

**FOURTH QUARTER ENDED 31 DECEMBER 2006 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 31/12/06 | Quarter Ended 31/12/05<br>(As restated) | Increase/<br>(Decrease)<br>% Change | For the year Ended 31/12/2006 | For the year Ended 31/12/2005<br>(As restated) | Increase/<br>(Decrease)<br>% Change |
| Revenues  | 3,683                  | 3,206                                   | 14.9                                | 13,345                        | 14,617   | (8.7)                               |
| Cost of goods sold  | 4,078                  | 5,071                                   | (19.6)                              | 15,034                        | 17,763   | (15.4)                              |
| Gross profit (loss)   | (395)                  | (1,865)                                 | (78.8)                              | (1,689)                       | (3,146)  | (46.3)                              |
| Sales and marketing   | (56)                   | (60)                                    | (6.1)                               | (285)                         | (278)  | 2.5                                 |
| Other expenses  | (324)                  | (149)                                   | 117.7                               | (490)                         | (407)  | 20.4                                |
| Interest and bank charges   | (216)                  | (186)                                   | 16.3                                | (831)                         | (773)  | 7.5                                 |
| General and administrative  | (570)                  | (183)                                   | 211.1                               | (2,383)                       | (2,318)  | 2.8                                 |
| Share in joint venture results  | 0                      | (21)                                    | (100.0)                             | (3)                           | (10)   | (66.1)                              |
| Loss before income tax  | 1,561                  | 2,464                                   | (36.6)                              | 5,681                         | 6,932  | (18.0)                              |
| Provision for income tax  | 112                    | 163                                     | 2.0                                 | 126                           | 166  | 2.0                                 |
| Loss for the year   | 1,673                  | 2,627                                   | (36.3)                              | 5,807                         | 7,098  | (18.2)                              |
| Attributable to:  |                        |   |                                     |                               |  |                                     |
| Minority interest   | 0                      | 19                                      | (97.5)                              | (2)                           | 49   | (103.3)                             |
| Equity holders of the Group   | 1,673                  | 2,608                                   | (35.9)                              | 5,809                         | 7,049  | (17.6)                              |
|   | 1,673                  | 2,627                                   | (36.3)                              | 5,807                         | 7,098  | (18.2)                              |
| Loss per share for profit attributable to equity holders of the Group (basic and fully diluted basis) | (0.010)                | (0.016)                                 | (35.9)                              | (0.035)                       | (0.042)  | (17.6)                              |

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 year ended 31 December 2006 and 31 December 2005 was \$4.58 million and \$5.30 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)    |               |
|  | 31/12/06       | 31/12/05<br>(As restated) | 31/12/06      | 31/12/05      |
| <b>Non-Current Assets</b>                                |                |                           |               |               |
| Property, plant and equipment                            | 14,730         | 18,965                    | -             | -             |
| Investments in subsidiaries                              |                |                           | 9,620         | 9,620         |
| Investment in a joint venture                            | (0)            | 161                       | 0             | 192           |
| Other non-current assets                                 | 493            | 453                       | -             | -             |
|  | <b>15,223</b>  | <b>19,579</b>             | <b>9,620</b>  | <b>9,812</b>  |
| <b>Current Assets</b>                                    |                |                           |               |               |
| Inventories  | 729            | 898                       | -             | -             |
| Trade and other receivables                              | 1,979          | 1,819                     | 12,492        | 11,403        |
| Prepaid expenses and other current assets                | 338            | 709                       | 9             | 9             |
| Cash and bank balances                                   | 245            | 381                       | 2             | 1             |
|  | <b>3,291</b>   | <b>3,807</b>              | <b>12,503</b> | <b>11,413</b> |
| Equipment held for sale                                  | 0              | 228                       | -             | -             |
| <b>Current Liabilities</b>                               |                |                           |               |               |
| Loans payable  | 1,275          | 2,582                     | -             | -             |
| Accounts payable and accrued expenses                    | 5,563          | 4,943                     | 358           | 163           |
| Income tax payable                                       | 39             | 51                        | -             | -             |
| Current portion of long term debt                        | 2,075          | 3,314                     | 1,149         | 1,149         |
| Current portion of liability under finance lease         | 39             | 152                       | -             | -             |
|  | <b>8,991</b>   | <b>11,041</b>             | <b>1,507</b>  | <b>1,312</b>  |
| <b>Net Current Assets (Liabilities)</b>                  | <b>(5,700)</b> | <b>(7,006)</b>            | <b>10,995</b> | <b>10,101</b> |
| <b>Non- Current Liabilities</b>                          |                |                           |               |               |
| Long-term debt - net of current portion                  | 3,695          | 1,003                     | -             | -             |
| Liability under finance lease net of current portion     | 27             | 46                        | -             | -             |
| Deferred tax liability                                   | 194            | 115                       | -             | -             |
|  | <b>3,916</b>   | <b>1,164</b>              | <b>-</b>      | <b>-</b>      |
| <b>Net Assets</b>  | <b>5,607</b>   | <b>11,408</b>             | <b>20,616</b> | <b>19,913</b> |
| <b>Equity</b>  |                |                           |               |               |
| <b>Equity attributable to the Group's equity holders</b> |                |                           |               |               |
| Capital stock  | 16,819         | 16,819                    | 16,819        | 16,819        |
| Share premium  | 4,041          | 4,041                     | 4,041         | 4,041         |
| Contributed surplus                                      | -              | -                         | 2,269         | 2,269         |
| Equity Option  | 208            | 164                       | 208           | 164           |
| Retained earnings (Deficit)                              | (15,369)       | (9,726)                   | (2,721)       | (3,380)       |
|  | <b>5,699</b>   | <b>11,298</b>             | <b>20,616</b> | <b>19,913</b> |
| <b>Minority Interests</b>                                | <b>(92)</b>    | <b>110</b>                | <b>-</b>      | <b>-</b>      |
| <b>Total Equity</b>                                      | <b>5,607</b>   | <b>11,408</b>             | <b>20,616</b> | <b>19,913</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) |           |          |           |
| 31/12/06   |           | 31/12/05 |           |
| Secured    | Unsecured | Secured  | Unsecured |
| 3,350      | -         | 5,896    | -         |

