER OF THE BOARD

Wong Yoen Har
Company Secretary
5 August 2009