



HLN TECHNOLOGIES LIMITED
FULL YEAR FINANCIAL STATEMENT FOR PERIOD ENDED 31 DECEMBER 2009
(UNAUDITED)

**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

(In \$'000)	FY 2009	FY 2008	Change
Revenue	28,913	46,176	(37.4%)
Cost of Sales	(19,550)	(34,161)	(42.8%)
Gross Profit	9,363	12,015	(22.1%)
Other Items of Income			
Interest Income	23	59	(61.0%)
Other Credits	669	3	22200.0%
Other Items of Expenses			
Marketing and Distribution Costs	(1,808)	(2,810)	(35.7%)
Administrative Expenses	(5,534)	(6,055)	(8.6%)
Financial Costs	(127)	(533)	(76.2%)
Other Charges	(1,495)	(1,898)	(21.2%)
Profit Before Income Tax	1,091	781	39.7%
Income Tax Expenses	(578)	(375)	54.1%
Profit Net of Income Tax	513	406	26.4%
Other Comprehensive Income/(Loss):			
Foreign Currency Translation Gain/(Loss), Net	(123)	91	NM
Fair Value Gain on Quoted Shares	19	(17)	NM
Other Comprehensive Income/(Loss) for the Year, Net of Tax	(104)	74	NM
Total Comprehensive Income for the Year	409	480	(14.8%)
Profit Attributable to Owners of the Parent, Net of Tax	355	496	(28.4%)
Profit/(Loss) Attributable to Non-Controlling Interests, Net of Tax	158	(90)	NM
Profit Net of Income Tax	513	406	26.4%
Total Comprehensive Income Attributable to Owners of Parent	275	703	(60.9%)
Total Comprehensive Income/(Loss) Attributable to Non-Controlling Interests	168	(123)	NM
Total Comprehensive Income for the Year	443	580	(23.6%)
Earnings Per Share			
Earnings Per Share Currency Unit	Cents	Cents	
Basic and Diluted	0.29	0.43	(32.6%)

Note: Refer to paragraph 8 - Review of the performance of the Group, found on pages 9 to 10 of this announcement.

Profit net of income tax is arrived at after (charging)/crediting the following:

(in \$'000)	FY 2009	FY 2008	Change	Note
Depreciation of plant & equipment	(1,535)	(1,676)	(8.4%)	
Amortisation of intangible assets	(42)	(56)	(25.0%)	
Loss of inventories due to theft	-	(91)	NM	(a)
Inventory allowance & impairment charges	(419)	(952)	(56.0%)	(b)
Allowance for bad debts/bad debts written-off	(43)	(241)	(82.2%)	(b)
Plant & equipment written off	(278)	(251)	10.8%	(c)
Gain on disposal of plant & equipment	412	5	8140.0%	
Impairment loss on plant & equipment	(1,107)	(246)	350.0%	(d)
Loss on disposal of business in a subsidiary	-	(338)	NM	(e)
Gain on disposal of Pri-V Group	311	-	NM	(f)
Loss on disposal of Sheung Ho Group	(306)	-	NM	(g)
Gain on disposal of quoted securities	183	-	NM	(h)

NM – not meaningful

- (a) *Loss of inventories due to theft at one of the Malaysian subsidiaries in 1Q 2008.*
- (b) *Allowance for slow moving & obsolete inventories and bad debts in accordance with Group accounting policy.*
- (c) *Plant & equipment written off in 2009 was mainly due to relocation of a plant in Malaysia, whereas in 1H 2008, a subsidiary closed its plant 2.*
- (d) *Impairment loss on plant & equipment arose from the closure of our precision turning operations in Malaysia in FY2009. These plant & equipment have since been sold.*
- (e) *Loss on disposal of business in a subsidiary arose from disposal of assets in HLN Metal Centre Pte Ltd in September 2008.*
- (f) *The entire 60% interest in Pri-V Group was disposed off on 1st November on 2009 for cash consideration of \$1,259,000 (refer to SGXNET announcement dated 17 November 2009).*
- (g) *Sheung Ho Group was established in August 2009 and disposed off on 1st December 2009 for cash consideration of \$450,000 (refer to SGXNET announcement dated 29 December 2009).*
- (h) *The Group invested in quoted securities and some were held for trading purposes.*

1(b)(i) Statement of Financial Position (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year

