



FRENCKEN GROUP LIMITED

(Registration No. 199905084D)

Unaudited Full Year Financial Statements And Dividend Announcement

PART 1- INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR

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

	3 months ended			12 months ended		
	31/12/10 \$'000	31/12/09 \$'000	% Change	31/12/10 \$'000	31/12/09 \$'000	% Change
Revenue	97,202	68,709	41.5%	351,796	206,923	70.0%
Cost of sales	(85,996)	(60,930)	41.1%	(307,317)	(188,581)	63.0%
Gross profit	11,206	7,779	44.1%	44,479	18,342	142.5%
Other gains	2,535	694	265.3%	4,681	2,613	79.1%
Selling and distribution expenses	(2,146)	(1,704)	25.9%	(7,528)	(5,049)	49.1%
Administrative and general expenses	(4,287)	(4,525)	-5.3%	(16,813)	(13,104)	28.3%
Other operating expenses	(485)	(63)	669.8%	(2,341)	(1,251)	87.1%
Interest income	92	233	-60.5%	508	803	-36.7%
Finance costs	(300)	(357)	-16.0%	(1,379)	(769)	79.3%
Profit before income tax and exceptional items	6,615	2,057	221.6%	21,607	1,585	1263.2%
Exceptional items (Refer Note 1)	-	(5,068)	N.M.	-	8,489	N.M.
Profit/(Loss) before income tax	6,615	(3,011)	N.M.	21,607	10,074	114.5%
Income tax expense	(905)	(398)	127.4%	(4,055)	(844)	380.5%
Net profit/(loss) attributable to equity holders	5,710	(3,409)	N.M.	17,552	9,230	90.2%

Analysis of Net Profit/(Loss)

Profit before income tax and exceptional items	6,615	2,057	221.6%	21,607	1,585	1263.2%
Income tax expense	(905)	(398)	127.4%	(4,055)	(844)	380.5%
Net profit before exceptional items	5,710	1,659	244.2%	17,552	741	2268.7%
Exceptional items (Refer Note 1)	-	(5,068)	N.M.	-	8,489	N.M.
Net profit/(loss) attributable to equity holders	5,710	(3,409)	N.M.	17,552	9,230	90.2%

Note 1 - Exceptional items comprise :

	Note	31/12/10 \$'000	31/12/09 \$'000	% Change	31/12/10 \$'000	31/12/09 \$'000	% Change
Negative goodwill	(i)	-	268	N.M.	-	13,825	N.M.
Impairment of goodwill	(ii)	-	(3,399)	N.M.	-	(3,399)	N.M.
Other losses	(iii)						
- Impairment loss on machineries and equipments		-	(1,242)	N.M.	-	(1,242)	N.M.
- Inventories written down		-	(695)	N.M.	-	(695)	N.M.
		-	(1,937)	N.M.	-	(1,937)	N.M.
		-	(5,068)	N.M.	-	8,489	N.M.
		-	-		-	-	

Note

- (i) This negative goodwill arose from the acquisition of ETLA Limited in May 2009 and was recognised as a gain in the income statement in accordance with FRS 103 for Business Combinations. The amount in the Q4'09 was attributable to adjustments arising from the finalisation of the fair value of certain assets.
- (ii) The impairment of goodwill in 2009 arose from certain subsidiaries within the EMS division.
- (iii) The other losses in 2009 arose from the impairment of certain machineries, equipment and write down of inventories consequent to the disposal of the main keypad production facilities subsequent to 31 December 2009.

N.M. : Not meaningful

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:-

	Group			Group		
	3 months ended			12 months ended		
	31/12/10	31/12/09	%	31/12/10	31/12/09	%
	\$'000	\$'000	Change	\$'000	\$'000	Change
Profit/(Loss) for the period/year is arrived at after charging/(crediting) :-						
Investment income	-	-	-	-	-	-
Other income including interest income	(2,627)	(927)	183.4%	(5,189)	(3,416)	51.9%
Interest on borrowings	300	357	-16.0%	1,379	769	79.3%
Depreciation of property, plant and equipment	2,803	3,157	-11.2%	11,336	11,168	1.5%
(Write-back)/Allowance for doubtful debts and bad debts written off	130	283	-54.2%	350	284	23.1%
(Write back)/Allowance for inventory obsolescence	52	662	-92.1%	937	1,272	-26.3%
Impairment in value of investments	-	-	-	-	-	-
Foreign exchange (gain)/ loss -realised	126	165	-23.8%	1,446	392	268.8%
Foreign exchange (gain)/ loss -unrealised	385	(158)	N.M.	755	(474)	N.M.
Adjustments for (over)/ under provision of tax in respect of prior years	(132)	37	N.M.	(49)	81	N.M.
(Gain)/Loss on disposal of property, plant and equipment	(1,596)	(10)	15860.0%	(1,707)	(11)	15418.2%
Property, plant and equipment written off	15	228	-93.4%	18	655	-97.3%
Negative goodwill arising from acquisition	-	(268)	N.M.	-	(13,825)	N.M.
Impairment of goodwill in subsidiaries	-	3,399	N.M.	-	3,399	N.M.
Other losses						
- Impairment loss on machineries and equipments	-	1,242	N.M.	-	1,242	N.M.
- Inventories written down	-	695	N.M.	-	695	N.M.

