



Unaudited Financial Statements for the 1st Quarter Ended 30 September 2012

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

1(a) A statement of comprehensive income (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 1st quarter ended 30 September 2012

	Group		
	USD'000		%
	1 st quarter ended 30 September 2012	1 st quarter ended 30 September 2011	Change
Revenue	59,519	62,219	(4.3)
Raw material and consumables	(44,245)	(46,689)	(5.2)
Manufacturing expenses	(6,063)	(6,292)	(3.6)
Business development expenses	(646)	(311)	107.7
Other operating expenses	(823)	(869)	(5.3)
Property development expense	(25)	(21)	19.0
Vessel management expense	(18)	(13)	38.5
Change in fair value of other financial assets at fair value through profit or loss	-	(1,985)	nm
Employee benefits expense	(4,019)	(2,005)	100.4
Depreciation/amortization expense	(787)	(979)	(19.6)
Other expenses	(876)	(1,297)	(32.5)
Other gains, net (note 1 (a)(ii))	3,530	20,906	(83.1)
Share of results of an associate	2,177	-	nm
Profit before tax	7,724	22,664	(65.9)
Income tax expense	(198)	(572)	(65.4)
Profit for the period	7,526	22,092	(65.9)
Other comprehensive income/(loss):			
Increase/(decrease) in fair value of available-for-sale investments	364	(45,394)	nm
Reversal on sale of available-for-sale investments	(288)	(768)	(62.5)
Share of other comprehensive income of an associate	47	-	nm
Foreign currency translation	1,938	(4,959)	nm
Other comprehensive income/(loss) for the period, net of tax	2,061	(51,121)	nm
Total comprehensive income/(loss) for the period	9,587	(29,029)	nm
Profit attributable to:			
Equity holders of the Company	7,159	22,055	(67.5)
Non-controlling interests	367	37	891.9
	7,526	22,092	(65.9)
Total comprehensive income/(loss) attributable to:			
Equity holders of the Company	9,023	(28,777)	nm
Non-controlling interests	564	(252)	nm
	9,587	(29,029)	nm

1(a)(ii) Profit for the quarter ended 30 September 2012 included the following items:

	Group		
	USD'000		%
	1 st quarter ended 30 September 2012	1 st quarter ended 30 September 2011	Change
Gain on re-measurement to fair value of available-for-sale investments	-	27,460	nm
Gain on disposal of available-for-sale investments	301	612	(50.8)
Gain on disposal of associate	-	40	nm
Gain on disposal of property, plant and equipment	-	6	nm
Change in fair value of held-for-trading investments	2,229	(5,853)	nm
Change in fair value of derivative financial instruments	(38)	-	nm
Other income	130	152	(14.5)
Foreign exchange gain/(loss)	908	(1,511)	nm
Other gains, net	3,530	20,906	(83.1)

nm - not meaningful

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

	Group		Company	
	30/9/2012 USD'000	30/6/2012 USD'000	30/9/2012 USD'000	30/6/2012 USD'000
Assets				
Non-current assets				
Property, plant and equipment	46,971	45,680	17	16
Prepaid lease payment	16,649	16,340	-	-
Subsidiaries	-	-	57,801	57,361
Associate	55,314	53,090	47,715	47,715
Investment securities	60,667	61,138	49,130	48,937
Deferred tax assets	404	352	-	-
Other assets	315	315	-	-
Total non-current assets	180,320	176,915	154,663	154,029
Current assets				
Inventories	31,970	36,795	-	-
Trade receivables	32,996	40,641	-	15
Other receivables and prepayments	2,152	2,846	43	39
Amounts due from subsidiaries	-	-	58,156	56,813
Investment securities	28,437	29,964	3,931	4,939
Derivative financial instruments	18	43	-	-
Cash and bank balances	91,448	81,606	10,286	9,665
Total current assets	187,021	191,895	72,416	71,471
Total assets	367,341	368,810	227,079	225,500
Equity and liabilities				
Current liabilities				
Trade payables	26,695	37,088	-	-
Other payables	22,443	22,903	6,110	5,894
Amounts due to subsidiaries	-	-	9,774	9,676
Income tax payable	3,614	3,427	209	209
Derivative financial instruments	451	438	140	102
Total current liabilities	53,203	63,856	16,233	15,881
Non-current liabilities				
Deferred tax liabilities	396	406	-	-
Total non-current liabilities	396	406	-	-
Total liabilities	53,599	64,262	16,233	15,881
Equity				
Share capital	152,009	152,009	152,009	152,009
Reserves	33,993	31,975	21,615	21,422
Accumulated profits	105,095	97,936	37,222	36,188
Equity attributable to equity holders of the Company	291,097	281,920	210,846	209,619
Non-controlling interests	22,645	22,628	-	-
Total equity	313,742	304,548	210,846	209,619
Total equity and liabilities	367,341	368,810	227,079	225,500

