



## NEWS RELEASE

---

### Media contact:

TAN PECK HWA  
Director  
Asia Business Channels Pte. Ltd.  
Tel. No. 9635 4996 / 8325185  
Fax No. 542 5672  
e-mail: tphcomms@mbox2.singnet.com.sg

### Investor Contact:

PRIMO D. MATEO, JR.  
Chief Financial Officer  
Fastech Synergy Ltd.  
Tel. No. (63) 2 8444256  
Fax No. (63) 495430352  
e-mail: investor.relations@fastech.com.ph

*All currency figures stated in this news release are in US Dollars.*

### **FASTECH SYNERGY LTD ANNOUNCES THIRD QUARTER 2008 NET INCOME**

**MANILA, Philippines – 22 October 2008.** Fastech Synergy Ltd announced today its Financial Results for the third quarter ending 30 September 2008. The Group achieved a net income for the third quarter 2008 compared with a net loss of \$219,000 for the previous quarter and a net loss \$1.08 Million for Q3 2007.

Third quarter net revenue for the Group was up by 4.47% to \$3.25 Million from net revenue of \$3.11 Million for the previous quarter. Net revenue for the same period last year was at \$3.44 Million. Even with the increased revenue, the Group was able to achieve a lower cost of sales for the current period to \$2.85 Million, lower by \$210,000 compared to the previous quarter's cost of sales of \$3.06 Million. Cost of sales for the same period last year was \$3.43 Million. These contributed to the Group's gross profit of \$394,000 for the current period from a \$44,000 gross profit for the previous quarter and \$15,000 gross profit for Q3 2007.

Operating expenses was also lower by \$54,000 to \$461,000 for the current period compared to the \$515,000 operating expenses for the previous quarter. Operating expenses for Q3 2007 was \$583,000. The reduced cost of sales and operating expenses was the result of the Group's unrelenting efforts to bring-down its manufacturing and operating costs through efficient direct labor and indirect labor deployment, better controls on direct and indirect materials, continued energy conservation, and reduced administrative expenses. These initiatives, supplemented by a favorable foreign exchange rate have brought the Group back to a positive bottom-line for the current period.

## About Fastech Synergy Ltd

Fastech Synergy Ltd is a leading provider of semiconductor assembly and test services that is listed on the main board of the Stock Exchange of Singapore. Fastech provides complete assembly/test solutions for semiconductor components and module assembly products used in consumer electronics, personal computers and peripherals, telecommunication equipment, medical and office equipment, automotive systems and industrial applications. It employs approximately 600 employees.

For more information, visit Fastech's website at <http://www.fastechsynergy.com>.

## Safe Harbor Statement

This press release contains forward-looking statements that are based on management's assumptions and expectations and that involve risks and uncertainties. Actual results could differ materially from those expressed or implied by such statements. Such risks and uncertainties include, but may not necessarily be limited to, dependence on key customers, cyclical nature of the semiconductor industry, increased competition, foreign exchange fluctuations, working capital cost and availability, political and regulatory considerations, technological and commercialization delays, lengthy sales and qualification cycles, cost concerns in manufacturing, manufacturing capability and capacity and other factors. Fastech assumes no obligation to update these forward-looking statements.

**FASTECH SYNERGY LTD AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS**  
**FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2008**

	Group					
	USD ('000)					
	Quarter Ended 30/09/08	Quarter Ended 30/09/07	Increase/ (Decrease) % Change	Nine Months ended 30/09/08	Nine Months ended 30/09/07	Increase/ (Decrease) % Change
Revenues	3,247	3,443	(5.7)	9,375	10,505	(10.8)
Cost of goods sold	2,853	3,428	(16.8)	9,323	10,642	(12.4)
<b>Gross profit / (loss)</b>	<b>394</b>	<b>15</b>	<b>2,449.3</b>	<b>52</b>	<b>(137)</b>	<b>(138.0)</b>
Other income	25	33	(24.8)	57	151	(62.0)
Other expenses	-	-	-	(88)	(4)	1,964.3
Sales and marketing expenses	(32)	(54)	(41.2)	(130)	(181)	(28.4)
Foreign currency gain/(loss)	276	(326)	(184.7)	822	(668)	(223.0)
Interest and bank charges - net	(178)	(210)	(15.4)	(535)	(604)	(11.3)
General and administrative	(429)	(529)	(18.9)	(1,486)	(1,724)	(13.8)
<b>Income / (loss) before income tax</b>	<b>56</b>	<b>(1,071)</b>	<b>(105.3)</b>	<b>(1,308)</b>	<b>(3,167)</b>	<b>(58.7)</b>
Provision for income tax	(6)	(4)	33.4	(15)	(13)	19.9
<b>Net Income / (loss) for the period</b>	<b>50</b>	<b>(1,075)</b>	<b>(104.7)</b>	<b>(1,323)</b>	<b>(3,180)</b>	<b>(58.4)</b>
Attributable to:						
Minority interest	(0)	(0)	-	(2)	(1)	(100.0)
Equity holders of the Company	50	(1,075)	(104.6)	(1,321)	(3,179)	(58.4)
	50	(1,075)	(104.7)	(1,323)	(3,180)	(58.4)
<b>Income / (loss) per share for profit attributable to equity holders of the Company (basic and fully diluted basis)</b>	<b>(0.000)</b>	<b>0.006</b>	<b>(103.9)</b>	<b>0.007</b>	<b>0.019</b>	<b>(65.0)</b>

