

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF Q3 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) **STATEMENT OF PROFIT AND LOSS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2006 AND 30 SEPTEMBER 2005**

	Group 3Q2006	Group 3Q2005	Increase/ (Decrease)	Group YTD Sep 2006	Group YTD Sep 2005	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
		(re-stated)			(re-stated)	
Revenue	182,801	198,752	-8.0%	542,431	545,440	-0.6%
Cost of goods sold	(169,401)	(184,263)	-8.1%	(501,238)	(504,771)	-0.7%
<b>Gross profit</b>	<b>13,400</b>	<b>14,489</b>	<b>-7.5%</b>	<b>41,193</b>	<b>40,669</b>	<b>1.3%</b>
Other income	286	374	-23.5%	1,155	1,060	9.0%
Sales and distribution costs	(5,808)	(5,256)	10.5%	(18,351)	(16,281)	12.7%
General and administrative expenses	(4,469)	(4,895)	-8.7%	(14,926)	(14,967)	-0.3%
Other expenses	(2,068)	(3,523)	-41.3%	(2,429)	(6,189)	-60.8%
Finance costs	(582)	(679)	-14.3%	(1,444)	(2,063)	-30.0%
<b>Profit before taxation</b>	<b>759</b>	<b>510</b>	<b>48.8%</b>	<b>5,198</b>	<b>2,229</b>	<b>133.2%</b>
Taxation	(393)	(209)	88.0%	(1,807)	(1,306)	38.4%
<b>Profit after taxation</b>	<b>366</b>	<b>301</b>	<b>21.6%</b>	<b>3,391</b>	<b>923</b>	<b>267.4%</b>

1(a)(ii) **NOTES TO THE PROFIT AND LOSS STATEMENT**

Notes to the profit and loss account	3Q2006	3Q2005	YTD Sep 2006	YTD Sep 2005
	S\$'000	S\$'000	S\$'000	S\$'000
		(re-stated)		(re-stated)
Write back of allowance for doubtful trade debts	238	63	355	192
Write back of allowance for stock obsolescence	615	61	2,047	410
Interest on borrowings	(582)	(679)	(1,444)	(2,063)
Allowance for doubtful trade debts	(1,507)	(1,811)	(2,457)	(4,189)
Doubtful trade debts written off	-	-	(10)	(1)
Allowance for stock obsolescence	(1,324)	(1,967)	(2,376)	(2,353)
Loss on disposal of property, plant and equipment	(275)	(38)	(283)	-
Depreciation of property, plant and equipment	(336)	(384)	(1,035)	(1,144)
Gain/(loss) on foreign exchange	153	174	280	(242)
Over/ (under)-provision of tax in respect of prior years	47	-	(37)	18

**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.**

<b>BALANCE SHEETS</b>	<b>Group 30/09/2006</b>	<b>Group 31/12/2005</b>	<b>Company 30/09/2006</b>	<b>Company 31/12/2005</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Non-current assets</b>				
Property, plant and equipment	6,971	7,117	9	12
Intangible assets	354	371	-	-
Investments in subsidiaries	-	-	20,709	21,701
<b>Current assets</b>				
Trade debtors	105,511	115,022	5	-
Other debtors	2,494	1,812	2	9
Stocks	65,214	46,979	-	-
Amounts due from subsidiaries	-	-	29,467	30,196
Cash and short term deposits	16,174	36,331	141	1,809
<b>Total current assets</b>	<b>189,393</b>	<b>200,144</b>	<b>29,615</b>	<b>32,014</b>
<b>Current liabilities</b>				
Trade creditors and accruals	(85,167)	(101,452)	(171)	(132)
Other creditors	(7,159)	(8,897)	-	(11)
Interest-bearing loans and borrowings	(32,208)	(24,348)	-	-
Finance lease obligations	(205)	(283)	-	-
Provision for taxation	(1,377)	(640)	(109)	(46)
<b>Total current liabilities</b>	<b>(126,116)</b>	<b>(135,620)</b>	<b>(280)</b>	<b>(189)</b>
<b>Net current assets</b>	<b>63,277</b>	<b>64,524</b>	<b>29,335</b>	<b>31,825</b>
<b>Non-current liabilities</b>				
Interest-bearing loans and borrowings	-	(292)	-	-
Finance lease obligations	(392)	(357)	-	-
Deferred tax liabilities	(170)	(146)	-	-
<b>Net assets</b>	<b>70,040</b>	<b>71,217</b>	<b>50,053</b>	<b>53,538</b>
<b>Equity attributable to equity holders of the Company</b>				
Share capital	51,356	24,301	51,356	24,301
Share premium	-	27,055	-	27,055
Reserves	18,684	19,861	(1,303)	2,182
	<b>70,040</b>	<b>71,217</b>	<b>50,053</b>	<b>53,538</b>