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

(a) Amount repayable in one year or less, or on demand

As at 30/9/2012 USD'000		As at 30/6/2012 USD'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

(b) Amount repayable after one year

As at 30/9/2012 USD'000		As at 30/6/2012 USD'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

(c) Details of any collateral

Not applicable

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

	1 st quarter ended 30 September 2012	1 st quarter ended 30 September 2011
	USD'000	USD'000
Cash flows from operating activities		
Profit before tax	7,724	22,664
Adjustments for:		
Share of results of an associate	(2,177)	-
Depreciation of property, plant and equipment	485	676
Amortization of prepaid lease payment	302	303
Dividend income	(2,385)	(2,702)
Interest income	(173)	(208)
Net foreign exchange loss/(gain)	136	(167)
Gain on disposal of property, plant and equipment	-	(6)
Gain on disposal of held-for-trading investments	(541)	(68)
Gain on disposal of associate	-	(40)
Gain on disposal of available-for-sale investments	(301)	(612)
Change in fair value of held-for-trading investments	(2,229)	5,853
Change in fair value of derivative financial instruments	38	-
Change in fair value of other financial assets at fair value through profit or loss	-	1,985
Gain on re-measurement to fair value of available-for-sale investments	-	(27,460)
Operating cash flows before changes in working capital	879	218
Changes in working capital:		
Proceeds from disposal of held-for-trading investments	7,302	845
Purchase of held-for-trading investments	(3,005)	(3,687)
Receivables	8,407	(1,876)
Payables	(10,853)	7,557
Inventories	4,825	(6,704)
Cash flows from/(used in) operating activities	7,555	(3,647)
Interest received	105	159
Dividends received from investment securities	2,385	2,702
Income tax paid	(67)	(610)
Net cash flows from/(used in) operating activities	9,978	(1,396)
Cash flows from investing activities		
Proceeds from disposal of associate	-	40
Purchase of property, plant and equipment	(591)	(482)
Proceeds from disposal of property, plant and equipment	-	2,137
Purchase of available-for-sale investments	-	(1,831)
Proceeds from disposal of available-for-sale investments	848	779
Net cash flows from investing activities	257	643
Cash flows from financing activities		
Acquisition of non-controlling interests of subsidiary without a change in control	(440)	-
Issue of shares under subsidiary's Share Options Scheme	47	-
Net cash flows used in financing activities	(393)	-
Net increase/(decrease) in cash and bank balances	9,842	(753)
Cash and bank balances at beginning of period	81,606	78,556
Cash and bank balances at end of period	91,448	77,803
Pledged deposits	(5,316)	(4,402)
Cash and cash equivalents at end of period	86,132	73,401

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.

THE GROUP

Consolidated statement of changes in equity for the 1st quarter ended 30 September 2012

	Share capital	Foreign currency translation reserve	Investment revaluation reserve	Capital reserve	Accumulated profits	Attributable to equity holders of the Company	Non-controlling interests	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Balance at 1 July 2012	152,009	10,693	21,093	189	97,936	281,920	22,628	304,548
Total comprehensive income	-	1,741	123	-	7,159	9,023	564	9,587
Acquisition of non-controlling interests of subsidiary without a change in control	-	-	-	154	-	154	(594)	(440)
Issue of shares under subsidiary's Share Options Scheme	-	-	-	-	-	-	47	47
Balance at 30 September 2012	152,009	12,434	21,216	343	105,095	291,097	22,645	313,742