**FASTECH SYNERGY LTD AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**30 SEPTEMBER 2008**

	Group		Company	
	USD ('000)		USD ('000)	
	30/09/08	31/12/07	30/09/08	31/12/07
<b>Non-Current Assets</b>				
Property, plant and equipment	9,880	11,779	-	-
Other non-current assets	498	530	-	-
	<b>10,378</b>	<b>12,309</b>	<b>-</b>	<b>-</b>
<b>Current Assets</b>				
Inventories	778	1,043	-	-
Trade and other receivables	1,288	1,659	-	-
Advances to affiliates	-	-	2,306	3,624
Prepaid expenses and other current assets	401	671	18	2
Cash and bank balances	396	345	1	1
	<b>2,863</b>	<b>3,718</b>	<b>2,325</b>	<b>3,627</b>
<b>Current Liabilities</b>				
Loans payable	1,278	1,453	-	-
Accounts payable and accrued expenses	5,276	6,547	247	565
Income tax payable	23	42	-	-
Current portion of long term debt	1,635	3,392	-	1,149
Current portion of liability under finance lease	48	95	-	-
	<b>8,260</b>	<b>11,529</b>	<b>247</b>	<b>1,714</b>
<b>Net Current Assets (Liabilities)</b>	<b>(5,397)</b>	<b>(7,811)</b>	<b>2,078</b>	<b>1,913</b>
<b>Non- Current Liabilities</b>				
Long-term debt - net of current portion	3,574	2,668	963	-
Net benefit liability	506	586	-	-
Deferred tax liability	246	268	-	-
	<b>4,326</b>	<b>3,522</b>	<b>963</b>	<b>-</b>
<b>Net Assets</b>	<b>655</b>	<b>976</b>	<b>1,115</b>	<b>1,913</b>
<b>Equity</b>				
<b>Equity attributable to the equity holders of the Company</b>				
Capital stock	200	168	200	168
Share premium	969	-	969	-
Contributed surplus	3,216	3,216	5,484	5,484
Equity Option	208	208	208	208
Retained earnings (Deficit)	(3,847)	(2,524)	(5,746)	(3,947)
	<b>746</b>	<b>1,068</b>	<b>1,115</b>	<b>1,913</b>
<b>Minority Interests</b>	<b>(91)</b>	<b>(92)</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>	<b>655</b>	<b>976</b>	<b>1,115</b>	<b>1,913</b>

**FASTECH SYNERGY LTD AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2008**

For the Nine months ended 30 September	
Group	
<b>2008</b>	2007
<b>USD ('000)</b>	USD ('000)

**CASH FLOWS FROM OPERATING ACTIVITIES**

Loss before income tax and minority interests	(1,307)	(3,167)
Adjustments for:		
Depreciation and amortization	2,320	3,029
Unrealized foreign exchange (gain)/loss	(416)	668
Interest expense	536	604
Inventory obsolescence	1	26
Gain/(Loss) on disposal of property and equipment	4	-
Operating income before working capital changes	1,138	1,160
Decrease(increase) in:		
Inventories	265	(61)
Trade and other receivables	371	(323)
Prepaid expenses and other current assets	270	(164)
Increase (decrease) in accounts payable and accrued expenses	(1,444)	522
Net cash generated from operations	600	1,134
Interest paid	(126)	(7)
Income tax paid	(21)	(32)
Interest received	-	(1)
<b>Net cash generated from operating activities</b>	<b>453</b>	<b>1,094</b>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Proceeds from sale of equipment	23	-
Purchase of property, plant and equipment	(451)	(792)
(Increase) / Decrease in other non-current assets	32	(95)
<b>Net cash used in investing activities</b>	<b>(396)</b>	<b>(887)</b>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Payments of:		
Loans payable	(6)	(51)
<b>Net cash used in financing activities</b>	<b>(6)</b>	<b>(51)</b>
<b>Net increase (decrease) in cash and bank balances</b>	<b>51</b>	<b>156</b>
Cash and bank balances at the beginning of the period	345	245
<b>Cash and bank balances at the end of the period</b>	<b>396</b>	<b>401</b>