Amount repayable after one year

| Group      |           |          |           |
|------------|-----------|----------|-----------|
| USD ('000) |           |          |           |
| 31/12/06   |           | 31/12/05 |           |
| Secured    | Unsecured | Secured  | Unsecured |
| 3,695      | -         | 1,003    | -         |

**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 Year Ended 31<br>December |                    |
|--|-----------------------------------|--------------------|
|  | Group                             |                    |
|  | 2006<br>USD ('000)                | 2005<br>USD ('000) |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>              |                                   |                    |
| Loss before income tax and minority interests            | (5,681)                           | (6,932)            |
| Adjustments for:   |                                   |                    |
| Depreciation and amortization                            | 4,582                             | 5,302              |
| Provisions for:  |                                   |                    |
| Impairment losses on machinery and equipment             | 10                                | 952                |
| Doubtful trade receivables                               |                                   |                    |
| Inventory obsolescence                                   | (23)                              | 65                 |
| Interest expense   | 836                               | 797                |
| Unrealized foreign exchange losses                       | (162)                             | (240)              |
| Amortization of prepaid rent                             | 77                                | 58                 |
| Write-off of property and equipment                      | 164                               | 33                 |
| Share in joint venture results                           | 3                                 | 10                 |
| Interest income  | (5)                               | (24)               |
| Loss on disposal of property and equipment               |                                   | 126                |
| Loss on sale of Shares in Joint Venture                  | 161                               |                    |
| Loss on termination of Liability Under Finance Lease     | 65                                |                    |
| Operating income before working capital changes          | 27                                | 147                |
| Decrease(increase) in:                                   |                                   |                    |
| Trade and other receivables                              | 68                                | 1,780              |
| Prepaid expenses and other current assets                | 375                               | (119)              |
| Inventories  | 192                               | 555                |
| Increase in accounts payable and accrued expenses        | 823                               | (1,140)            |
| Net cash generated from operations                       | 1,485                             | 1,223              |
| Interest paid  | (726)                             | (722)              |
| Income tax paid  | (56)                              | (55)               |
| Interest received  | (9)                               | 2                  |
| <b>Net cash generated from operating activities</b>      | <b>694</b>                        | <b>448</b>         |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>              |                                   |                    |
| Purchase of property, plant and equipment                | (307)                             | (539)              |
| Proceeds from sale of equipment                          | 0                                 | 255                |
| Liability under finance lease                            | (132)                             |                    |
| Decrease(increase) in other non-current assets           | (28)                              | 65                 |
| <b>Net cash used in investing activities</b>             | <b>(467)</b>                      | <b>(219)</b>       |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>              |                                   |                    |
| Proceeds from :  |                                   |                    |
| Loans payable  |                                   | 705                |
| Payments of:   |                                   |                    |
| Loans payable  | (51)                              | (635)              |
| Long-term debt   | (23)                              | (123)              |
| Liability under finance lease                            | (132)                             | (27)               |
| Increase (decrease) in Minority Interest                 | (201)                             | (2)                |
| Increase (decrease) in Equity Option                     | 44                                | 56                 |
| <b>Net cash used in financing activities</b>             | <b>(363)</b>                      | <b>(26)</b>        |
| <b>Net increase (decrease) in cash and bank balances</b> | <b>(136)</b>                      | <b>203</b>         |
| Cash and bank balances at the beginning of the period    | 381                               | 178                |
| <b>Cash and bank balances at the end of the year</b>     | <b>245</b>                        | <b>381</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                |                        |
|--|------------------------|------------------------|------------------------|------------------------|
|  | 31/12/06<br>USD ('000) | 31/12/05<br>USD ('000) | 31/12/06<br>USD ('000) | 31/12/05<br>USD ('000) |
| <b>Equity attributable to the Group's equity holders</b> |                        |                        |                        |                        |
| Capital stock  | 16,819                 | 16,819                 | 16,819                 | 16,819                 |
| Share premium  | 4,041                  | 4,041                  | 4,041                  | 4,041                  |
| Contributed surplus                                      | 0                      | 0                      | 2,269                  | 2,269                  |
| Equity Option  | 208                    | 164                    | 208                    | 164                    |
| Retained earnings (deficit):                             |                        |                        |                        |                        |
| As previously stated                                     | (10,147)               | (2,868)                | (3,380)                | (3,828)                |
| Prior year adjustments                                   |                        |                        |                        |                        |
| Effect of change in accounting policy                    | 421                    | 191                    | -                      | -                      |
| As restated  | (9,726)                | (2,677)                | (3,380)                | (3,828)                |
| Net loss   | (5,809)                | (7,049)                | 659                    | 449                    |
| Reversal of previously recognized dilution loss          | 166                    |                        |                        |                        |
| Balance at end of the year                               | (15,369)               | (9,726)                | (2,721)                | (3,380)                |
| <b>Total</b>   | <b>5,699</b>           | <b>11,298</b>          | <b>20,616</b>          | <b>19,913</b>          |
| <b>Minority Interest</b>                                 | <b>(92)</b>            | <b>110</b>             | <b>-</b>               | <b>-</b>               |
| <b>TOTAL EQUITY</b>                                      | <b>5,607</b>           | <b>11,408</b>          | <b>20,616</b>          | <b>19,913</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.