THE GROUP

Consolidated statement of changes in equity for the 1st quarter ended 30 September 2011

	Share capital	Foreign currency translation reserve	Investment revaluation reserve	Capital reserve	Accumulated profits	Attributable to equity holders of the Company	Non-controlling interests	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Balance at 1 July 2011	152,009	13,479	61,671	-	57,118	284,277	22,852	307,129
Total comprehensive income	-	(4,670)	(46,162)	-	22,055	(28,777)	(252)	(29,029)
Balance at 30 September 2011	152,009	8,809	15,509	-	79,173	255,500	22,600	278,100

THE COMPANY**Statement of changes in equity for the 1st quarter ended 30 September 2012**

	Share capital	Investment revaluation reserve	Accumulated profits	Total
	USD'000	USD'000	USD'000	USD'000
Balance at 1 July 2012	152,009	21,422	36,188	209,619
Total comprehensive income	-	193	1,034	1,227
Balance at 30 September 2012	152,009	21,615	37,222	210,846

THE COMPANY**Statement of changes in equity for the 1st quarter ended 30 September 2011**

	Share capital	Investment revaluation reserve	Accumulated profits/(losses)	Total
	USD'000	USD'000	USD'000	USD'000
Balance at 1 July 2011	152,009	67,617	(4,230)	215,396
Total comprehensive income	-	(54,506)	37,153	(17,353)
Balance at 30 September 2011	152,009	13,111	32,923	198,043

- 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.**

There were no changes in the Company's share capital since the end of the previous period reported on.

As at 30 September 2012, the Company's issued and paid-up capital comprised 933,532,450 (30 September 2011: 933,532,450) ordinary shares.

There were no outstanding convertibles or treasury shares 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.

- 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 30 September 2012, the total number of issued shares excluding treasury shares was 933,532,450 (30 June 2012: 933,532,450).

- 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 nor reviewed by the auditors.

- 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 Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those of the audited financial statements for the year ended 30 June 2012 except as stated in paragraph 5 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.**

The Group has adopted the new or revised Financial Reporting Standards ("FRS") and interpretations ("INT") that are effective for annual period beginning on or after 1 July 2012. The adoption of these FRSs and INTs did not result in any significant impact on the financial statements of the Group.

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	
		1 st quarter ended 30 September 2012	1 st quarter ended 30 September 2011
Earnings per ordinary share for the period based on profit attributable to equity holders of the Company after deducting any provision for preference dividends:-			
(i)	Based on weighted average number of ordinary shares on issue	US cents 0.77	2.36
(ii)	On a fully diluted basis	US cents 0.77	2.36

Group basic and fully diluted earnings per ordinary share for the period ended 30 September 2012 are calculated based on the weighted average number of ordinary shares in issue during the period of 933,532,450 shares (2011: 933,532,450) respectively.

Note: Group basic earnings per share was the same as the fully diluted earnings per share as the Group did not have any potential dilutive ordinary shares outstanding as at 30 September 2012 and 2011.

7 Net asset value (for the issuer and the 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.

Net asset value per ordinary share based on existing issued share capital as at the end of the period reported on:-

		30 September 2012	30 June 2012
The Group	US cents	31.18	30.20
The Company	US cents	22.59	22.45

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.**

First quarter ended 30 September 2012

Revenue of USD 59.519 million for the current quarter ended 30 September 2012 ("1Q13") was 4.3% lower than revenue of USD 62.219 million for the quarter ended 30 September 2011 ("1Q12").

The reduction in revenue, raw material and consumables and manufacturing expenses was attributable to weaker market demand experienced in the electronics manufacturing services business. Increased efforts in business development activities had led to higher related expenses of USD 0.646 million in 1Q13, as compared to USD 0.311 million in 1Q12.

The increase in property development and vessel management expenses to USD 0.025 million and USD 0.018 million respectively was in line with the level of related business activities.