N.M. : Not meaningful

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

	Group		Company	
	31/12/10 \$'000	31/12/09 \$'000	31/12/10 \$'000	31/12/09 \$'000
NON-CURRENT ASSETS				
Property, plant and equipment	66,562	82,861	-	-
Investments in subsidiaries	-	-	73,594	73,068
Financial asset, available-for-sale	6,400	6,400	6,400	6,400
Goodwill arising on consolidation	10,358	10,358	-	-
Deferred income tax assets	1,335	1,673	-	-
Other receivables	4,278	-	-	-
	<u>88,933</u>	<u>101,292</u>	<u>79,994</u>	<u>79,468</u>
CURRENT ASSETS				
Inventories	62,028	55,513	-	-
Trade receivables	69,655	54,167	-	-
Receivable from subsidiaries	-	-	797	4,384
Dividends receivable from subsidiaries	-	-	5,592	3,878
Other receivables	9,950	3,141	12	13
Tax recoverable	76	273	-	-
Cash and cash equivalents	52,998	61,208	20,843	3,491
	<u>194,707</u>	<u>174,302</u>	<u>27,244</u>	<u>11,766</u>
Assets classified as held-for-sale	-	3,131	-	-
	<u>194,707</u>	<u>177,433</u>	<u>27,244</u>	<u>11,766</u>
Total assets	<u>283,640</u>	<u>278,725</u>	<u>107,238</u>	<u>91,234</u>
CURRENT LIABILITIES				
Trade payables	39,628	34,182	-	-
Other payables, accruals and provisions	19,256	14,426	296	248
Deferred gain	1,063	-	-	-
Borrowings	19,351	19,490	-	-
Income tax payable	1,089	524	4	3
	<u>80,387</u>	<u>68,622</u>	<u>300</u>	<u>251</u>
NON-CURRENT LIABILITIES				
Deferred gain	6,113	-	-	-
Borrowings	99	12,805	-	-
Deferred income tax liabilities	751	2,010	-	-
	<u>6,963</u>	<u>14,815</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>87,350</u>	<u>83,437</u>	<u>300</u>	<u>251</u>
NET ASSETS	<u>196,290</u>	<u>195,288</u>	<u>106,938</u>	<u>90,983</u>
EQUITY				
Capital and reserves attributable to the Company's equity holders				
Share capital	90,552	90,552	90,552	90,552
Treasury shares	(2,544)	-	(2,544)	-
Foreign currency translation reserve	(5,900)	5,856	-	-
Merger reserve	2,345	2,345	-	-
Statutory reserve fund	571	156	-	-
Share option reserve	802	276	802	276
Retained profits	110,464	96,103	18,128	155
TOTAL EQUITY	<u>196,290</u>	<u>195,288</u>	<u>106,938</u>	<u>90,983</u>

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

Amount repayable in one year or less, or on demand

As at 31/12/10	
Secured	Unsecured
\$'000	\$'000
6,378	12,973

As at 31/12/09	
Secured	Unsecured
\$'000	\$'000
1,482	18,008

Amount repayable after one year

As at 31/12/10	
Secured	Unsecured
\$'000	\$'000
99	-

As at 31/12/09	
Secured	Unsecured
\$'000	\$'000
12,673	132

Details of any collateral

The secured borrowings of the Group as at 31 December 2010 and 31 December 2009 comprise building loans and finance lease liabilities and are secured by certain leasehold properties, equipment and motor vehicles of the Group.

