

**PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**

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

	Group		
	3 months ended		Fav/ (Unfav)
	31/3/2012	31/3/2011	
	\$'000	\$'000	%
Revenue	16,980	24,642	(31)
Cost of sales	(17,613)	(21,067)	16
Gross (loss) profit	(633)	3,575	NM
Gross margin	-3.7%	14.5%	
Other income (including interest income)	193	146	32
Administrative expenses	(2,840)	(2,418)	(17)
Distribution costs	(672)	(1,079)	38
Other expenses	(376)	(107)	(251)
Finance costs	(450)	(430)	(5)
Loss before income tax	(4,778)	(313)	NM
Income tax expense	-	-	-
Net loss for the period	(4,778)	(313)	NM
Attributable to:			
Equity holders of the parent	(4,544)	(208)	NM
Non-controlling interest	(234)	(105)	(123)
	(4,778)	(313)	
Statement of comprehensive income			
Net loss for the period	(4,778)	(313)	NM
Other comprehensive income:			
Foreign currency translation	(2,007)	(1,449)	(39)
Other comprehensive loss for the period	(2,007)	(1,449)	
Total comprehensive loss for the period	(6,785)	(1,762)	(285)
Total comprehensive loss attributable to:			
Equity holders of the parent	(6,065)	(1,554)	(290)
Non-controlling interest	(720)	(208)	(246)
	(6,785)	(1,762)	(285)

NM: Not meaningful

Net profit for the period as a percentage of revenue

-28.1%

-1.3%

**Loss before income tax is arrived at after charging (crediting) the following:**

Depreciation of property, plant and equipment	3,432	3,697
Amortisation of land use rights	22	22
Foreign exchange loss (gain)	854	(1,634)
Gain on disposal of property, plant and equipment	(3)	(13)
Interest income	(22)	(11)
Interest expense	450	430

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.**

**Balance sheet**

	Group		Company	
	As at 31/3/2012	As at 31/12/2011	As at 31/3/2012	As at 31/12/2011
	\$'000	\$'000	\$'000	\$'000
<b>Current assets</b>				
Cash and bank balances	15,933	17,872	118	201
Pledged bank deposits	542	559	-	-
Trade receivables	22,196	28,626	-	-
Other receivables and prepayments	2,580	2,420	8,216	10,293
Land use rights	91	94	-	-
Inventories	6,652	7,829	-	-
Total current assets	47,994	57,400	8,334	10,494
<b>Non-current assets</b>				
Investment in subsidiaries	-	-	68,477	70,814
Land use rights	4,000	4,160	-	-
Property, plant and equipment	70,403	75,898	729	758
Other receivables	1,232	1,615	-	-
Goodwill	2,226	2,226	-	-
Deferred tax asset	1,373	1,406	-	-
Total non-current assets	79,234	85,305	69,206	71,572
<b>Total assets</b>	<b>127,228</b>	<b>142,705</b>	<b>77,540</b>	<b>82,066</b>
<b>Current liabilities</b>				
Trade payables	17,667	20,182	-	-
Other payables	5,818	8,134	8,436	10,979
Short-term bank loans	10,412	14,898	-	-
Current portion of long-term bank loans	7,778	8,043	59	59
Current portion of finance leases	1,397	1,610	-	-
Due to shareholders	12,808	12,297	12,808	12,297
Total current liabilities	55,880	65,164	21,303	23,335
<b>Non-current liabilities</b>				
Long-term bank loans	3,610	2,781	85	100
Finance leases	1,207	1,444	-	-
Total non-current liabilities	4,817	4,225	85	100
<b>Capital, reserves and non-controlling interests</b>				
Share capital	56,127	56,127	56,127	56,127
Reserves	2,065	8,130	25	2,504
Equity attributable to equity holders of the company	58,192	64,257	56,152	58,631
Non-controlling interest	8,339	9,059	-	-
Total equity	66,531	73,316	56,152	58,631
<b>Total liabilities and equity</b>	<b>127,228</b>	<b>142,705</b>	<b>77,540</b>	<b>82,066</b>

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

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

As at 31/3/2012		As at 31/12/2011	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
19,587	-	24,551	-

**The amount repayable after one year**

As at 31/3/2012		As at 31/12/2011	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
4,817	-	4,225	-

**Details of any collaterals**

The group's borrowings are primarily secured by personal guarantees from directors, pledged bank deposits, property, plant and equipment, land use rights and trade receivables.

