



Full Year Financial Statement And Dividend Announcement

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

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

The Group's income statement for the year ended 31 December 2006 is shown as below. The figures have not been audited.

		The Group	
		31-12-2006	31-12-2005
		US\$'000	US\$'000
	Notes		
Sales		111,326	94,429
Cost of sales		(90,485)	(103,557)
Gross profit / (loss)		20,841	(9,128)
Other operating income	1	5,169	6,996
Distribution costs		(9,485)	(9,237)
Administrative expenses		(4,300)	(4,833)
Other operating expenses	2	(2,691)	(24,367)
Operating profit /(loss)		9,534	(40,569)
Finance costs (net)	3	(9,324)	(7,169)
Profit/(loss) before income tax		210	(47,738)
Income tax		-	(499)
Net profit/(loss)		210	(48,237)
Attributable to:			
Equity holders of the Company		(750)	(44,876)
Minority interest		960	(3,361)
		210	(48,237)

The profit before income tax is arrived at after (charging)/crediting the following:

	31-12-2006	31-12-2005
	US\$'000	US\$'000
Depreciation and amortisation	(6,497)	(14,703)
Gain on dilution of interest in a subsidiary	-	4,202
Write back of/ (Impairment in) value of financial assets at fair value	73	(37)
Write back of /(Impairment in) value of property, plant and equipment	1,312	(13,521)
Impairment loss of goodwill	-	(2,643)
Interest on borrowings	(6,782)	(6,599)
Net foreign exchange loss from financing activities	(2,376)	(379)
Net foreign exchange gain from operating activities	253	323
Other income including interest income	2,172	2,367
Gain /(loss) on sale of plant and equipment	26	(125)
Write back of/ (provision for) carrying value of inventories	1,333	(368)
Provision for doubtful receivables	-	(2,183)
Restructuring cost	-	(1,159)

Notes:

1. The decrease in other operating income was due to the absence of gain on dilution of interest in a subsidiary of US\$4.2 million off set against a write back of impairment in value of property, plant and equipment of US\$1.3 million and a write back of provision for carrying value of inventories of US\$1.3 million.
2. The decrease in other operating expenses was due to FY2005's other operating expenses included an impairment loss on property, plant and equipment of US\$13.5 million, an impairment loss on goodwill of US\$2.6 million, a provision for doubtful debt of US\$2.2 million, a provision for carrying value of inventories of US\$0.4 million and restructuring cost of US\$1.2 million.
3. The increase in finance costs was due to the foreign exchange loss of US\$2.4 million.

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

	The Group		The Company	
	31-12-2006	31-12-2005	31-12-2006	31-12-2005
	US\$'000	US\$'000	US\$'000	US\$'000
ASSETS				
Current assets				
Cash and cash equivalents	11,995	6,238	1,542	2,564
Trade and other receivables	33,990	28,325	9,179	15,224
Inventories	11,968	13,137	2,899	7,338
Other current assets	4,844	5,226	68	117
	62,797	52,926	13,688	25,243
Disposal group classified as held for sale	-	7,160	-	7,160
	62,797	60,086	13,688	32,403
Non-current assets				
Investments in subsidiaries	-	-	36,804	29,358
Financial assets at fair value through profit and loss	194	199	194	199
Property, plant and equipment	91,963	92,515	141	442
Intangible assets	809	-	-	-
	92,966	92,714	37,139	29,999
Total assets	155,763	152,800	50,827	62,402
LIABILITIES				
Current liabilities				
Trade and other payables	51,685	51,111	18,972	24,978
Current income tax liabilities	533	533	-	-
Borrowings from related parties	4,670	72,302	1,439	26,057
Borrowings from third parties	28,271	53,863	3,726	34,982
	85,159	177,809	24,137	86,017
Non-current liabilities				
Other payables	3,994	2,676	8,265	6,635
Borrowings from related parties	57,120	-	13,534	-
Borrowings from third parties	24,702	56	24,702	56
	85,816	2,732	46,501	6,691
Total liabilities	170,975	180,541	70,638	92,708
Net liabilities	(15,212)	(27,741)	(19,811)	(30,306)