Note (a) : Under the Companies (Amendment) Act 2005 effective 30 January 2006, the concepts of par value and authorised share capital are abolished and the amount in the share premium account as of 30 January 2006 becomes part of the Company's share capital.

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

**Amount repayable in one year or less, or on demand**

<b>At 30/09/2006 (S\$'000)</b>		<b>At 31/12/2005 (S\$'000)</b>	
Secured	Unsecured	Secured	Unsecured
521	31,892	380	24,251

**Amount repayable after one year**

<b>At 30/09/2006 (S\$'000)</b>		<b>At 31/12/2005 (S\$'000)</b>	
Secured	Unsecured	Secured	Unsecured
392	Nil	649	Nil

**Details of any collateral**

The Group's borrowings as at 30 September 2006 consisted of interest-bearing loans and borrowings, and finance lease obligations. The term loans were secured against the Group's properties together with corporate guarantee from Excelpoint Technology Ltd. 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 3Q2006	Group 3Q2005	Group YTD Sep 2006	Group YTD Sep 2005
	S\$'000	S\$'000	S\$'000	S\$'000
		(re-stated)		(re-stated)
<b>Cash flows from operating activities</b>	<b>759</b>	<b>510</b>	<b>5,198</b>	<b>2,229</b>
Profit before taxation				
Adjustments for:				
Interest income	(171)	(235)	(552)	(370)
Interest expense	581	679	1,443	2,063
Depreciation of property, plant and equipment	336	384	1,035	1,144
Loss on disposal of property, plant and equipment	275	38	283	-
<b>Operating cash flows before reinvestment in working capital</b>	<b>1,780</b>	<b>1,376</b>	<b>7,407</b>	<b>5,066</b>
Decrease/ (increase) in stocks	6,211	14,564	(18,235)	43,504
(Increase)/ decrease in debtors	(5,466)	(2,047)	8,829	(11,262)
(Decrease)/ increase in creditors	(26,119)	(1,488)	(18,023)	(16,798)
<b>Cash flows (used in)/ from operations</b>	<b>(23,594)</b>	<b>12,405</b>	<b>(20,022)</b>	<b>20,510</b>
Interest received	171	235	552	370
Interest paid	(581)	(679)	(1,443)	(2,063)
Income tax paid	(76)	(89)	(998)	(211)
<b>Net cash flows (used in)/ from operating activities</b>	<b>(24,080)</b>	<b>11,872</b>	<b>(21,911)</b>	<b>18,606</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(1,024)	(444)	(1,589)	(954)
Proceeds on disposal of property, plant and equipment	78	1	90	118
<b>Cash flows used in investing activities</b>	<b>(946)</b>	<b>(443)</b>	<b>(1,499)</b>	<b>(836)</b>
<b>Cash flows from financing activities</b>				
Repayment of loans and borrowings	(17)	(175)	(65)	(298)
Decrease/ (increase) in bills payables	15,764	2,011	7,633	(6,015)
Increase/ (decrease) of finance lease obligations	177	(88)	(43)	(292)
Dividend paid	-	-	(1,215)	(1,215)
<b>Net cash flows used in financing activities</b>	<b>15,924</b>	<b>1,748</b>	<b>6,310</b>	<b>(7,820)</b>
Net (decrease)/ increase in cash and cash equivalents	(9,102)	13,177	(17,100)	9,950
Cash and cash equivalents at beginning of period	25,257	20,188	36,331	20,687
Effects of exchange rate changes on opening cash and cash equivalents	19	320	(3,057)	3,048
<b>Cash and cash equivalents at end of period</b>	<b>16,174</b>	<b>33,685</b>	<b>16,174</b>	<b>33,685</b>

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.