(in \$'000)	Group	Group	Company	Company
	31.12.09	31.12.08	31.12.09	31.12.08
Non Current Assets				
Plant & Equipment	6,204	9,034	101	337
Intangible Assets	-	73	-	-
Investments in Subsidiaries	-	-	11,395	4,350
Financial Assets, Available-for-sale	102	133	102	133
Total Non-Current Assets	6,306	9,240	11,598	4,820
Current Assets				
Inventories	3,508	5,830	-	-
Trade and Other Receivables	7,695	8,209	2,460	1,960
Other Assets	792	776	63	68
Cash and Cash Equivalents	10,958	8,664	4,667	3,339
Financial Assets, Held-for-trading	468	-	468	-
Total Current Assets	23,421	23,479	7,658	5,367
Total Assets	29,727	32,719	19,256	10,187
EQUITY AND LIABILITIES				
Equity				
Share Capital	16,648	16,648	16,648	16,648
Treasury Shares	(942)	(740)	(942)	(740)
Retained Earnings	8,424	8,193	2,938	(6,311)
Other Reserves	(270)	(107)	2	53
Equity, Attributable to Equity Holders of the Parent	23,860	23,994	18,646	9,650
Non-Controlling Interests	487	942	-	-
Total Equity	24,347	24,936	18,646	9,650
Non Current Liabilities				
Deferred Tax Liabilities	389	393	28	58
Trade and Other Payables, Non Current	72	72	-	-
Finance Lease Liabilities, Non Current	3	10	-	-
Other Financial Liabilities, Non Current	-	245	-	-
Total non-current liabilities	464	720	28	58
Current Liabilities				
Income Tax Payable	379	436	-	-
Trade and Other Payables, Current	3,913	3,713	582	479
Finance Lease Liabilities, Current	7	7	-	-
Other Financial Liabilities, Current	617	2,907	-	-
Total Current Liabilities	4,916	7,063	582	479
Total Liabilities	5,380	7,783	610	537
Total Equity and Liabilities	29,727	32,719	19,256	10,187

Note: Refer to paragraph 8 - Review of the performance of the Group, found on pages 9 to 10 of this announcement.

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

Amount repayable in one year or less, or on demand

(In \$'000)	As at 31.12.2009		As at 31.12.2008	
	Secured	Unsecured	Secured	Unsecured
Finance lease liabilities	7	-	7	-
Borrowings	617	-	2,907	-
Total	<u>624</u>	<u>-</u>	<u>2,914</u>	<u>-</u>

Amount repayable after one year

(In \$'000)	As at 31.12.2009		As at 31.12.2008	
	Secured	Unsecured	Secured	Unsecured
Finance lease liabilities	3	-	10	-
Borrowings	-	-	245	-
Total	<u>3</u>	<u>-</u>	<u>255</u>	<u>-</u>

Details of any collateral

Finance lease liabilities refer to hire purchases for motor vehicles which are secured by a pledge of the assets and guaranteed by a director of our subsidiary.

Bank borrowings amounting to \$617,000 (31 December 2008: \$3,162,000) consist of:

- \$410,000 (31 December 2008: \$723,000) revolving cash loans by one of the subsidiaries in Malaysia
- \$207,000 (31 December 2008: \$1,050,000) short-term loans and trade finance facilities extended to our subsidiaries in China
- \$0 (31 December 2008: \$1,379,000) short-term loans extended to our subsidiaries in Singapore

The above bank borrowings are secured by Corporate Guarantee from the Company. The banking facilities in China were further secured over personal guarantee by the non-controlling shareholder as well as a director of the Company.