EQUITY

Capital and reserves attributable to the Company's equity holders

Share capital	17,333	5,260	17,333	5,260
Other reserve	5,981	5,481	6,923	6,923
Accumulated losses	(51,598)	(50,848)	(44,067)	(42,489)
	(28,284)	(40,107)	(19,811)	(30,306)
Minority interests	13,072	12,366	-	-
Total equity	(15,212)	(27,741)	(19,811)	(30,306)

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

Amount repayable in one year or less, or on demand

As at 31 December 2006		As at 31 December 2005	
Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
28,271	4,670	37,066	89,099

Amount repayable after one year

As at 31 December 2006		As at 31 December 2005	
Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
7,502	74,320	56	-

As at 31 December 2006, unsecured borrowings totaling US\$61,790,000 (FY2005: US\$72,302,000) were from Tuan Sing Holdings Limited (the former ultimate holding corporation and now a substantial shareholder) and its subsidiaries, and Nuri Pacific Pte Ltd (a substantial shareholder).

Details of any collateral

As at 31 December 2006, finance lease obligations arising from purchase of property, plant and equipment amounted to US\$60,000 (FY2005: US\$216,000). The net book value of these assets acquired amounted to US\$412,000 (FY2005: US\$573,000).

As at 31 December 2006, borrowings totaling US\$11,168,000 (FY2005: US\$19,822,000) were secured by a fixed and floating charge over all assets (excluding its shares in Gultech International Pte Ltd) of the Company, and an amount totaling US\$24,545,000 (FY2005: US\$17,084,000) were secured against certain property, plant and equipment with net book value amounting to US\$69,874,000 (FY2005: US\$57,543,000).

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

	2006 US\$'000	2005 US\$'000
Cash flows from operating activities		
Net profit/(loss)	210	(48,237)
Adjustments for:		
- Tax	-	499
- Amortisation of discount on Transferable Loan Facility	276	464
- Amortisation of deferred financing costs	-	107
- Depreciation of property, plant and equipment	6,497	14,596
- Gain on dilution of interest in a subsidiary	-	(4,202)
- Goodwill written off	-	2,643
- (Write-back)/ impairment of property, plant and equipment	(1,312)	13,521
- Interest income	(107)	(102)
- Interest expense	6,506	6,135
- (Gain)/loss on disposal of property, plant and equipment	(26)	125
- Fair value (gain) / losses	(73)	37
- Exchange differences	181	515
Operating profit/ (loss) before working capital changes	12,152	(13,899)
Change in operating assets and liabilities		
- Trade and other receivables	(5,665)	(11,161)
- Inventories	1,169	(1,078)
- Other current assets	382	(3,501)
- Trade and other payables	59	12,154
Cash generated from/ (used in) operations	8,097	(17,485)
Interest income received	107	102
Income tax paid	-	-
Net cash from/ (used in) operating activities	8,204	(17,383)
Cash flows from investing activities		
Purchase of property, plant and equipment	(6,502)	(22,371)
Proceeds from disposal of property, plant and equipment	9,055	2,963
Proceeds from disposal of investments	78	10
Net cash generated from/ (used in) investing activities	2,631	(19,398)
Cash flows from financing activities		
Cash injection from a minority shareholder to a subsidiary	-	4,524
Repayment of convertible bonds	(1,878)	(1,860)
Proceeds from borrowings	9,661	10,761
Repayment of borrowings	(8,930)	-
Repayment of lease liabilities	(235)	(236)
Loan from substantial shareholders	-	17,386
Interest paid	(3,670)	(3,017)
Net cash (used in)/ provided by financing activities	(5,052)	27,558
Net increase/(decrease) in cash and cash equivalents	5,783	(9,223)
Cash and cash equivalents at beginning of financial year	6,238	15,696
Effect of exchange rate changes in cash and cash equivalents	(26)	(235)
Cash and cash equivalents at end of financial year	11,995	6,238

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.