1 (c) **Cash Flow Statement for period ended 31 March**

**Operating Activities:**

Loss before Income Tax:	
Adjustments for:-	
Depreciation of property, plant and equipment	
Amortisation of land use rights	
Interest income	
Interest expense	
Net foreign exchange loss (gain)	
Gain on disposal of property, plant and equipment	
Operating profit before working capital changes	

Changes in working capital:-

Trade receivables	
Other receivables and prepayments	
Inventories	
Trade payables	
Other payables	
Cash generated from operations	
Net interest paid	
Income tax paid	

**Cash flows from operating activities**

**Investing Activities:**

Proceeds on disposal of property, plant and equipment	
Purchase of property, plant and equipment	

**Cash flows used in investing activities**

**Financing Activities:**

Decrease in cash subjected to restriction	
Repayment of bank loans	
New bank loans raised	
Repayment of notes payable	
Amount paid to shareholders	
Amount raised from shareholders	
Repayment of finance lease obligations	
New finance lease obligations raised	

**Cash flows used in financing activities**

**Net decrease in cash and bank balances**

Cash and bank balances at beginning of period	
Effect of exchange rate changes on the balances of cash held in foreign currencies	

**Cash and bank balances at end of period**

<b>Group</b>	
<b>3 months ended</b>	
<b>31/3/2012</b>	<b>31/3/2011</b>
<b>\$'000</b>	<b>\$'000</b>
(4,778)	(313)
3,432	3,697
22	22
(22)	(11)
450	430
854	(1,634)
(3)	(13)
(45)	2,178
6,430	4,475
223	(185)
1,177	(458)
(2,515)	(2,580)
(2,316)	(2,426)
2,954	1,004
(428)	(419)
-	-
<b>2,526</b>	<b>585</b>
13	94
(175)	(749)
<b>(162)</b>	<b>(655)</b>
17	102
(5,463)	(7,983)
2,192	4,319
-	(969)
(765)	(1,856)
266	1,645
(415)	(678)
-	1,220
<b>(4,168)</b>	<b>(4,200)</b>
<b>(1,804)</b>	<b>(4,270)</b>
17,872	14,579
(135)	(65)
<b>15,933</b>	<b>10,244</b>

- 1(d)(i) A statement for the issuer and the group together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Changes in Equity for the financial year ended 31 March

	Share capital \$'000	Currency translation reserves \$'000	Statutory reserves \$'000	Other reserves \$'000	Accumulated profits (losses) \$'000	Total attributable to equity holders of the company \$'000	Minority interests \$'000	Total \$'000
<b><u>Group</u></b>								
At 1 January 2011	56,127	(7,660)	7,494	(2,993)	14,354	67,322	8,459	75,781
Total comprehensive loss for the period	-	(959)	(77)	-	(518)	(1,554)	(208)	(1,762)
At 31 March 2011	56,127	(8,619)	7,417	(2,993)	13,836	65,768	8,251	74,019
At 1 January 2012	56,127	(6,548)	7,750	(2,993)	9,921	64,257	9,059	73,316
Total comprehensive loss for the period	-	(1,521)	-	-	(4,544)	(6,065)	(720)	(6,785)
At 31 March 2012	56,127	(8,069)	7,750	(2,993)	5,377	58,192	8,339	66,531
<b><u>Company</u></b>								
At 1 January 2011	56,127	(1,489)	-	-	1,066	55,704	-	55,704
Total comprehensive loss for the period	-	(936)	-	-	(524)	(1,460)	-	(1,460)
At 31 March 2011	56,127	(2,425)	-	-	542	54,244	-	54,244
At 1 January 2012	56,127	1,414	-	-	1,090	58,631	-	58,631
Total comprehensive loss for the period	-	(1,938)	-	-	(541)	(2,479)	-	(2,479)
At 31 March 2012	56,127	(524)	-	-	549	56,152	-	56,152

- 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 1 January 2012 to 31 March 2012, the Company did not issue any 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.