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

(In \$'000)	FY 2009	FY 2008
Cash Flows From Operating Activities		
Profit Before Income Tax	1,091	781
Adjustments for :		
Dividend Income	(5)	(3)
Interest Income	(23)	(59)
Interest Expense	127	533
Amortisation of Intangible Assets	42	56
Depreciation of Plant and Equipment	1,535	1,676
Impairment on Plant and Equipment	1,107	246
Gain on Disposal of Plant and Equipment	(412)	(5)
Plant and Equipment Written off	278	251
Intangible Assets Written off	31	-
Fair Value Gain on Financial Assets Held for Trading	(50)	-
Gain on Disposal of Subsidiaries	(5)	-
Loss on Disposal of Business in a Subsidiary	-	338
Loss on Disposal of Shares in a Subsidiary	4	-
Gain on Disposal of Quoted Securities	(183)	-
Share Based Payment	22	54
Foreign Exchange Adjustment Loss / (Gains)	(153)	348
Operating Cash Flows Before Changes in Working Capital	3,406	4,216
Inventories	2,304	3,601
Trade and Other Receivables, Current	(801)	4,553
Other Assets, Current	-	(131)
Trade and Other Payables, Total	437	(2,687)
Net Cash Flows From Operations Before Interest and Tax	5,346	9,552
Income Taxes Paid	(569)	(632)
Net Cash Flows From Operating Activities	4,777	8,920
Cash Flows From Investing Activities		
Purchase of Plant and Equipment	(645)	(2,025)
Proceeds from Disposal of Plant and Equipment	634	467
Proceeds from Disposal of a Subsidiary	54	458
Proceeds from Disposal of Quoted Securities	233	-
Proceeds from Disposal of Shares in a Subsidiary	17	-
Proceeds from Disposal of Business in a Subsidiary	-	3,791
Disposal of Pri-V Group (Net of Cash Inflow)	428	-
Disposal of Sheung Ho Group (Net of Cash Inflow)	18	-
Investment in Quoted Equities	(418)	(150)
Interest Received	23	59
Dividend Received	5	3
Net Cash Flows From Investing Activities	349	2,603
Cash Flows From Financing Activities		
Cash Restricted in Use Over 3 Months	-	977
Issue of Shares	-	3,129
Issue of Treasury Shares Under Share Option Scheme	42	-
Shares Issue Expenses	-	(189)
Purchase of Treasury Shares	(337)	(740)
Interest Paid	(127)	(533)
Repayment of Finance Lease Liabilities	(7)	(158)
Capital Contributions from Non-Controlling Interests	-	250
Decrease in Net Borrowings	(2,279)	(8,750)
Dividend Paid	(124)	(2,580)
Net Cash Flows Used in Financing Activities	(2,832)	(8,594)
Net Increase in Cash and Cash Equivalents	2,294	2,929
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	8,664	5,712
Cash and Cash Equivalents, Statement of Cash Flows, Ending	10,958	8,641
Balance as in Statement of Financial Position	10,958	8,664
Cash Restricted in Use over 3 Months	-	(23)
Cash and Cash Equivalent as in Statement of Cash Flows	10,958	8,641

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

	Attributable to equity holders of the parent				Parent sub-total \$'000	Non-Controlling Interest \$'000	Total equity \$'000
	Capital \$'000	Treasury shares \$'000	Other reserves \$'000	Retained earnings \$'000			
Group							
Opening Balance as at 1 January 2008	13,708	-	(212)	10,277	23,773	759	24,532
Total Comprehensive Income/(Loss) for the Year	-	-	51	486	547	(67)	480
<u>Other Movements in Equity</u>							
Issue of share capital	3,129	-	-	-	3,129	-	3,129
Share issue expenses	(189)	-	-	-	(189)	-	(189)
Purchase of treasury shares	-	(740)	-	-	(740)	-	(740)
Capital contribution by minority shareholders	-	-	-	-	-	250	250
Cancellation of share options	-	-	(8)	-	(8)	-	(8)
Share based payments	-	-	62	-	62	-	62
Dividends paid	-	-	-	(2,580)	(2,580)	-	(2,580)
	2,940	(740)	54	(2,580)	(326)	250	(76)
Closing Balance at 31 December 2008	16,648	(740)	(107)	8,193	23,994	942	24,936
Opening Balance as at 1 January 2009	16,648	(740)	(107)	8,193	23,994	942	24,936
Total Comprehensive Income/(Loss) for the Year	-	-	(93)	355	262	147	409
<u>Other Movements in Equity</u>							
Issue of share	-	135	-	-	135	-	135
Purchase of treasury shares	-	(337)	-	-	(337)	-	(337)
Disposal of subsidiaries	-	-	-	-	-	(623)	(623)
Disposal of shares in non-wholly owned subsidiary	-	-	-	-	-	21	21
Share based payments	-	-	(70)	-	(70)	-	(70)
Dividends paid	-	-	-	(124)	(124)	-	(124)
	-	(202)	(70)	(124)	(396)	(602)	(998)
Closing Balance at 31 December 2009	16,648	(942)	(270)	8,424	23,860	487	24,347
Company							
Opening Balance at 1 January 2008	13,708	-	16	1,055	14,779		
Total Comprehensive Loss for the Year	-	-	(17)	(4,786)	(4,803)		
<u>Other Movements in Equity</u>							
Issue of share capital	3,129	-	-	-	3,129		
Share issue expenses	(189)	-	-	-	(189)		
Purchase of treasury shares	-	(740)	-	-	(740)		
Cancellation of share options	-	-	(8)	-	(8)		
Share based payments	-	-	62	-	62		
Dividends paid	-	-	-	(2,580)	(2,580)		
	2,940	(740)	54	(2,580)	(326)		
Closing Balance at 31 December 2008	16,648	(740)	53	(6,311)	9,650		
Opening Balance at 1 January 2009	16,648	(740)	53	(6,311)	9,650		
Total Comprehensive Income for the Year	-	-	19	9,373	9,392		
<u>Other Movements in Equity</u>							
Issue of share	-	135	-	-	135		
Purchase of treasury shares	-	(337)	-	-	(337)		
Share based payments	-	-	(70)	-	(70)		
Dividends paid	-	-	-	(124)	(124)		
	-	(202)	(70)	(124)	(396)		
Closing Balance at 31 December 2009	16,648	(942)	2	2,938	18,646		