GROUP	Attributable to equity holders of the Company			Minority interest	Total equity
	Share capital *	Other reserves	Accumulated losses		
	U\$'000	U\$'000	U\$'000	U\$'000	U\$'000
Balance at 1 January 2006	5,260	5,481	(50,848)	12,366	(27,741)
Net gain/ (loss) recognised directly in equity					
- Currency translation differences	-	500	-	(1,063)	(563)
Net profit /(loss)	-	-	(750)	960	210
Total recognised gains /(losses)	-	500	(750)	(103)	(353)
Additional investment in subsidiary	-	-	-	809	809
Issue of shares	12,073	-	-	-	12,073
Balance at 31 December 2006	17,333	5,981	(51,598)	13,072	(15,212)
Balance at 1 January 2005	44,834	7,300	(46,795)	9,299	14,638
Net gain recognised directly in equity					
- Currency translation differences	-	5	-	27	32
Net loss	-	-	(44,876)	(3,361)	(48,237)
Total recognised gains /(losses)	-	5	(44,876)	(3,334)	(48,205)
Dilution of interest in a subsidiary	-	-	-	6,401	6,401
Issue of shares	1,302	-	-	-	1,302
Impairment charged against asset revaluation reserve	-	(1,877)	-	-	(1,877)
Transfer to accumulated losses on expiry of warrants	-	(6,870)	6,870	-	-
Capital reduction	(40,876)	6,923	33,953	-	-
Balance at 31 December 2005	5,260	5,481	(50,848)	12,366	(27,741)

COMPANY	Share capital *	Capital reserve	Accumulated losses	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 1 January 2006	5,260	6,923	(42,489)	(30,306)
Net loss	-	-	(1,578)	(1,578)
Issue of shares	12,073	-	-	12,073
Balance at 31 December 2006	17,333	6,923	(44,067)	(19,811)
Balance at 1 January 2005	44,834	8,747	(33,953)	19,628
Net loss	-	-	(49,359)	(49,359)
Issue of shares	1,302	-	-	1,302
Impairment charged against asset revaluation reserve	-	(1,877)	-	(1,877)
Transfer to accumulated losses on expiry of warrants	-	(6,870)	6,870	-
Capital reduction	(40,876)	6,923	33,953	-
Balance at 31 December 2005	5,260	6,923	(42,489)	(30,306)

* Under the Companies (Amendment) Act 2006 effective 30 January 2006, the concepts of par value and authorised share capital are abolished. Included in share capital as at 31 December 2006 and 31 December 2005 is share premium amounting to US\$671,000.

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 or 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.

On 19 May 2006, Tuan Sing Holdings Limited ("TSH") opted to convert all the 11,000,000 non-cumulative convertible preference shares ("NCCPS") held by it in the capital of the Company into 44,000,000 new ordinary shares of the Company on the basis of 1 NCCPS to 4 shares, and effectively valuing the shares at the price of S\$0.05 per share. There are no NCCPS in issue as at 31 December 2006.

On 10 July 2006, a S\$20 million loan from Nuri Pacific Pte Ltd ("NP") was converted into 400,000,000 new ordinary shares of the Company, effectively valuing the shares at the price of S\$0.05 per share.

On 18 January 2007, the Company issued 122,000,000 million new ordinary shares as consideration for the purchase of 5,228,572 redeemable convertible preference shares of its subsidiary, Gultech International Pte Ltd ("GTI") from GTI's minority shareholder. The new shares issued represents the agreed consideration of S\$6.1 million.

The number of ordinary shares in issue as at 31 December 2006 and as at the date of this announcement is 809,060,346 and 931,060,346 respectively.

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

The figures have not been audited nor reviewed by the Company's 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 financial year compared with those of the audited financial statements as at 31 December 2005, except that it has changed the useful life for depreciating production plant and machinery in FY2006.

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 performed a review of the useful lives adopted for depreciating its fixed assets in the beginning of FY2006. Based on this review which comprised a review of its own experience as well as the experience of other PCB shops, the Group considered that the useful life of its plant and machinery should be 12 years instead of 8 years. Hence, a useful life of 12 years was adopted for depreciating its production plant and machinery with effect from 1 January 2006.

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.

