

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 2010 AND 30 JUNE 2009

	Group 2Q2010	Group 2Q2009	Increase/ (Decrease)	Group HY2010	Group HY2009	Increase/ (Decrease)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Revenue	121,271	84,088	44.2%	234,084	156,807	49.3%
Cost of sales	(112,338)	(77,601)	44.8%	(217,645)	(144,822)	50.3%
Gross profit	8,933	6,487	37.7%	16,439	11,985	37.2%
Other income	48	66	(27.3%)	245	334	(26.6%)
Sales and distribution costs	(4,732)	(4,019)	17.7%	(8,893)	(7,605)	16.9%
General and administrative expenses	(2,797)	(2,703)	3.5%	(5,540)	(5,494)	0.8%
Other expenses	(481)	(278)	73.0%	(549)	(958)	(42.7%)
Interest expense	(188)	(98)	91.8%	(357)	(234)	52.6%
Profit/(loss) before taxation	783	(545)	N.M	1,345	(1,972)	N.M
Income tax expense	(365)	(224)	62.9%	(589)	(307)	91.9%
Profit/(loss) after taxation	418	(769)	N.M	756	(2,279)	N.M
Other comprehensive income						
Translation differences relating to foreign subsidiaries	-	1	N.M	3	6	(50.0%)
Gain on re-measurement of available-for-sale financial assets	181	-	N.M	519	-	N.M
Other comprehensive income for the quarter/half year	181	1	N.M	522	6	N.M
Total comprehensive income/(loss) for the quarter/half year	599	(768)	N.M	1,278	(2,273)	N.M

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

1(a)(i) **CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTERS ENDED 30 JUNE 2010 AND 30 JUNE 2009**

	Group 2Q2010	Group 2Q2009	Increase/ (Decrease)	Group HY2010	Group HY2009	Increase/ (Decrease)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Profit/(loss) after taxation attributable to:-						
Equity holders of the Company	418	(769)	N.M	756	(2,279)	N.M
	418	(769)	N.M	756	(2,279)	N.M
Total comprehensive income/(loss) attributable to:-						
Equity holders of the Company	599	(768)	N.M	1,278	(2,273)	N.M
	599	(768)	N.M	1,278	(2,273)	N.M

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

Notes to the consolidated statement of comprehensive income	2Q2010	2Q2009	HY2010	HY2009
	US\$'000	US\$'000	US\$'000	US\$'000
Interest income	5	7	10	11
Interest on borrowings	(188)	(98)	(357)	(234)
Allowance for doubtful trade debts written back	14	166	21	318
Allowance for doubtful trade debts	(5)	(5)	(30)	(90)
Reversal of stocks written down/stocks recovered	240	374	604	554
Stocks written down/off	(706)	(816)	(1,021)	(1,760)
Gain/(loss) on disposal of property, plant and equipment	40	(34)	-	13
Depreciation of property, plant and equipment	(187)	(428)	(382)	(1,000)
Depreciation on investment property	-	(16)	-	(31)
(Under)/overprovision of tax in respect of prior years	(5)	61	3	-
Net foreign exchange loss	(66)	(5)	(26)	(33)

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 30/06/2010	Group 31/12/2009	Company 30/06/2010	Company 31/12/2009
	US\$'000	US\$'000	US\$'000	US\$'000
Non-current assets				
Property, plant and equipment	3,738	3,940	-	-
Intangible assets	326	326	-	-
Investments in subsidiaries	-	-	13,049	13,049
Investment securities	1,793	1,273	1,793	1,273
Deferred tax assets	54	54	-	-
Current assets				
Trade debtors	60,342	55,489	4	3
Other debtors	1,000	1,736	62	7
Stocks	44,755	36,123	-	-
Amounts due from subsidiary companies	-	-	16,478	17,342
Tax recoverable	15	15	-	-
Cash and short term deposits	15,634	19,605	3,683	2,942
Total current assets	121,746	112,968	20,227	20,294
Current liabilities				
Trade creditors and accruals	(53,507)	(50,435)	(80)	(110)
Other creditors	(4,798)	(6,132)	(33)	(12)
Interest-bearing loans and borrowings	(22,873)	(16,487)	-	-
Finance lease obligations	(41)	(72)	-	-
Provision for taxation	(1,102)	(601)	(11)	(16)
Total current liabilities	(82,321)	(73,727)	(124)	(138)
Net current assets	39,425	39,241	20,103	20,156
Non-current liabilities				
Interest-bearing loans and borrowings	(2,911)	(3,498)	-	-
Finance lease obligations	-	(20)	-	-
Net assets	42,425	41,316	34,945	34,478
Equity attributable to equity holders of the Company				
Share capital	32,294	32,294	32,294	32,294
Treasury shares	(188)	(19)	(188)	(19)
Reserves	10,319	9,041	2,839	2,203
	42,425	41,316	34,945	34,478

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

Amount repayable in one year or less, or on demand

At 30/06/2010 (US\$'000)		At 31/12/2009 (US\$'000)	
Secured	Unsecured	Secured	Unsecured
41	22,873	72	16,487