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

The Company acquired 2,824,000 of its own shares (31 December 2008: 5,155,000 shares) through open-market purchases on the Singapore Exchange Securities Trading Limited during the year ended 31 December 2009 and these shares were held as Treasury Shares as at 31 December 2009.

On 27 April 2009, the Company issued 252,000 treasury shares (31 December 2008: Nil shares) to employees in the Group pursuant to the Company's Performance Share Plan ("HLN Technologies PSP").

On 25 August 2009, the Company issued 150,000 treasury shares to employees at an exercise price of \$0.28 per share pursuant to the Company's Share Option Scheme ("Scheme").

As at 31 December 2009, there was no unissued ordinary shares under options granted and unexercised (31 December 2008: 160,000 shares).

(d)(iii) To show the total number of Issued share excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

<u>As at 31.12.2009</u>	<u>As at 31.12.2008</u>
123,460,920	125,882,920

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury share as at the end of current financial period reported on.

Total number of treasury shares as at 01.01.09	5,155,000
Treasury shares purchased from open market in:	
- January 2009	340,000
- March 2009	2,113,000
- May 2009	371,000
Total Purchases	<u>2,824,000</u>
Use of Treasury Share for HLN Technologies PSP	<u>(252,000)</u>
Use of Treasury Share for The Share Options Scheme	<u>(150,000)</u>
Total number of treasury shares as at 31.12.09	<u>7,577,000</u>

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed by external 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 year as those for the audited financial statements for the year ended 31 December 2008, except for the adoption of certain revised Financial Reporting Standards ("FRS") and interpretations of FRS ("INT FRS") that become mandatory from 1 January 2009. The adoption of these FRS and INT FRS did not result in any substantial changes to the Group's accounting policies or any significant impact on the financial statements except for the presentation of financial statements as required by FRS 1 (Revised) Presentation of Financial Statements as disclosed in item 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

FRS 1 (Revised) Presentation of financial statements requires an entity to present all non-owner changes in equity in a Statement of Comprehensive Income ("SCI"). Owner changes will include items of income and expense reconized directly in equity. Previously such non-owner changes were included in the statement of changes in equity. This is a change of presentation and does not affect the recognition or measurement of the entity's transactions. An entity may choose to present the SCI in a single statement, or in two statements (a separate income statement and a SCI). The Group is presenting SCI in a single statement.

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

	12 months ended 31.12.2009	12 months ended 31.12.2008
Earnings per share based on profit attributable to shareholders:		
(a) Basic (in cents)	0.29	0.43
(b) On a fully diluted basis (in cents)	0.29	0.43

The basic earnings per share above have been calculated based on net profit attributable to shareholders of \$355,000 (FY 2008: \$496,000) and the weighted average number of ordinary shares in issue during the year of 123,808,583 (FY 2008: 115,346,445). The fully diluted earnings per share above have been calculated based on net profit attributable to shareholders of \$355,000 (FY 2008: \$496,000) and the weighted average number of ordinary shares during the year of 123,808,583 shares (FY 2008: 115,603,782).