	The Group	
	31-12-2006	31-12-2005

Loss per ordinary share of the Company for the financial year based on Group's net loss attributable to shareholders

(i) Based on the weighted average number of ordinary shares on issue (US cents)	(0.1)	(14.0)
(ii) On a fully diluted basis (US cents)	(0.1)	(13.5)

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:

	The Group		The Company	
	31-12-2006	31-12-2005	31-12-2006	31-12-2005

Net asset/(liabilities) value per ordinary share based on issued share capital at the end of the year (US cents)

(1.9)	(7.6)	(2.4)	(8.3)
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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 achieved revenue of US\$111.3 million in FY2006, which was an increase of 17.9% over that of FY2005 and the highest since FY2002. This increase was the result of the successful ramp-up of our Wuxi plant as well as improvement in the utilization of both our China plants. Our ability to capture higher volume of the better-priced consumer electronics PCBs was also an important contributor to the increased revenue.

More significant than the increased revenue was that FY2006 showed a gross profit of US\$20.8 million as contrast with a loss of US\$9.1 million in FY2005. Closure of the loss-making Singapore manufacturing facilities was an important factor leading to this improvement while almost-full utilization of our Wuxi plant in FY2006 was another key factor. Higher sales to the consumer electronics segment which provides better pricing and margin coupled with the exit of the loss-making United States' network segment were also key to the improved performance.

Other areas which led to FY2006's gross profit were our in-house improvement in efficiency and productivity, as well as the active participation in cost-saving programs of key customers. In addition, to be in line with actual usage of production equipment and machinery by the Group and other PCB shops, the estimated useful life of production equipment and machinery were changed from 1 January 2006. This change resulted in cost of sales being reduced by US\$3.9 million. Excluding the impact of the lower depreciation charges, FY2006 would still see a gross profit of US\$16.9 million which was a significant improvement over FY2005's.

Other operating income of FY2006 has reduced slightly as there were no gain on dilution of interest in a subsidiary; however FY2006 saw two significant write-backs of provision made in FY2005 relating to the closure of the Singapore manufacturing facilities, namely write-back in provision for impairment of property, plant and equipment of US\$1.3 million and for carrying value of inventory of US\$1.3 million as well.

Other operating expenses of FY2006 saw significant reduction, as FY2005's other operating expenses comprised a number of provisions totaling US\$17.3 million which relates to the closure of the Singapore manufacturing facilities. Such provisions were not required in FY2006; instead FY2006 recorded some write-backs explained in the immediately preceding paragraph.

Financing expenses increased by US\$2.2 million in FY2006 – this was mainly due to the strengthening of the RMB against the US\$ and hence the translation of the China plants' RMB loans into US\$ for Group reporting purposes led to a loss on financing activities.

The significant improvement in gross profit as well as the lack of provision for closure of the Singapore manufacturing facilities led the Group to a net profit of US\$0.2 million in FY2006 as contrast with a net loss of US\$47.7 million in FY2005. While this profit level is not material, it represented an important turning point as FY2006 is the first year that the Group made a net profit since it started incurring losses in FY2001.

The improved performance also resulted in the Group generating a positive operation cash flows of US\$8.1 million in FY2006, as opposed to a negative operation cash flows of US\$17.5 million in FY2005.

The Group also successfully undertook a share placement exercise in 2H2006, resulting in the decrease of net liabilities of the Group from US\$27.7 million as at 31 December 2005 to US\$15.2 million as at 31 December 2006.

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

The Company announced on 24 February 2006 that it expects performance in FY2006 to be better than FY2005. FY06's performance is in line with this expectation.

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.

General outlook for the PCB industry in FY2007 remains cautiously optimistic. Worldwide growth is expected to be minimal while growth in China is expected to be single-digit instead of double-digit seen in the past few years. Further, new capacity is expected to come into the market in FY2007 as competitors' new plants become operational.

On a broader scale, it is not clear if the China government may implement further policies to cool-down the economy due to its rapid expansion in FY2006. And RMB is expected to continue to rise against the US\$.

However, on a brighter side, oil and copper prices have softened. This trend, if it continues, will have a positive impact on the cost structure of the Group.

Also, with the successful foray into a number of new customers in FY2006 and a number of new customers on the pipeline, better economies of scale from increased plant utilization, and better systems, processes and product focus already in place, the Group expects FY2007 to be better than FY2006.

11 Dividend

(a) Current Financial Period Reported on
Any dividend declared for the current financial period reported on?