Amount repayable after one year

At 30/06/2010 (US\$'000)		At 31/12/2009 (US\$'000)	
Secured	Unsecured	Secured	Unsecured
-	2,911	20	3,498

Details of any collateral

The Group's borrowings as at 30 June 2010 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 2Q2010	Group 2Q2009	Group HY2010	Group HY2009
	US\$'000	US\$'000	US\$'000	US\$'000
Cash flows from operating activities				
Profit/(loss) before taxation	783	(545)	1,345	(1,972)
Adjustments for:-				
Interest income	(5)	(7)	(10)	(11)
Interest expense	188	98	357	234
Depreciation of property, plant and equipment	187	428	382	1,000
Depreciation of investment property	-	16	-	31
Loss/(gain) on disposal of property, plant and equipment	(40)	34	-	(13)
Fixed assets written off	44	-	47	-
Operating cash flows before reinvestment in working capital	1,157	24	2,121	(731)
(Increase)/decrease in stocks	(4,457)	7,309	(8,632)	17,566
(Increase)/decrease in debtors	(337)	(9,825)	(4,117)	(4,360)
(Decrease)/increase in creditors	(4,787)	3,084	1,738	8,949
Cash flows (used in)/from operations	(8,424)	592	(8,890)	21,424
Interest received	5	7	10	11
Interest paid	(188)	(98)	(357)	(234)
Income tax paid	(53)	(500)	(89)	(541)
Net cash flows (used in)/from operating activities	(8,660)	1	(9,326)	20,660
Cash flows from investing activities				
Purchase of property, plant and equipment	(183)	(153)	(268)	(203)
Proceeds on disposal of property, plant and equipment	40	-	41	47
Cash flows used in investing activities	(143)	(153)	(227)	(156)
Cash flows from financing activities				
Increase/(decrease) in interest-bearing loans and borrowings	4,861	(3,576)	5,799	(21,329)
Decrease in finance lease obligations	(21)	(12)	(51)	(44)
Purchase of treasury shares	(119)	-	(169)	-
Net cash flows from/(used in) financing activities	4,721	(3,588)	5,579	(21,373)
Net decrease in cash and cash equivalents	(4,082)	(3,740)	(3,974)	(869)
Cash and cash equivalents at beginning of period	19,716	16,444	19,605	13,568
Effects of exchange rate changes	-	1	3	6
Cash and cash equivalents at end of period	15,634	12,705	15,634	12,705

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.

HY2010

The Group	Equity attributable to equity holders of the Company Total	Share capital	Treasury shares	Foreign currency translation reserve	Fair value reserve	Statutory reserve	Revenue reserve
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
At 1 January 2010	41,316	32,294	(19)	(941)	433	25	9,524
Total comprehensive income for the half year	1,278	-	-	3	519	-	756
Acquisition of treasury shares	(169)	-	(169)	-	-	-	-
At 30 June 2010	42,425	32,294	(188)	(938)	952	25	10,280
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

2Q2010

The Group	Equity attributable to equity holders of the Company Total	Share capital	Treasury shares	Foreign currency translation reserve	Fair value reserve	Statutory reserve	Revenue reserve
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
At 1 April 2010	41,945	32,294	(69)	(938)	771	25	9,862
Total comprehensive income for the quarter	599	-	-	-	181	-	418
Acquisition of treasury shares	(119)	-	(119)	-	-	-	-
At 30 June 2010	42,425	32,294	(188)	(938)	952	25	10,280
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

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)

HY2010

The Company	Equity attributable to equity holders of the Company Total	Share capital	Treasury shares	Fair value reserve	Revenue reserve
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
At 1 January 2010	34,478	32,294	(19)	433	1,770
Total comprehensive income for the half year	636	-	-	519	117
Acquisition of treasury shares	(169)	-	(169)	-	-
At 30 June 2010	34,945	32,294	(188)	952	1,887
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

2Q2010

The Company	Equity attributable to equity holders of the Company Total	Share capital	Treasury shares	Fair value reserve	Revenue reserve
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
At 1 April 2010	34,826	32,294	(69)	771	1,830
Total comprehensive income for the quarter	238	-	-	181	57
Acquisition of treasury shares	(119)	-	(119)	-	-
At 30 June 2010	34,945	32,294	(188)	952	1,887
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

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.

During the second quarter ended 30 June 2010, the Company has purchased a total of 3,097,000 of its ordinary shares (30 June 2009: Nil), pursuant to the Share Buyback Mandate renewed at the Annual General Meeting on 7 April 2010. The shares were purchased by way of open market acquisitions at a price ranging from S\$0.050 to S\$0.055 per share and the total consideration paid was US\$119,000 (net of transaction costs).

During the first quarter ended 31 March 2010, the Company has purchased a total of 1,423,000 of its ordinary shares (31 March 2009: Nil) at a price of S\$0.05 per share and the total consideration paid was US\$50,000 (net of transaction costs).

The shares purchased were made out of the company's capital and 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.