Other financial assets at fair value through profit or loss was nil since 30 June 2012, hence no change in fair value was recorded in the current quarter, as compared to a decrease in 1Q12 of USD 1.985 million.

Employee benefits expense increased from USD 2.005 million in 1Q12 to USD 4.019 million in 1Q13 as a result of higher staff cost accrued.

Depreciation/amortization expense had decreased by 19.6% to USD 0.787 million in 1Q13 from USD 0.979 million in 1Q12 as some equipment was fully depreciated.

Other expenses in 1Q13 amounted to USD 0.876 million, as compared to USD 1.297 million in 1Q12, due to lower administrative costs incurred.

Other net gain in 1Q13 of USD 3.530 million was significantly below USD 20.906 million in 1Q12. This was primarily due to the absence in 1Q13 of a gain on re-measurement to fair value of available-for-sale investments recorded in 1Q12 of USD 27.460 million. This was partially offset by an increase in mark-to-market valuation of held-for-trading investments and net foreign exchange gain in 1Q13.

Profit after tax for 1Q13 was USD 7.526 million, 65.9% below USD 22.092 million in 1Q12.

Other comprehensive income was USD 2.061 million in 1Q13, as compared to other comprehensive loss of USD 51.121 million in 1Q12. Reclassification of the investment in CH Offshore Ltd ("CHO") to an associate had led to the reversal of prior upward revaluations from investment revaluation reserve which contributed substantially to the decrease in fair value of available-for-sale investments of USD 45.394 million in 1Q12. Gain on foreign currency translation had resulted on the back of stronger Singapore and Australian dollar in 1Q13.

Earnings per share of US cents 0.77 in 1Q13 was substantially lower than US cents 2.36 in 1Q12.

Share of results of an associate

In 1Q13, the share of results and other comprehensive income of an associate contributed by CHO was USD 2.177 million and USD 0.047 million respectively. CHO's results were not equity accounted for in 1Q12 as the reclassification of investment in CHO from an available-for-sale investment to an associate occurred on 30 September 2011.

Review of balance sheet, financial and cash flow position

As at 30 September 2012, the Group continued to be in a healthy financial position. Cash and bank balances increased 12.1% to USD 91.448 million from USD 81.606 million. Shareholders' funds amounted to USD 291.097 million, 3.3% above USD 281.920 million as at 30 June 2012.

Inventory held was lowered to USD 31.970 million as at 30 September 2012, in line with the level of business activities in electronics manufacturing services. This had also lowered trade receivables and trade payables to USD 32.996 million and USD 26.695 million respectively.

Other receivables and prepayments had dropped 24.4% to USD 2.152 million from USD 2.846 million which was mainly due to a reversal of outstanding other receivables balances on the expiry of vessel related contractual arrangement.

Deferred tax assets increased from USD 0.352 million to USD 0.404 million due to timing difference of deferred tax deductible expenses in relation to an Australian subsidiary.

Derivative financial instruments had decreased by 58.1% to USD 0.018 million mainly due to lower fair valuation as at 30 September 2012.

Net asset value per share was US cents 31.18 as at 30 September 2012, 3.2% above US cents 30.20 as at 30 June 2012.

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 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 next quarter will most likely be depressed given the general negative sentiments on the global economy. The global economy for the next 12 months is expected to be sluggish with the IMF declaring that recovery is unachievable and confidence in the global financial system is extremely fragile.

The slowdown in emerging economies will impact world trade and undermine growth. The Board of Directors will continue to exercise prudence when considering new investments.

Save as disclosed herein, there are no material factors or events which may affect the earnings of the Group between this date up to which the report refers and the date on which the report was issued.

11 Dividend

(a) Period ended 30 September 2012

Any dividend recommended for the current financial period reported on? None.

(b) Period ended 30 September 2011

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.

Not applicable.

13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Not applicable as the Group has not obtained a general mandate from shareholders for Interested Party Transactions.

14 Negative assurance 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 the attention of the Directors of the Company which may render the financial results for the first quarter ended 30 September 2012 to be false or misleading in any material respect.

BY ORDER OF THE BOARD

Valerie Tan
Company Secretary
02 November 2012