**THIRD QUARTER ENDED 30 SEPTEMBER 2008 FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT**

**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					
	USD ('000)					
Quarter Ended 30/09/08	Quarter Ended 30/09/07	Increase/ (Decrease) % Change	Nine Months ended 30/09/08	Nine Months ended 30/09/07	Increase/ (Decrease) % Change	
Revenues	3,247	3,443	(5.7)	9,375	10,505	(10.8)
Cost of goods sold	2,853	3,428	(16.8)	9,323	10,642	(12.4)
Gross profit / (loss)	394	15	2,449.3	52	(137)	(138.0)
Other income	25	33	(24.8)	57	151	(62.0)
Other expenses	-	-	-	(88)	(4)	1,964.3
Sales and marketing expenses	(32)	(54)	(41.2)	(130)	(181)	(28.4)
Foreign currency gain/(loss)	276	(326)	(184.7)	822	(668)	(223.0)
Interest and bank charges - net	(178)	(210)	(15.4)	(535)	(604)	(11.3)
General and administrative	(429)	(529)	(18.9)	(1,486)	(1,724)	(13.8)
Income / (loss) before income tax	56	(1,071)	(105.3)	(1,308)	(3,167)	(58.7)
Provision for income tax	(6)	(4)	33.4	(15)	(13)	19.9
Net Income / (loss) for the period	50	(1,075)	(104.7)	(1,323)	(3,180)	(58.4)
Attributable to:						
Minority interest	(0)	(0)	-	(2)	(1)	(100.0)
Equity holders of the Company	50	(1,075)	(104.6)	(1,321)	(3,179)	(58.4)
	50	(1,075)	(104.7)	(1,323)	(3,180)	(58.4)
Income / (loss) per share for profit attributable to equity holders of the Company (basic and fully diluted basis)	(0.000)	0.006	(103.9)	0.007	0.019	(65.0)

The Group confirms that the information required under paragraph 1(a)(ii) of Appendix 7.2 of the Listing Manual are not significant except for depreciation and amortization of property, plant and equipment. Depreciation and amortization for the nine months ended 30 September 2008 and 30 September 2007 was \$2.32 million and \$3.03 million, respectively.

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:

	Group		Company	
	USD ('000)		USD ('000)	
	30/09/08	31/12/07	30/09/08	31/12/07
<b>Non-Current Assets</b>				
Property, plant and equipment	9,880	11,779	-	-
Other non-current assets	498	530	-	-
	<b>10,378</b>	<b>12,309</b>	<b>-</b>	<b>-</b>
<b>Current Assets</b>				
Inventories	778	1,043	-	-
Trade and other receivables	1,288	1,659	-	-
Advances to affiliates	-	-	2,306	3,624
Prepaid expenses and other current assets	401	671	18	2
Cash and bank balances	396	345	1	1
	<b>2,863</b>	<b>3,718</b>	<b>2,325</b>	<b>3,627</b>
<b>Current Liabilities</b>				
Loans payable	1,278	1,453	-	-
Accounts payable and accrued expenses	5,276	6,547	247	565
Income tax payable	23	42	-	-
Current portion of long term debt	1,635	3,392	-	1,149
Current portion of liability under finance lease	48	95	-	-
	<b>8,260</b>	<b>11,529</b>	<b>247</b>	<b>1,714</b>
<b>Net Current Assets (Liabilities)</b>	<b>(5,397)</b>	<b>(7,811)</b>	<b>2,078</b>	<b>1,913</b>
<b>Non- Current Liabilities</b>				
Long-term debt - net of current portion	3,574	2,668	963	-
Net benefit liability	506	586	-	-
Deferred tax liability	246	268	-	-
	<b>4,326</b>	<b>3,522</b>	<b>963</b>	<b>-</b>
<b>Net Assets</b>	<b>655</b>	<b>976</b>	<b>1,115</b>	<b>1,913</b>
<b>Equity</b>				
<b>Equity attributable to the equity holders of the Company</b>				
Capital stock	200	168	200	168
Share premium	969	-	969	-
Contributed surplus	3,216	3,216	5,484	5,484
Equity Option	208	208	208	208
Retained earnings (Deficit)	(3,847)	(2,524)	(5,746)	(3,947)
	<b>746</b>	<b>1,068</b>	<b>1,115</b>	<b>1,913</b>
<b>Minority Interests</b>	<b>(91)</b>	<b>(92)</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>	<b>655</b>	<b>976</b>	<b>1,115</b>	<b>1,913</b>