Not applicable.

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 applied the same accounting policies and methods of computation in the current year compared to the previous year audited annual financial statements, except its treatment in recognizing actuarial gains or losses in its retirement liability.

In 2006, the Group changed its recognition of actuarial gains or loss from corridor approach to immediate recognition. Accordingly, all actuarial gains and losses for the year will be recognized in the profit and loss statement. The Group believes this will better reflect its retirement liability.

As a result, 2005 financial statements was restated with the following adjustments:

Addition to 2005 Retained Earnings, beginning of \$191,422, Reduction to 2005 benefit expense of \$216,542.

And, additions to 2005 foreign exchange gains of \$13,262. Total impact would be a reduction of benefit liability of \$421,225.

**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**

Refer to number 4 above on the change on accounting policy.

**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 31/12/2006  | Quarter Ended 31/12/2005<br>(As restated) | For the Year Ended 31/12/2006 | For the Year Ended 31/12/2005<br>(As restated) |
|  | Loss per share for profit attributable to equity holders of the Group<br>- on weighted average number of shares | (0.010)                                   | (0.016)                       | (0.035)  |

Loss per ordinary share on existing issued share capital is computed based on the number of shares issued and outstanding during the period of 168,186,364 (31/12/2005: 168,186,364 shares).

The outstanding stock options have no dilutive effect. Thus, diluted loss per share is not presented.

**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           |                                    |
|--|-------------------|------------------------------------|-------------------|------------------------------------|
|  | 31/12/2006<br>USD | 31/12/2005<br>USD<br>(As restated) | 31/12/2006<br>USD | 31/12/2005<br>USD<br>(As restated) |
| Net assets value per share based on existing issued share capital as at the respective periods | 0.034             | 0.067                              | 0.123             | 0.118                              |