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	Group	Company	Company
as at	31.12.200	31.12.200	31.12.200	31.12.2008
Net Asset Value per ordinary share (cents)	19.33	19.06	15.10	7.67

The net asset value per share of the Group has been calculated based on shareholders' equity of \$23,860,000 (31 December 2008: \$23,994,000) and 123,460,920 shares (31 December 2008: 125,882,920 shares). The net asset value per share of the Company has been calculated based on shareholders' equity of \$18,646,000 (31 December 2008: \$9,650,000) and issued share capital of 123,460,920 shares (31 December 2008: 125,882,920 shares).

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on

The principal activities of our Group involve the manufacture and sale of a wide range of customised precision elastomeric, polymeric and metallic components which are used in a variety of industries principally in office automation, lifestyle products, industrial application, consumer electronics and automotive industries.

Our metallic, elastomeric and polymeric component production capabilities range from material formulation and compounding as well as molding to secondary process including polymeric die-cutting, precision turning and precision machining of metallic components. We also supply machined aluminum products through our aluminum service centres. Our production facilities and sales offices are located in Singapore, Johor, Malaysia, Batam, Indonesia, Shenzhen and Suzhou, PRC. Our customers include multinational corporations with presence in South East Asia, North and East Asia, the US and Europe.

Income Statement

Revenue decreased by \$17.3 million or 37.4% from \$46.2 million in FY2008 to \$28.9 million in FY2009. The decline in total revenue was mainly due to the disposal of our Singapore aluminium service business in September 2008, a significant revenue contributor in FY 2008 whilst all our other operating segments also experienced substantial drop in sales due to lower demand arising from global economic and financial crisis.

Due to lower revenue and relatively high fixed manufacturing costs, gross profit reduced by \$2.7 million or 22.1% from \$12.0 million in FY2008 to \$9.3 million in FY2009. However the overall GP% increased from 26.0% to 32.4%, due to reduced contribution from the aluminium service business which used to command lower GP% compared to our other operating segments.

In line with lower revenue, business restructuring and cost cutting, distribution costs and administrative expenses also declined by \$1.5 million to \$7.3 million from \$8.9 million in FY2008. Financial costs reduced by \$0.4 million or 76.2% from \$533,000 in FY2008 to \$127,000 in FY2009 after the disposal of HLN Metal Centre's business in September 2008.

Other charges comprise mainly foreign exchange difference, impairment losses and accounting provisions. Other charges declined by \$0.40 million from \$1.90 million in FY2008 to \$1.5 million in FY2009 as we recognised lower impairment related losses from trade debts and inventories compared to FY2008. In addition, the Group posted higher other operating income from investment gain and consultancy income in FY2009.

As a result of above, the Group posted higher profitability of \$1.1 million NPBT and \$0.51 million NPAT respectively in FY2009, compared to \$0.78 million NPBT and \$0.41 million NPAT respectively in FY2008. The higher income tax expenses in FY2009 was due to profitable operations in higher tax jurisdictions. Additionally, losses incurred by subsidiaries in one tax jurisdiction were not available for offset against profit generated by subsidiaries in other tax jurisdiction.

Profit attributable to owners of the Company was \$355,000, 28.4% lower than FY2008. The higher profit attributable to non-controlling interests of \$158,000, versus a net loss of \$90,000 in FY2008, was due to higher profit generated by Pri-V Group while the net loss of HLN Metal Centre Group has reduced substantially.

Financial Position

Non-current Assets

The Group's non-current assets stood at \$6.3 million as at 31 December 2009, which dropped \$2.9 million from \$9.2 million as at 31 December 2008 mainly due to depreciation and impairment of plant & equipment.

The Company's non-current assets was \$11.6 million or \$6.8 million higher than last year due to the additional investments in two of its Singapore subsidiaries while it made further provision for impairment loss in another subsidiary, HLN Micron Pte Ltd for the year ended 31 December 2009.

Current Assets

The Group's current assets amounted to \$23.4 million which was not materially different compared to last year. Inventories reduced by \$2.3 million from \$5.8 million to \$3.5 million as these were sold down during the year while production and purchases were reduced to adjust to lower demand. On the other hand, cash and cash equivalents increased by \$2.3 million due to better cash flow management. The Group also increased its investment in financial assets held for trading by \$0.47 million to improve its return on cash holdings.