None

(b) Corresponding Period of the Immediately Preceding Financial Year

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 Interested Person Transactions

During the financial year ended 31 December 2006, the following interested person transactions were entered into by the Group:

Name of interested person	Group			
	Aggregate value of all interested person transactions (excluding transactions less than US\$58,823 (S\$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 US\$58,823 (S\$100,000))	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
	US\$'000	US\$'000	US\$'000	US\$'000
Interest on Intercompany loans				
Michelle Liem, David Lee Kay Tuan, William Liem, Liem Mei Kim, Tan Enk Ee & Nuri Holdings (S) Pte Ltd	-	-	-	138
Michelle Liem, David Lee Kay Tuan, William Liem, Liem Mei Kim, Tan Enk Ee & Tuan Sing Holdings Limited	-	-	3,977	3,417
Management support services				
Michelle Liem, David Lee Kay Tuan, William Liem, Liem Mei Kim, Tan Enk Ee & Tuan Sing Holdings Limited	-	-	131	197
Total interested persons transactions	-	-	4,108	3,752

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or half-year results)

- 14 **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.**

	<u>Singapore</u> US\$	<u>China</u> US\$	<u>Group</u> US\$
Financial year ended 31 December 2006			
Sales			
- External Sales	56,589	54,737	111,326
- Inter-segment sales	-	48,268	48,268
	<u>56,589</u>	<u>103,005</u>	<u>159,594</u>
Elimination			<u>(48,268)</u>
			<u>111,326</u>
Segment result			
Other gains (net) - miscellaneous	(1,282)	5,647	4,365
	3,209	1,960	<u>5,169</u>
			9,534
Finance expense			<u>(9,324)</u>
Profit before income tax			210
Income Tax expense			-
Profit after tax			<u>210</u>
Other segment items			
Capital expenditure	-	6,502	6,502
Depreciation	283	6,214	6,497
			<u>6,497</u>
Segment assets	13,309	142,260	155,569
Unallocated assets			194
Consolidated total assets			<u>155,763</u>
Segment liabilities	(3,256)	(48,429)	(51,685)
Unallocated liabilities			<u>(119,290)</u>
Consolidated total liabilities			<u>(170,975)</u>

	<u>Singapore</u> US\$	<u>China</u> US\$	<u>Group</u> US\$
Financial year ended 31 December 2005			
Sales			
- External Sales	66,408	28,021	94,429
- Inter-segment sales	-	41,004	41,004
	<u>66,408</u>	<u>69,025</u>	<u>135,433</u>
Elimination			<u>(41,004)</u>
			<u>94,429</u>
Segment result			
Other gains (net) - miscellaneous	(35,441)	(12,124)	(47,565)
Unallocated gains	1,053	1,741	2,794
			<u>4,202</u>
			<u>(40,569)</u>
Finance expense			(7,169)
Profit before income tax			<u>(47,738)</u>
Income Tax expense			(499)
Profit after tax			<u>(48,237)</u>
Other segment items			
Capital expenditure	277	10,904	11,181
Depreciation	7,159	7,437	14,596
Amortisation	107	-	107
Impairment losses:			
- goodwill	2,643	-	2,643
- property, plant and equipment	13,521	-	13,521
			<u>13,521</u>
Segment assets	25,738	119,703	145,441
Unallocated assets			199
			<u>145,640</u>
Disposal group	7,160	-	7,160
Consolidated total assets			<u>152,800</u>
Segment liabilities	(5,261)	(45,850)	(51,111)
Unallocated liabilities			(129,430)
Consolidated total liabilities			<u>(180,541)</u>

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

Not applicable

16 A breakdown of sales

	2006	The Group	
	US\$'000	2005	% Change
		US\$'000	
(a) Sales reported for first half year	51,615	42,138	22%
(b) Operating loss after tax before deducting minority interests reported for first half year	(3,102)	(18,170)	-83%
(c) Sales reported for second half year	59,711	52,291	14%
(d) Operating loss after tax before deducting minority interests reported for second half year	3,312	(30,067)	n.m

17 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Not applicable

BY ORDER OF THE BOARD

Mary Goh Swon Ping
Company Secretary
15 February 2007