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 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

|   | <b>Quarter Ended<br/>31/12/2006</b> | Quarter Ended<br>31/12/2005<br>(As restated) | Increase/<br>(decrease) | %       | <b>For the year<br/>Ended<br/>31/12/2006</b> | For the year<br>Ended<br>31/12/2005<br>(As restated) | Increase/<br>(decrease) | %      |
|---|-------------------------------------|--|-------------------------|---------|--|--|-------------------------|--------|
| <b>Revenues</b>   | <b>3,683</b>                        | 3,206  | 477                     | 14.9    | <b>13,345</b>                                | 14,617   | (1,272)                 | (8.7)  |
| <b>Cost of goods sold</b>                               | <b>4,078</b>                        | 5,071  | (993)                   | (19.6)  | <b>15,034</b>                                | 17,763   | (2,729)                 | (15.4) |
| <b>Gross profit (loss)</b>                              | <b>(395)</b>                        | (1,865)                                      | 1,470                   | (78.9)  | <b>(1,689)</b>                               | (3,146)  | 1,457                   | (46.3) |
| <b>Sales and marketing</b>                              | <b>(56)</b>                         | (60)   | 4                       | (6.1)   | <b>(285)</b>                                 | (278)  | (7)                     | 2.5    |
| <b>Other expenses</b>                                   | <b>(324)</b>                        | (149)  | (175)                   | 117.7   | <b>(490)</b>                                 | (407)  | (83)                    | 20.4   |
| <b>Interest and bank charges</b>                        | <b>(216)</b>                        | (186)  | (30)                    | 16.3    | <b>(831)</b>                                 | (773)  | (58)                    | 7.4    |
| <b>General and administrative</b>                       | <b>(570)</b>                        | (183)  | (387)                   | 211.1   | <b>(2,383)</b>                               | (2,318)  | (64)                    | 2.8    |
| <b>Share in joint venture results</b>                   | <b>0</b>                            | (21)   | 21                      | (100.0) | <b>(3)</b>                                   | (10)   | 7                       | (66.1) |
| <b>Loss before income tax</b>                           | <b>1,561</b>                        | 2,464  | (903)                   | (36.6)  | <b>5,681</b>                                 | 6,932  | (1,251)                 | (18.0) |
| <b>Loss for the year</b>                                | <b>1,673</b>                        | 2,627  | (954)                   | (36.3)  | <b>5,807</b>                                 | 7,098  | (1,292)                 | (18.2) |
| <b>Loss attributable to equity holders of the Group</b> | <b>1,673</b>                        | 2,608  | (936)                   | (35.9)  | <b>5,809</b>                                 | 7,049  | (1,240)                 | (17.6) |

## **FINANCIAL HIGHLIGHTS**

### **Quarter Highlights**

The Group recorded higher net sales for the quarter amounting \$3.68 million, compared with the \$3.33 million in the sequential quarter and the \$3.21 million in the same quarter last year.

Gross loss for the quarter was \$395,000 from a gross loss of \$242,000 in the sequential quarter and \$1.87 million gross loss in the same period last year. The Q4 2005 gross loss of \$1.87 million was inclusive of impairment loss on equipment of \$952,000.

Net loss for the fourth quarter 2006 was registered at \$1.67 million compared with the net loss of \$1.26 million with the sequential quarter, and a net loss of \$2.52 million in the same quarter last year. Net loss in Q4 2006 includes adjustments resulting to addition in depreciation and impairment loss of \$180,000, current and deferred taxes of \$115,000, and provisions and other adjustments of \$90,000.

### **Year-end Highlights**

Year on year, the Group registered lower revenue of \$1.27 million to \$13.35 million for the current period compared to \$14.62 million for the previous year. Gross loss of \$1.69 million was lower by \$1.46 million from the gross loss of \$3.15 million registered in 2005. The gross loss for the previous year included an impairment loss on equipment of \$952,000.

Net loss for the current year amounted to \$5.81 million as compared to a net loss of \$6.99 million in 2005.

**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. 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.

To date, the Group has already reached an agreement with seven out of its eight creditor banks for a restructuring of its principal loans with an aggregate amount of approximately US\$5.7Million out of the total US\$6.8Million outstanding bank loans. The remaining creditor bank has sold its Philippine operations to another financial institution, and the Group has now commenced discussion with the latter.

As of 31 December 2006, the Group is still in a net current liability position. The Group has also incurred continuing net losses and now has incurred an accumulated deficit of \$15.37 million . These may raise a question about the Group's ability to continue as a going concern. In this regard, management is implementing various measures to address the above. The Group intends to discuss in the upcoming AGM these measures and the Group's prospects for 2007.