Total Liabilities

The Group has \$5.4 million total liabilities as at 31 December 2009, with approximately \$0.46 million under non-current liabilities mainly as deferred tax liabilities. During the year, the Group has repaid substantially its bank borrowings of approximately \$2.3 million, thus reducing total liabilities from \$7.8 million as at 31 December 2008. The current liabilities comprises mainly trade and related payables of \$3.9 million.

Total Equity

The equity declined by \$0.60 million from \$24.9 million as at 31 December 2008 to \$24.3 million mainly due to the disposal of a subsidiary, Pri-V Group. There were no issue of new share during the year, other than issuing treasury shares for employee performance shares and conversion of stock options. The Group also purchased 2,824,000 shares from the market during the year.

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

On 20 January 2010, the Group issued a profit guidance announcing that it has turned around in the 2nd half year and it is expected to be profitable for the full financial year ended 31 December 2009. Other than this profit guidance, the Group has not previously disclosed any forecast or prospect statement.

10. A commentary at the date of the 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

The Group continued to report a profitable result for FY2009, despite having posted a significant half year loss. Revenue and gross profit have declined compared to last year amidst the the global financial crisis since late 2008. However, the Group managed to turn around profitably in the 2nd half year of FY2009, delivering a full year profit eventually.

During the year, the Group disposed off its entire 60% interest in Pri-V Group for an attractive gain after a strategic review of its business and assets portfolio. The Group also endeavored to diversify its business to include the provision of fund management, stock broking & general consultancy services. Sheung Ho Group, which was established as a preparatory step to facilitate the organisation of the new business, was subsequently disposed of in December 2009. However, the Singapore Exchange Securities Trading Limited ("SGX-ST") has imposed certain requirements which the Company thinks would be challenging to

comply with from a business perspective. In addition, due to the longer than expected time expended in obtaining clearance from the SGX-ST to proceed on the proposed matters contemplated in the Draft Circular, the market conditions have changed. Thus, the management, having reviewed its overall plans on a strategic basis, has decided to abort the proposed diversification plans.

Notwithstanding a lower profit attributable to shareholders, the Group is financially strong with cash at bank of \$11.0 million and liquid quoted equities of \$0.57 million as at 31 December 2009.

While recent economic indicators point to possible bottoming out of the recession, the Group expects to operate in a very challenging business environment characterized by slow recovery and uncertain financial environment.

The Group will continue to monitor the economic and business environment and evaluate the impact on its business and earnings, and would take necessary pre-emptive and precautionary measures to address the challenges and business risks.

Nevertheless, the Group would continue to explore other business opportunities which can enhance long term shareholder value. These include geographical expansion, mergers and acquisitions, divestment and partnering with long term strategic investor(s) who can add depth and breadth to the Group's existing business portfolio.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	Final FY2009
Dividend Type	Cash
Dividend Rate	0.18 cent per ordinary share one-tier tax exempt
Date Paid/Payable	18 May 2010

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	Interim
Dividend Type	Cash
Dividend Rate	0.1 cent per ordinary share one-tier tax exempt

(c) Date payable

18 May 2010.

(d) Books closure date

Registrable transfers received by the Company up to 5.00 p.m. on 6 May 2010 will be registered before entitlements to the dividend are determined. Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 7 May 2010 for preparation of dividend warrants.

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

Not applicable

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

Operating Segments

For management purposes, the Group is organized into operating segments based on their product and service which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance.

Segment Information

For management purposes, the Group is organized into controlling business units ("CBU") based on their products and services which are further aggregated into four reportable segments as follows:

- 1) The *Office Automation* ("OA") segment manufactures and distributes polymeric components, polymeric die-cutting services and precision turned parts for the office automation end products including printers, copiers, electronic devices, computers, note books and peripheral accessories.
- 2) The *Lifestyle Products* ("LP") segment manufactures and distributes compound rubber and precision molded rubber parts and components for the consumer and life style products including household electrical appliances, consumer electronic devices, vibration control components and peripheral accessories.
- 3) The *Industrial Application* ("IA") segment manufactures and distributes metallic products and aluminum plates, rods and sheets for various customers in the semiconductor, military, medical instruments, precision engineering, aviation and transport, and food and beverage industries.
- 4) The *Corporate* ("IH") segment is involved in Group level corporate services, treasury functions and investments. It derives its income substantially from inter-company transactions.