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

Amount repayable in one year or less, or on demand

Group			
USD ('000)			
30/09/08		31/12/07	
Secured	Unsecured	Secured	Unsecured
2,961	-	4,940	-

Amount repayable after one year

Group			
USD ('000)			
30/09/08		31/12/07	
Secured	Unsecured	Secured	Unsecured
3,574	-	2,668	-

**Details of any collateral**

The loans are secured by a real estate mortgage on certain properties of a subsidiary and chattel mortgage over the machinery and equipment of certain subsidiaries.

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

	For the Nine months ended 30	
	September	
	Group	
	2008	2007
	USD ('000)	USD ('000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before income tax and minority interests	(1,307)	(3,167)
Adjustments for:		
Depreciation and amortization	2,320	3,029
Unrealized foreign exchange (gain)/loss	(416)	668
Interest expense	536	604
Inventory obsolescence	1	26
Gain/(Loss) on disposal of property and equipment	4	-
Operating income before working capital changes	1,138	1,160
Decrease(increase) in:		
Inventories	265	(61)
Trade and other receivables	371	(323)
Prepaid expenses and other current assets	270	(164)
Increase (decrease) in accounts payable and accrued expenses	(1,444)	522
Net cash generated from operations	600	1,134
Interest paid	(126)	(7)
Income tax paid	(21)	(32)
Interest received	-	(1)
<b>Net cash generated from operating activities</b>	<b>453</b>	<b>1,094</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of equipment	23	-
Purchase of property, plant and equipment	(451)	(792)
(Increase) / Decrease in other non-current assets	32	(95)
<b>Net cash used in investing activities</b>	<b>(396)</b>	<b>(687)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments of:		
Loans payable	(6)	(51)
<b>Net cash used in financing activities</b>	<b>(6)</b>	<b>(51)</b>
<b>Net increase (decrease) in cash and bank balances</b>	<b>51</b>	<b>156</b>
Cash and bank balances at the beginning of the period	345	245
<b>Cash and bank balances at the end of the period</b>	<b>396</b>	<b>401</b>

1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with comparative statement for the corresponding period of the immediately preceding financial year.

Group		Company	
30/09/08	30/09/07	30/09/08	30/09/07
USD ('000)	USD ('000)	USD ('000)	USD ('000)

**Equity attributable to the equity holders of the Company**

Capital stock	200	16,819	200	16,819
Share premium	969	4,041	969	4,041
Contributed surplus	3,216	-	5,484	2,269
Equity Option	208	208	208	208
Retained earnings (deficit):				
Balance at beginning of the year	(2,524)	(15,369)	(3,948)	(2,721)
Net loss	(1,323)	(3,181)	(1,798)	(14,502)
Balance at end of the third quarter	(3,847)	(18,551)	(5,746)	(17,223)
<b>Total</b>	<b>746</b>	<b>2,517</b>	<b>1,115</b>	<b>6,114</b>
<b>Minority Interest</b>	<b>(91)</b>	<b>(92)</b>	<b>-</b>	<b>-</b>
<b>TOTAL EQUITY</b>	<b>655</b>	<b>2,425</b>	<b>1,115</b>	<b>6,114</b>

**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 outstanding convertibles as at the end of the current financial period reported on and as the end of the corresponding period of the immediately preceding financial year.**

On 7 March 2008, the exchange approved in principle the listing and quotation of up to 31,813,636 new ordinary shares (the "new shares") in the capital of the Company arising from the proposed capitalisation of bank loans amounting to an aggregate of US\$1,001,128.41 (The Proposed Loans - to - Equity Conversion")

On 17 June 2008, the Group announced that these new shares were officially listed and quoted on the mainboard of the Singapore Exchange Securities trading content ("The Exchange")

**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)**

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 Group has applied the same accounting policies and methods of computation in the financial statement for the current reporting period compared with the audited financial statements as at 31 December 2007.