	As at 31/3/2012	As at 31/12/2011
The total number of issued shares excluding treasury shares	570,000,000	570,000,000

- 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.

Not applicable.

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

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 Company has adopted the same accounting policies and methods of computation as compared to the most recent audited financial statements as at 31 December 2011.

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 effect, of the change.

Not applicable.

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 3 months ended	
	31/3/2012	31/3/2011
Earnings per ordinary share for the		
(i) Based on the weighted average	(0.80)	(0.04)
Weighted average number of shares	570,000,000	570,000,000
(ii) On a fully diluted basis (cts)	(0.80)	(0.04)
Weighted average number of shares	570,000,000	570,000,000

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

	Group		Company	
	As at 31/3/2012	As at 31/12/2011	As at 31/3/2012	As at 31/12/2011
Net asset value per ordinary share (cts)	9.82	10.88	9.85	10.29
Number of shares	570,000,000	570,000,000	570,000,000	570,000,000

## 8. Review of the Group's performance

### Revenue

For the three months ended 2012 ("1Q12"), the Group reported revenue of \$17.0 million, a drop of 31% from \$24.6 million from the corresponding period in 2011 ("1Q11"). This is an across the board decrease in all segments. More significant drops were noted for laser drilling and mechanical drilling segments. Unlike PCB segment whose customers are mainly original equipment manufacturers, laser drilling and mechanical drilling segments are sub-contracted sales which are volatile to fluctuations in market demand.

### PCB Operations

PCB operations continue to be the major contributor accounting for 91% of our Group's revenue in 1Q12.

With lesser orders received from original equipment manufacturers, PCB revenue decreased by 21% from \$19.5 million in 1Q11 to \$15.4 million in 1Q12.

### Mechanical Drilling and Routing

Revenue from Mechanical drilling and routing segment decreased by 31% from \$1.6 million in 1Q11 to \$1.1 million in 1Q12. Mechanical drilling and routing segments are mainly made up of sub-contracted sales which are volatile to any fluctuations in market demands.

### Laser Drilling

Revenue from Laser drilling segment dropped the most by 86% from \$3.4 million in 1Q11 to \$0.5 million in 1Q12. Similar to Mechanical drilling and routing segment, Laser drilling segment is mainly made up of sub-contracted sales.

### Geographical Markets

China operations remained as the key contributor to Group's revenue in 1Q12. Proportion of revenue from China operations increased by 6% from 91% in 4Q11 to 97% in 1Q12. This was due to the stability of revenue generated from PCB operations as compared to Laser drilling segment.

### Profitability

#### Gross Profit

Gross Profit dropped from \$3.6 million in 1Q11 to a gross loss of \$0.6 million in 1Q12. PCB operations posted a gross profit of \$1.4 million while Mechanical drilling and Laser drilling segment recorded a gross loss of \$2 million. Revenue generated from these segments was less than the fixed manufacturing expenses such as labour cost, electricity and depreciation.

### Expenses

#### Other Income

The increase in other income was mainly due to increase in scrap sales income and workmanship fees charged.

#### Administrative Expenses

The increase in administrative expenses was mainly due to increase in research and development expense, staff training expense and staff cost.

#### Distribution Costs

Distribution costs comprise mainly sales commission payable to sales representatives in processing sales for PCB manufacturing and related delivery costs.

Distribution costs decreased by 36% from \$1.1 million in 1Q11 to \$0.7 million in 1Q12. This decrease was mainly due to drop in sales commission payable to sales representatives in processing sales for PCB manufacturing.

#### Other Expenses

The increase in other expense by \$0.2 million was mainly due to increase in exchange loss arising from depreciation of USD and JPY against RMB.

#### Finance Costs

Despite consistent repayment of bank loans, a slight increase of 5% is observed for finance cost. This is mainly due to a higher interest rate in a bank loan drawdown by one of our Shanghai subsidiary.

## Balance Sheet

The Group's cash and bank balances decreased from \$17.9 million at 4Q11 to \$15.9 million at 1Q12. Pledged bank deposits decreased from \$0.6 million in 4Q11 to \$0.5 million in 1Q12.