**YTD Sep 2006**

<b>The Group</b>	<b>Share capital</b>	<b>Share premium</b>	<b>Foreign currency translation reserve</b>	<b>Capital reserve</b>	<b>Revenue reserve</b>	<b>Equity attributable to equity holders of the Company</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
At 1 January 2006	24,301	27,055	(151)	28	19,984	71,217
Effects of Companies (Amendment) Act 2005 (Note (a))	27,055	(27,055)	-	-	-	-
Net profit for the 9 months	-	-	-	-	3,391	3,391
Foreign currency translation adjustment	-	-	(3,350)	-	-	(3,350)
Dividends	-	-	-	-	(1,215)	(1,215)
<b>At 30 September 2006</b>	<b>51,356</b>	<b>-</b>	<b>(3,501)</b>	<b>28</b>	<b>22,160</b>	<b>70,043</b>
At 1 January 2005 as previously reported	24,301	27,055	(2,330)	20	20,446	69,492
Effects of adopting FRS 21	-	-	(31)	-	(514)	(545)
At 1 January 2005 as re-stated	24,301	27,055	(2,361)	20	19,932	68,947
Net profit for the 9 months as re-stated	-	-	-	-	923	923
Transfer to capital reserve	-	-	-	8	(8)	-
Foreign currency translation adjustment as re-stated	-	-	3,367	-	-	3,367
Dividends	-	-	-	-	(1,215)	(1,215)
<b>At 30 September 2005 as re-stated</b>	<b>24,301</b>	<b>27,055</b>	<b>1,006</b>	<b>28</b>	<b>19,632</b>	<b>72,022</b>

**3Q2006**

<b>The Group</b>	<b>Share capital</b>	<b>Share premium</b>	<b>Foreign currency translation reserve</b>	<b>Capital reserve</b>	<b>Revenue reserve</b>	<b>Equity attributable to equity holders of the Company</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
At 1 July 2006	51,356	-	(3,513)	28	21,794	69,665
Net profit for the quarter	-	-	-	-	366	366
Foreign currency translation adjustment	-	-	12	-	-	12
<b>At 30 September 2006</b>	<b>51,356</b>	<b>-</b>	<b>(3,501)</b>	<b>28</b>	<b>22,160</b>	<b>70,043</b>
At 1 July 2005 as previously reported	24,301	27,055	(776)	28	19,788	70,396
Effects of adopting FRS 21	-	-	1,427	-	(457)	970
At 1 July 2005 as re-stated	24,301	27,055	651	28	19,331	71,366
Net loss for the quarter as re-stated	-	-	-	-	301	301
Foreign currency translation adjustment as re-stated	-	-	355	-	-	355
<b>At 30 September 2005 as re-stated</b>	<b>24,301</b>	<b>27,055</b>	<b>1,006</b>	<b>28</b>	<b>19,632</b>	<b>72,022</b>

**YTD September 2006**

<b>The Company</b>	<b>Share capital</b>	<b>Share premium</b>	<b>Foreign currency translation reserve</b>	<b>Revenue reserve</b>	<b>Equity attributable to equity holders of the Company</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
At 1 January 2006	24,301	27,055	933	1,249	53,538
Effects of Companies (Amendment) Act 2005 (Note (a))	27,055	(27,055)	-	-	-
Net profit for the 9 months	-	-	-	168	168
Foreign currency translation adjustment	-	-	(2,438)	-	(2,438)
Dividends	-	-	-	(1,215)	(1,215)
<b>At 30 September 2006</b>	<b>51,356</b>	<b>-</b>	<b>(1,505)</b>	<b>202</b>	<b>50,053</b>
At 1 January 2005	24,301	27,055	-	1,595	52,951
Net loss for the 9 months as re-stated	-	-	-	(150)	(150)
Foreign currency translation adjustment as re-stated	-	-	1,784	-	1,784
Dividends	-	-	-	(1,215)	(1,215)
<b>At 30 September 2005 as re-stated</b>	<b>24,301</b>	<b>27,055</b>	<b>1,784</b>	<b>230</b>	<b>53,370</b>