**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**

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			
	Quarter Ended 30/09/2008	Quarter Ended 30/09/2007	Nine Months Ended 30/09/2008	Nine Months Ended 30/09/2007
	USD	USD	USD	USD
Loss per share for profit attributable to equity holders of the Company				
- on weighted average number of shares	(0.000)	0.006	0.007	0.019

Loss per ordinary share on existing issued share capital is computed based on the number of shares issued and outstanding during the period of 200,000,000 (30/09/2007: 168,186,364 shares ).

- 7 Net asset value (for the issuer and group), per ordinary share based on issued share capital of the issuer at the end of the:  
(a) current period reported on; and (b) immediately preceding financial year.

	Group		Company	
	30/09/2008 USD	31/12/2007 USD	30/09/2008 USD	31/12/2007 USD
Net assets value per share based on existing issued share capital as at the respective periods	0.003	0.006	0.006	0.011

Net assets value per ordinary share on existing issued share capital is computed based on the number of shares issued and outstanding during the year of 200,000,000 (2007:168,186,364).

- 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

	Quarter Ended 30/09/2008 USD '000	Quarter Ended 30/09/2007 USD '000	Increase/ (decrease)	%	Nine Months Ended 30/09/2008 USD '000	Nine Months Ended 30/09/2007 USD '000	Increase/ (decrease)	%
Revenues	3,247	3,443	(196)	-6%	9,375	10,505	(1,130)	-11%
Cost of goods sold	2,853	3,428	(575)	-17%	9,323	10,642	(1,319)	-12%
Gross profit / (loss)	394	15	379	2449%	52	(137)	189	-139%
Other income	25	33	(8)	-25%	57	151	(94)	-62%
Other expenses	0	-	0	0%	(88)	(4)	(84)	1964%
Sales and marketing expenses	(32)	(54)	22	-41%	(130)	(181)	51	-28%
Foreign currency gain/(loss)	276	(326)	602	-185%	822	(668)	1,490	-223%
Interest and bank charges - net	(178)	(210)	32	-15%	(535)	(604)	69	-12%
General and administrative	(429)	(529)	100	-19%	(1,486)	(1,724)	238	-14%
Income / (loss) before income tax	56	(1,071)	1,128	-105%	(1,308)	(3,167)	1,859	-59%
Net Income / (loss) for the period	50	(1,075)	1,125	-105%	(1,323)	(3,180)	1,857	-58%
Loss attributable to equity holders of the Group	(0.000)	0.006	(0.006)	-88%	0.007	0.019	(0.012)	-65%

## FINANCIAL HIGHLIGHTS

The Group achieved a net income for the third quarter 2008 of \$50,000 compared with a net loss of \$219,000 for the previous quarter and a net loss \$1.08 Million for Q3 2007.

Third quarter net revenue for the Group was up by 4.47% to \$3.25 Million from net revenue of \$3.11 Million for the previous quarter. Net revenue for the same period last year was at \$3.44 Million. Even with the increased revenue, the Group was able to achieve a lower cost of sales for the current period to \$2.85 Million, lower by \$210,000 compared to the previous quarter's cost of sales of \$3.06 Million. Cost of sales for the same period last year was \$3.43 Million. These contributed to the Group's gross profit of \$394,000 for the current period from a \$44,000 gross profit for the previous quarter and \$15,000 gross profit for Q3 2007

Operating expenses was also lower by \$54,000 to \$461,000 for the current period compared to the \$515,000 operating expenses for the previous quarter. Operating expenses for Q3 2007 was \$583,000. The reduced cost of sales and operating expenses was the result of the Group's unrelenting efforts to bring-down its manufacturing and operating costs through efficient direct labor and indirect labor deployment, better controls on direct and indirect materials, continued energy conservation, and reduced administrative expenses. These initiatives, supplemented by a favorable foreign exchange rate have brought the Group back to a positive bottom-line for the current period.

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

There was no forecast or prospect stated in the previous quarter.

### **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.**

No significant commentary for this quarter.

*This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.*

## RISK FACTORS

The Group continues to implement its policies to manage identified risk factors with the end-in-view of enhancing shareholder value. In the face of the current volatile business conditions, the Group is especially mindful in trying to minimize these risk factors.

These risk factors include, but are not necessarily limited to: dependence on key customers, cyclical nature of the semiconductor industry, increased competition, foreign exchange fluctuations, working capital cost and availability, political and regulatory considerations, technological and commercialization delays, lengthy sales and qualification cycles, cost concerns in manufacturing, manufacturing capability and capacity and other factors.