The decrease in trade receivables of \$6.4 million is in line with the drop in sales, coupled with stringent credit collection procedures. In 4Q11, quarterly sales was \$19.6 million. However, it dropped by \$2.6 million to \$17 million in 1Q12. Trade receivables turnover days was reduced from 107 days to 90 days from 4Q11 to 1Q12.

Other receivables and prepayments increased by \$0.2 million from \$2.4 million at 4Q11 to \$2.6 million at 1Q12. It is the norm for our China subsidiaries for expenses to be prepaid at the beginning of each financial year, prior to expensing it on a monthly basis. Other receivables and prepayments mainly comprise of prepaid operating expenses, such as utilities, insurance, maintenance expense, etc.

The decrease in inventory level from \$7.8 million at 4Q11 to \$6.7 million at 1Q12 was mainly due to lesser sales orders expected in 2nd quarter of 2012.

The decrease of \$2.5 million in trade payables was mainly due to decreasing inventory purchase in 1Q12.

Other payables decreased by \$2.2 million was mainly due to refund of deposit placed by customer in prior years, coupled with payout of accrued staff bonus in 1Q12.

Total gross borrowings had also reduced by \$3.8 million from \$41.0 million at 4Q11 to \$37.2 million at 1Q12. This was due to repayments of bank loans and finance leases.

The Group's net current liabilities position remained constant at \$7.8 million for 4Q11 and \$7.9 million for 1Q12.

As at 1Q12, the Group's current ratio (current assets/current liabilities) and debt/equity ratio are 0.86 and 1.0 respectively. The Group's equity (net assets) stands at \$58.2 million.

## Cash Flow

Cash flow generated from operating activities improved by \$1.9 million from \$0.6 in 1Q11 to \$2.5 million in 1Q12. This was mainly due to increase in collection from trade receivables, coupled with slowdown in inventory procurement.

Cash flow used in investing activities was mainly for modification of machinery purpose.

Cash flow used in financing activities of \$4.2 million in 1Q12 was mainly due to repayment of loan borrowings and amount due to shareholders.

Cash and bank balances improved by \$5.7 million from \$10.2 million in 1Q11 to \$15.9 million in 1Q12.

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

No forecast or prospect statement was disclosed to shareholders previously.

## 10. A commentary at the date of 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.

With renewed uncertainties in the global financial markets and signs of instabilities in many parts of the world, business sentiments are generally weaker. In view of uncertainties such as increasing labour and materials costs faced by our China subsidiaries, management will continue to remain cautious and conservative in its outlook.

**11. Dividend**

**11(a) Any dividend declared for the current financial period reported on?**

None

**11(b) Any dividend declared for the corresponding period of the immediately preceding financial year?**

None

**11(c) Date payable**

Not applicable

**11(d) Books closure date**

Not applicable

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

No dividend has been declared for the first quarter ended 31 March 2012.

**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

**14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by business or geographical segments.**

Not applicable

**15. A breakdown of sales as follows:**

Not applicable

**16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-**

Not applicable



**17. Interested party transactions**

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

During the financial year, there were related parties transactions based on terms agreed between the parties as follows:-

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under Shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under Shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Loan guarantees provided by Mr Wen Yao-Long, Mr Wen Yao-Chou, Ms Chan Hui-Chung to various financial institutions to secure credit facilities for the Group	Total facilities granted as at 31.3.2012: \$50.1 million  Amount outstanding as at 31.3.2012: \$24.3 million	-
Loan from Sunny Worldwide Int'l Ltd (Amount outstanding as at 31.3.2012 is \$7.1 million)	Interest for the 3 months ended 31.3.2012: \$0.06 million	-
Loan from Mr Wen Yao-Long (Amount outstanding as at 31.3.2012 is \$5.7 million)	Interest -free loan	-

Except for the above, there was no other interested person transaction, as defined in Chapter 9 of the Listing Manual of the SGX-ST, entered into the Group or by the Company during the financial period ended 31 March 2012.

**BY ORDER OF THE BOARD**

Wen Yao-Long  
Executive Chairman & CEO  
26 April 2012