	2Q2010	FY2009
Number of issued shares	510,022,200	510,022,200
Less: Treasury shares	(5,040,000)	(520,000)
Total number of issued shares excluding treasury shares	504,982,200	509,502,200

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.

There were no sales, transfers, disposal, cancellation and/or use of treasury share during the current financial period reported on.

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 2009.

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.

N.A.

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	
	2Q2010	2Q2009	HY2010	HY2009
Based on weighted average number of ordinary shares (US cents)	0.08	(0.16)	0.15	(0.47)
On a fully diluted basis (US cents)	N.A.	N.A.	N.A.	N.A.

Earnings per share excluding treasury shares for 2Q2010 computed based on weighted average number of ordinary shares of 506,749,057 (2Q2009: 486,022,200) and HY2010 computed based on weighted average number of ordinary shares of 507,907,686 (HY2009: 486,022,200), excluding treasury 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	
	30/06/2010	31/12/2009	30/06/2010	31/12/2009
Net asset value per ordinary share based on existing issued share capital as at end of period reported on (US cents)	8.40	8.11	6.92	6.77

The Group's and the Company's net asset value per ordinary share have been computed based on the share capital of 504,982,200 ordinary shares, excluding treasury shares (31 December 2009: 509,502,200).

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.

Income Statement

Following a stronger first quarter, the Group's sustained its business momentum and turned in stronger performance in the second quarter compared to the same quarter last year.

Revenue for the quarter rose by 44.2% from US\$84.1 million in 2Q FY2009 to US\$121.3 million. Gross profit rose by 37.7% from US\$6.5 million in 2Q FY2009 to US\$8.9 million.

Corresponding to the higher business volume this quarter, operating expenses rose from US\$7.1 million in 2Q FY2009 to US\$8.2 million, representing an increase of 15.5%.

At the close of 2Q FY2010, the Group turned in a net profit after tax of US\$0.4 million compared to the net loss of US\$0.8 million in the same quarter last year. Including the gain on re-measurement of available for sale financial assets, which amounted to US\$0.2 million, the Group's comprehensive income improved from a loss of US\$0.8 million in 2Q FY2009 to US\$0.6 million this quarter.

On a six-monthly basis, the Group's revenue rose by 49.3% and net profit after tax amounted US\$0.8 million compared to the net loss of US\$2.3 million in the same period last year. Taking into consideration the US\$0.5 million gain on re-measurement of available-for-sale financial assets, total comprehensive income amounted to US\$1.3 million compared to the total comprehensive loss of US\$2.3 million in the same period last year.

Balance Sheet

Net assets rose from US\$41.3 million as at 31 December 2009 to US\$42.4 million as at 30 June 2010 due to:

- Increase in trade debtors' balance, which rose from US\$55.5 million as at 31 December 2009 to US\$60.3 million as at 30 June 2010 and higher stock balance, which rose from US\$36.1 million as at 31 December 2009 to US\$44.7 million as at 30 June 2010 due to higher business activities.
- US\$4.0 million decrease in cash and short term deposits due to the deployment of cash to fund working capital requirements.
- US\$3.1 million increase in trade creditors and accruals due to increase in inventory and higher business activities during the quarter.
- Reduction in other creditors from US\$6.1 million as at 31 December 2009 to US\$4.8 million as at 30 June 2010, which comprises mainly deposits from customers, as they took delivery of their purchases.
- US\$6.4 million increase in interest-bearing loans and borrowings due to higher working capital requirements arising from increases in trade debtors and inventory balances during the quarter.
- Increase in provision for taxation, which rose from US\$0.6 million as at 31 December 2009 to US\$1.1 million as at 30 June 2010.
- US\$0.6 million reduction in non-current interest bearing loans and borrowings, which are 5-year government-backed interest bearing loans where there are regular repayments of principal and interest.

Shareholders' Equity

Shareholders' Equity rose from US\$41.3 million as at 31 December 2009 to US\$42.4 million as at 30 June 2010 due to the net profit contribution of US\$1.3 million in the first six months of FY2010 and net of the treasury shares of US\$0.2 million.

Working Capital

Higher business activities this quarter, higher inventory balance due to stocking needs and the reduction in creditors' balance resulted in a net cash outflow from operating activities of US\$8.4 million.

Cash and cash equivalents at the close of 2Q FY2010 amounted to US\$15.6 million, an improvement from the US\$12.7 million reported in the same quarter last year. This is due to quicker collection reflected by the narrowing of account receivables turnover from an average of 52 days as at 30 June 2009 to 45 days as at 30 June 2010.

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.

For the next six months, while the market outlook for the electronic industry remains positive, the Group will continue to exercise caution in its business management.

On the R&D front, the team has developed new product solutions for the electronic and healthcare industries. When launched they will pave the way for the Group to enter into new market segments.

11. Dividend

(a) Current Financial Period Reported On

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

(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 2Q2010.

13. Confirmation by the Board pursuant to Rule 705(5) 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 2010 to be false or misleading.

BY ORDER OF THE BOARD

Wong Yoen Har
Company Secretary
3 August 2010