As of 30 September 2008, the Group is still in a net current liability position. While the Group has posted a net income for the quarter, it is still on a net loss position as of end September 2008, and has incurred an accumulated deficit of \$3.85 million . These may raise a question about the Group's ability to continue as a going concern. In this regard, management continues to implement various measures to address the above, foremost of which is a right-sizing plan to drastically lower the Group's break-even point. Together with its financial advisor, the Group is in the process of formulating a new loan restructuring proposal for presentation to the Group's creditor banks, with the end-in-view of improving the Group's financial position.

**11 Dividend**

**(a) Current Financial Period On**

Any dividend recommended 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/recommendeded, a statement to that effect**

The Group did not declare any dividend for the 3rd quarter of 2008.

**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.**

**Business Segments**

	Components		Module Assemblies		Others		Eliminations		Consolidated	
	2008 USD ('000)	2007 USD ('000)	2008 USD ('000)	2007 USD ('000)	2008 USD ('000)	2007 USD ('000)	2008 USD ('000)	2007 USD ('000)	2008 USD ('000)	2007 USD ('000)
Segment revenue										
Sales to external customers	<b>7,901</b>	7,249	<b>1,300</b>	2,758	<b>174</b>	498	-	-	<b>9,375</b>	10,505
Segment results	<b>(479)</b>	(937)	<b>508</b>	661	<b>23</b>	139	-	-	<b>52</b>	(137)
Other income									<b>57</b>	151
Sales and marketing expenses									<b>(130)</b>	(181)
Other expenses									<b>(88)</b>	(4)
Interest and bank charges - net									<b>(535)</b>	(604)
Foreign currency losses									<b>822</b>	(668)
General and administrative expenses									<b>(1,486)</b>	(1,724)
Loss before income tax									<b>(1,308)</b>	(3,167)
Provision for income tax									<b>(15)</b>	(13)
Net loss									<b>(1,323)</b>	(3,180)
Consolidated assets	<b>4,635</b>	7,226	<b>1,316</b>	1,785	<b>33,257</b>	33,525	<b>(25,967)</b>	(25,531)	<b>13,240</b>	17,005
Consolidated liabilities	<b>8,614</b>	8,718	<b>1,359</b>	1,609	<b>14,777</b>	10,566	<b>(12,164)</b>	(6,313)	<b>12,586</b>	14,580
Other segment information:										
Capital expenditures	<b>358</b>	540	<b>33</b>	52	<b>60</b>	200			<b>451</b>	792
Depreciation and amortization	<b>1,631</b>	2,298	<b>276</b>	321	<b>413</b>	410			<b>2,320</b>	3,029

**Geographical Segment**

	Europe		United States of America		Asia		Consolidated	
	2008 USD ('000)	2007 USD ('000)	2008 USD ('000)	2007 USD ('000)	2008 USD ('000)	2007 USD ('000)	2008 USD ('000)	2007 USD ('000)
Segment revenue	<b>964</b>	478	<b>6,557</b>	8,007	<b>1,854</b>	2,020	<b>9,375</b>	10,505

**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**

No significant changes in revenue per segment.

**15 A breakdown of sales**

	<b>Group</b>			
	<b>USD ('000)</b>		<b>USD ('000)</b>	
	<b>Quarter Ended 30/09/08</b>	<b>Quarter Ended 30/09/07</b>	<b>Nine Months Ended 30/09/08</b>	<b>Nine Months Ended 30/09/07</b>
<b>Sales reported for the period</b>	<b>3,247</b>	<b>3,443</b>	<b>9,375</b>	<b>10,505</b>
<b>Operating profit / (loss) after tax before deducting minority interests reported for the period</b>	<b>50</b>	<b>(1,075)</b>	<b>(1,323)</b>	<b>(3,180)</b>
<b>Profit / (Loss) attributable to equity holder of the Group for the period</b>	<b>50</b>	<b>(1,075)</b>	<b>(1,321)</b>	<b>(3,179)</b>

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

Not Applicable

**17 Confirmation by the Board pursuant to Rule 705(4) of the listing manual.**

The Board of Directors confirms that, to the best of their knowledge, nothing has come to their attention which may render the interim financial results of the Company for the period ended 30 September 2008 to be false or misleading.

**BY ORDER OF THE BOARD**

PRIMO D. MATEO JR.  
CHIEF FINANCIAL OFFICER  
21/10/08