**3Q2006**

<b>The Company</b>	<b>Share capital</b>	<b>Share premium</b>	<b>Foreign currency translation reserve</b>	<b>Revenue reserve</b>	<b>Equity attributable to equity holders of the Company</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
At 1 July 2006	51,356	-	(1,505)	131	49,982
Net profit for the quarter	-	-	-	71	71
<b>At 30 September 2006</b>	<b>51,356</b>	<b>-</b>	<b>(1,505)</b>	<b>202</b>	<b>50,053</b>
At 1 July 2005	24,301	27,055	1,587	2	52,945
Net loss for the quarter as re-stated	-	-	-	228	228
Foreign currency translation adjustment as re-stated	-	-	197	-	197
<b>At 30 September 2005 as re-stated</b>	<b>24,301</b>	<b>27,055</b>	<b>1,784</b>	<b>230</b>	<b>53,370</b>

Note (a) : Under the Companies (Amendment) Act 2005 effective 30 January 2006, the concepts of par value and authorised share capital are abolished and the amount in the share premium account as of 30 January 2006 becomes part of the Company's share capital.

**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 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.**

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 2005.

**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 FRS 21 (revised) from 1 January 2005 resulted in the following adjustments in the comparative figures of the consolidated financial statements:-

	Group		Company	
	3Q2005	YTD Sep 2005	3Q2005	YTD Sep 2005
Revenue reserve as at beginning of the period	(457)	(514)	-	-
Foreign currency translation reserve	1,427	(31)	197	1,784

	Group		Company	
	3Q2005	YTD Sep 2005	3Q2005	YTD Sep 2005
Profit as previously reported	108	673	355	976
Effects of adopting FRS 21	193	250	(127)	(1,126)
Profit/ (loss) as re-stated	301	923	228	(150)

**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.**

Earnings per share (EPS)	Group		Group	
	3Q2006	3Q2005	YTD Sep 2006	YTD Sep 2005
Based on weighted average number of ordinary shares (cents)	0.08	0.06	0.70	0.19
On a fully diluted basis (cents)	N.A.	N.A.	N.A.	N.A.

Earnings per share for 3Q2006 and 3Q2005 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 issued share capital of the issuer at the end of the:-**

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

	Group		Company	
	30/09/2006	31/12/2005	30/09/2006	31/12/2005
Net asset value per ordinary share based on existing issued share capital as at end of period reported on (cents)	14.41	14.65	10.30	11.02

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.

The Group reported a turnover of \$182.8 million compared to \$198.8 million in 3Q2005. The lower turnover this quarter is attributable to the weaker GSM demand, lower allocation in some product lines and keen market competition. Nevertheless, its gross margin remained relatively stable at 7.3%, and net profit after tax rose 21.6% to \$0.4 million at the close of 3Q2006 compared to \$0.3 million in the same period last financial year.

Expenses were generally lower with the exception of sales and distribution costs which rose 10.5% from \$5.3 million to \$5.8 million due to the increase in wages and higher marketing activities. Other expenses dipped 41.3% declining from \$3.5 million to \$2.1 million due to lower provisions during the period under review. Write back for doubtful debts and stock obsolescence in 3Q2006 stood at \$0.2 million and \$0.6 million respectively.

Reflecting the lower turnover in 3Q2006, the Group also saw a lower balance in its trade debtors which declined from \$115.0 million to \$105.5 million. Trade debtors' turnover for the quarter averaged approximately 52 days, an improvement over the average turnover of 60 days in 3Q2005. The Group's stock rose 38.8% from \$47.0 million to \$65.2 million and stock turnover was slower declining from 31 days in 3Q2005 to 37 days in 3Q2006 due to slower sales during the quarter. Correspondingly, trade creditors' balance was also lower declining from \$101.5 million to \$85.2 million. Creditors' turnover remained relatively stable at 53 days this quarter compared to 54 days in 3Q2005.

Bank borrowings rose from \$25.3 million to \$32.8 million and interest expenses declined from \$0.7 million to \$0.6 million. The Group's debt equity ratio at the close of 3Q2006 stood at 0.5 times compared to 0.6 times in the same period last year.

A total of \$24.1 million was used in operating activities this quarter and cash and cash equivalents at the end of the period stood at \$16.2 million compared to \$33.7 million in 3Q2005.

**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 business into the final quarter of FY2006 is expected to remain stable. Barring unforeseen circumstances, the Group expects that it will remain profitable for the year.

**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 3Q2006.

**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 third quarter ended 30 September 2006 to be false or misleading.

**BY ORDER OF THE BOARD**

Wong Yoen Har  
Company Secretary  
8 November 2006