Management monitors the operating results of its CBU separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects is measured differently from operating profit or loss in the consolidated financial statements. Financing cost (interest expense) and income taxes are managed on a group basis and are not allocated to operating segments. Transfer pricing between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Financial Information by Operating Segments

FY 2009	OA \$'000	LP \$'000	IA \$'000	IH \$'000	Total \$'000
Revenue:					
External customers	8,318	15,117	5,478	-	28,913
Inter-segment	182	2	-	-	184
Total Revenue	8,500	15,119	5,478	-	29,097
Interest Income	3	4	1	15	23
Depreciation and amortisation	351	994	72	160	1,577
Other Non Cash Expenses	725	203	437	445	1,810
Segment Profit (Loss)	929	1,701	(351)	(1,061)	1,218
Segment Assets	9,362	10,595	3,939	7,860	31,756
Capital Expenditure	259	323	44	20	646
Segment Liabilities	817	3,619	4,093	582	9,111

FY 2008	OA \$'000	LP \$'000	IA \$'000	IH \$'000	Total \$'000
Revenue:					
External customers	12,154	18,072	15,950	-	46,176
Inter-segment	538	14	13	-	565
Total Revenue	12,692	18,086	15,963	-	46,741
Interest Income	22	35	32	(30)	59
Depreciation and amortisation	427	1,035	112	158	1,732
Other Non Cash Expenses	603	467	562	-	1,632
Segment Profit (Loss)	1,842	785	(876)	(437)	1,314
Segment Assets	9,362	10,595	3,939	7,944	31,840
Capital Expenditure	692	1,127	191	15	2,025
Segment Liabilities	1,344	2,327	4,955	459	9,085

Reconciliations of Reportable Segment Profit (Loss), Assets and Liabilities

	FY 2009 \$'000	FY 2008 \$'000
Segment Profit (Loss)		
Total Reportable Segment Profit	1,218	1,314
Finance Costs	(127)	(533)
Profit Before Income Tax	1,091	781

	FY 2009 \$'000	FY 2008 \$'000
Segment Assets		
Total Assets for Reportable Segments	31,756	38,646
Inter-Segment Assets	(2,029)	(5,927)
Total Assets	29,727	32,719

	FY 2009 \$'000	FY 2008 \$'000
Segment Liabilities		
Total Liabilities for Reportable Segments	9,111	9,085
Income Tax Payable	379	436
Borrowings	627	3,169
Deferred Tax Liabilities	389	393
Inter-segment Liabilities	(5,126)	(5,300)
Total Liabilities	5,380	7,783

Geographical Information

The Group's main operations are located in Singapore, Malaysia, Indonesia and China. Revenue from external customers are attributed to the Group's countries of domicile and all foreign countries in total from which the Group derived revenues. Non-current assets are attributed to countries based on the Group's country of domicile and all foreign countries in total in which the entity holds assets.

The Group's reportable segment are based on differences in products and services, no additional disclosure of revenue information about products and services are required.

	Revenues		Non-Current Assets	
	FY 2009 \$'000	FY 2008 \$'000	FY 2008 \$'000	FY 2008 \$'000
Singapore	12,824	30,051	1,047	1,657
Malaysia	5,063	4,822	2,487	4,653
Indonesia	537	912	539	625
China	10,489	10,342	2,233	2,305
Total	28,913	46,127	6,306	9,240

Revenues from top two customers of the Group represent approximately \$2,704,000 (FY 2008: \$4,985,000) and \$2,628,000 (FY 2008: \$3,650,000) of the Group's total revenue respectively.

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

Refer to paragraph 8 - Review of the performance of the Group, found on pages 9 to 10 of this announcement.

15. A breakdown of sales

(In \$'000)	Group FY 2009	Group FY 2008	% increase/(Decrease)
Sales reported for first half year	11,159	24,448	-54.4%
Operating loss after tax before deducting non-controlling interest reported for first half year	(2,649)	(528)	401.7%
Sales reported for second half year	17,754	21,679	-18.1%
Operating profit after tax before deducting non-controlling interest reported for second half year	3,162	934	238.5%

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

	Latest full year	Previous full year
(In \$ '000)	31 December 2009	31 December 2008
Total annual dividend – ordinary	124	2,580

17. Summary of interest person transactions for the financial period ended 31 December 2009.

Name of Interest Person	Aggregate value of all interest 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)
Nil	Nil	Nil

BY ORDER OF THE BOARD

Cheong Weixiong, Jeff
Executive Director
24 February 2010