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

	Group		Group	
	3 months ended 31/12/10	31/12/09	12 months ended 31/12/10	31/12/09
	\$ '000	\$ '000	\$ '000	\$ '000
CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit/(loss) attributable to equity holders	5,710	(3,409)	17,552	9,230
Adjustments for:				
Income tax expense	905	398	4,055	844
Exchange differences	(89)	(90)	(199)	15
Employee share option expense	136	76	526	262
Depreciation of property, plant and equipment	2,803	3,157	11,336	11,168
Gain on disposal of property, plant and equipment, net	(1,596)	(10)	(1,707)	(11)
Property, plant and equipment written off	15	228	18	655
Interest income	(92)	(233)	(508)	(803)
Interest expense	300	357	1,379	769
Amortisation of deferred income	(266)	-	(266)	-
Negative goodwill arising from acquisition	-	(268)	-	(13,825)
Impairment of goodwill in subsidiaries	-	3,399	-	3,399
Other losses				
- Impairment loss on machineries and equipments	-	1,242	-	1,242
- Inventories written down	-	695	-	695
Operating cash flow before working capital changes	7,826	5,542	32,186	13,640
Changes in operating assets and liabilities :				
Inventories	12,283	(2,985)	(10,302)	3,957
Receivables	(14,190)	(9,473)	(26,333)	(1,834)
Payables	(823)	8,499	12,275	6,392
Cash flows generated from operations	5,096	1,583	7,826	22,155
Tax paid	(1,624)	(242)	(4,459)	(1,517)
Tax refunded	74	7	280	390
Interest paid	(300)	(357)	(1,379)	(769)
NET CASH GENERATED FROM OPERATING ACTIVITIES	3,246	991	2,268	20,259
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	92	233	508	803
Purchase of property, plant and equipment (Note 1)	(1,944)	(1,558)	(8,829)	(4,867)
Proceeds from disposal of property, plant and equipment	21,802	9	21,951	83
Acquisition of a subsidiary, net of cash acquired (Note 2)	-	-	-	3,380
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES	19,950	(1,316)	13,630	(601)
CASH FLOWS FROM FINANCING ACTIVITIES				
Purchase of treasury shares	-	-	(2,544)	-
Repayment of finance lease liabilities	(545)	(2,909)	(870)	(3,898)
Repayment of short term bank borrowings	(25,620)	(9,031)	(86,153)	(19,065)
Repayment of term loans	(6,415)	(991)	(7,923)	(1,488)
Proceeds from short term bank borrowings	14,766	12,579	82,078	22,450
Proceeds from term loans	-	500	-	4,127
Dividend paid to shareholders	-	-	(2,776)	(5,850)
NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES	(17,814)	148	(18,188)	(3,724)
Net (decrease)/increase in cash and cash equivalents	5,382	(177)	(2,290)	15,934
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD / YEAR	48,315	62,109	61,208	45,785
Effect of exchange rate changes on cash and cash equivalents	(699)	(724)	(5,920)	(511)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	52,998	61,208	52,998	61,208

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

	Group		Group	
	3 months ended		12 months ended	
	31/12/10	31/12/09	31/12/10	31/12/09
	\$ '000	\$ '000	\$ '000	\$ '000
Cash and cash equivalents at end of the financial period/year comprise:				
Short term funds placed with a Malaysian financial institution	5,373	5,269	5,373	5,269
Deposits with licensed banks	22,883	7,415	22,883	7,415
Cash and bank balances	24,742	48,524	24,742	48,524
Bank overdrafts	-	-	-	-
	<u>52,998</u>	<u>61,208</u>	<u>52,998</u>	<u>61,208</u>

Note 1 :

During the financial year, the Group acquired property, plant and equipment with an aggregate cost of \$9,503,000 (31.12.2009: \$5,333,000) of which \$48,000 (31.12.2009: \$53,000) was acquired by means of finance lease arrangement and \$626,000 (31.12.2009: \$413,000) included in other payables at balance sheet date. Cash payments of \$8,829,000 (31.12.2009: \$4,867,000) were made to purchase these property, plant and equipment.

Note 2 :

On 15 May 2009, the Company acquired 100% of the issued share capital of ETLA Limited ("ETLA"). Upon acquisition, ETLA became a wholly owned subsidiary of the Group.

The fair values of the identifiable assets and liabilities of ETLA Limited and its subsidiaries at the date of acquisition were as follows:

	31/12/09
	\$ '000
Property, plant and equipment	41,111
Inventories	14,600
Trade and other receivables	10,487
Tax recoverable	7
Cash and cash equivalents	6,225
Trade and other payables	(11,842)
Bank borrowings	(29,216)
Deferred income tax liabilities	(765)
Identifiable net assets acquired	<u>30,607</u>
Negative goodwill arising from consolidation taken to income statement	(13,825)
Cost of business combination	<u>16,782</u>

Total cost of business combination was as follows:-

Consideration for acquisition:	
Issuance of 71,471,067 ordinary shares at \$0.195 each	13,937
Directly attributable professional fees	2,845
	<u>16,782</u>

The effect of the acquisition on cash flow was as follows:

Professional fees settled in cash	2,845
Less : Cash and cash equivalents in subsidiary acquired	(6,225)
Net cash inflow on acquisition	<u>(3,380)</u>

1(d) Consolidated statement of comprehensive income

	3 months ended		12 months ended	
	31/12/10	31/12/09	31/12/10	31/12/09
	\$ '000	\$ '000	\$ '000	\$ '000
<u>Statement of Comprehensive Income</u>				
Net profit attributable to equity holders	5,710	(3,409)	17,552	9,230
Other comprehensive income/(expense) for the period/year :				
Currency translation differences	(2,947)	(2,855)	(11,756)	(1,988)
Total comprehensive income/(expense) for the period/year attributable to equity holders	<u>2,763</u>	<u>(6,264)</u>	<u>5,796</u>	<u>7,242</u>

1(e)(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.