**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 4th quarter 2006.

**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         |                    | RF / Microwave     |                    | Others             |                    | Eliminations       |                    | Consolidated       |                    |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|   | 2006<br>USD ('000) | 2005<br>USD ('000) | 2006<br>USD ('000) | 2005<br>USD ('000) | 2006<br>USD ('000) | 2005<br>USD ('000) | 2006<br>USD ('000) | 2005<br>USD ('000) | 2006<br>USD ('000) | 2005<br>USD ('000) |
| Segment revenue                               |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Sales to external                             | 9,592              | 9,857              | 3,753              | 4,760              | -                  |                    |                    |                    | 13,345             | 14,617             |
| Segment results                               | (2,109)            | (3,580)            | 745                | 982                |                    |                    | (326)              | (547)              | (1,690)            | (3,145)            |
| Operating expenses                            |                    |                    |                    |                    |                    |                    |                    |                    | 2,669              | (2,596)            |
| Loss from operations                          |                    |                    |                    |                    |                    |                    |                    |                    | 4,359              | (5,741)            |
| Interest and bank                             |                    |                    |                    |                    |                    |                    |                    |                    | (831)              | (773)              |
| Foreign exchange gains                        |                    |                    |                    |                    |                    |                    |                    |                    | (400)              | (319)              |
| Share in joint venture                        |                    |                    |                    |                    |                    |                    |                    |                    | (3)                | (10)               |
| Others-net                                    |                    |                    |                    |                    |                    |                    |                    |                    | (88)               | (88)               |
| Loss before income tax and minority interests |                    |                    |                    |                    |                    |                    |                    |                    | 5,680              | (6,932)            |
| Provision for income tax                      |                    |                    |                    |                    |                    |                    |                    |                    | 126                | 166                |
| Loss before minority                          |                    |                    |                    |                    |                    |                    |                    |                    | 5,806              | (7,097)            |
| Minority interests                            |                    |                    |                    |                    |                    |                    |                    |                    | (2)                |                    |
| Net loss                                      |                    |                    |                    |                    |                    |                    |                    |                    | 5,807              | (7,098)            |
| Segment assets                                | 8,151              | 11,792             | 2,055              | 2,900              | 43,375             | 44,880             | (35,066)           | (35,958)           | 18,515             | 23,614             |
| Investment in a joint                         |                    |                    |                    |                    | (0)                | 110                |                    |                    | (0)                | 110                |
| Consolidated assets                           | 8,151              | 11,792             | 2,055              | 2,900              | 43,375             | 44,990             | (35,066)           | (35,958)           | 18,515             | 23,724             |
| Consolidated liabilities                      | 6,825              | 5,521              | 2,093              | 2,310              | 4,391              | 5,218              | (402)              | (843)              | 12,907             | 12,205             |
| Other segment                                 |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Capital expenditures                          | 118                | 325                | 129                | 152                | 60                 | 63                 |                    |                    | 307                | 540                |
| Depreciation and amortization                 | 3,672              | 4,317              | 422                | 477                | 488                | 508                |                    |                    | 4,582              | 5,302              |
| machinery and                                 | 10                 | 940                |                    | 12                 |                    |                    |                    |                    | 10                 | 952                |
| Other non-cash                                |                    | 144                |                    | 46                 |                    |                    |                    |                    | 0                  | 190                |

**Geographical Segment**

|                 | Europe             |                    | United States of America |                    | Asia               |                    | Consolidated       |                    |
|-----------------|--------------------|--------------------|--------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                 | 2006<br>USD ('000) | 2005<br>USD ('000) | 2006<br>USD ('000)       | 2005<br>USD ('000) | 2006<br>USD ('000) | 2005<br>USD ('000) | 2006<br>USD ('000) | 2005<br>USD ('000) |
| Segment revenue | 1,539              | 4,690              | 10,116                   | 9,820              | 1,690              | 107                | 13,345             | 14,617             |

**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>Quarter Ended 31/12/06</b>                          | <b>Quarter Ended 31/12/05 (As restated)</b> | <b>For the year Ended 31/12/06</b> | <b>For the year Ended 31/12/05 (As restated)</b> |               |
| <b>Revenues</b>  | <b>3,683</b>                                | <b>3,206</b>                       | <b>13,345</b>                                    | <b>14,617</b> |
| <b>Loss before Income Tax</b>                          | <b>1,561</b>                                | <b>2,464</b>                       | <b>5,681</b>                                     | <b>6,932</b>  |
| <b>Loss attributable to equity holder of the Group</b> | <b>1,673</b>                                | <b>2,608</b>                       | <b>5,809</b>                                     | <b>7,049</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 financial results of the Company for the year ended 31 December 2006 to be false or misleading.

**BY ORDER OF THE BOARD**

ARMEL T. CANSINO  
CHIEF FINANCIAL OFFICER  
29/01/07