(a) Statement of changes in equity for the quarter ended 31 December 2010 and 31 December 2009

	Attributable to equity holders of the Company							Total Equity
	Share Capital \$ '000	Treasury Shares \$ '000	Foreign Currency Translation Reserve \$ '000	Merger Reserve * \$ '000	Statutory Reserve Fund \$ '000	Share Option Reserve \$ '000	Retained Profits \$ '000	\$ '000
The Group								
At 1 October 2010	90,552	(2,544)	(2,953)	2,345	550	666	104,775	193,391
Total comprehensive (expense)/ income for the quarter	-	-	(2,947)	-	-	-	5,710	2,763
Purchase of treasury shares	-	-	-	-	-	-	-	-
Transfer to statutory reserve fund	-	-	-	-	21	-	(21)	-
Employee share option scheme - value of employees services	-	-	-	-	-	136	-	136
At 31 December 2010	<u>90,552</u>	<u>(2,544)</u>	<u>(5,900)</u>	<u>2,345</u>	<u>571</u>	<u>802</u>	<u>110,464</u>	<u>196,290</u>
At 1 October 2009	90,552	-	8,711	2,345	-	200	99,668	201,476
Total comprehensive (expense)/ income for the quarter	-	-	(2,855)	-	-	-	(3,409)	(6,264)
Transfer to statutory reserve fund	-	-	-	-	156	-	(156)	-
Employee share option scheme - value of employees services	-	-	-	-	-	76	-	76
At 31 December 2009	<u>90,552</u>	<u>-</u>	<u>5,856</u>	<u>2,345</u>	<u>156</u>	<u>276</u>	<u>96,103</u>	<u>195,288</u>
	Attributable to equity holders of the Company							Total Equity
	Share Capital \$ '000	Treasury Shares \$ '000	Foreign Currency Translation Reserve \$ '000	Merger Reserve * \$ '000	Statutory Reserve Fund \$ '000	Share Option Reserve \$ '000	Retained Profits/ (Accumulated Losses) \$ '000	\$ '000
The Company								
At 1 October 2010	90,552	(2,544)	-	-	-	666	12,521	101,195
Total comprehensive income for the quarter	-	-	-	-	-	-	5,607	5,607
Purchase of treasury shares	-	-	-	-	-	-	-	-
Employee share option scheme - value of employees services	-	-	-	-	-	136	-	136
At 31 December 2010	<u>90,552</u>	<u>(2,544)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>802</u>	<u>18,128</u>	<u>106,938</u>
At 1 October 2009	90,552	-	-	-	-	200	(3,717)	87,035
Total comprehensive income for the quarter	-	-	-	-	-	-	3,872	3,872
Employee share option scheme - value of employees services	-	-	-	-	-	76	-	76
At 31 December 2009	<u>90,552</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>276</u>	<u>155</u>	<u>90,983</u>

(b) Statement of changes in equity for the twelve months ended 31 December 2010 and 31 December 2009

	Attributable to equity holders of the Company							Total Equity
	Share Capital \$ '000	Treasury Shares \$ '000	Foreign Currency Translation Reserve \$ '000	Merger Reserve * \$ '000	Statutory Reserve Fund \$ '000	Share Option Reserve \$ '000	Retained Profits \$ '000	\$ '000
The Group								
At 1 January 2010	90,552	-	5,856	2,345	156	276	96,103	195,288
Total comprehensive (expense)/ income for the financial year	-	-	(11,756)	-	-	-	17,552	5,796
Purchase of treasury shares	-	(2,544)	-	-	-	-	-	(2,544)
Transfer to statutory reserve fund	-	-	-	-	415	-	(415)	-
Employee share option scheme - value of employees services	-	-	-	-	-	526	-	526
Dividend paid	-	-	-	-	-	-	(2,776)	(2,776)
At 31 December 2010	<u>90,552</u>	<u>(2,544)</u>	<u>(5,900)</u>	<u>2,345</u>	<u>571</u>	<u>802</u>	<u>110,464</u>	<u>196,290</u>
At 1 January 2009	76,615	-	7,844	2,345	-	14	92,879	179,697
Total comprehensive (expense)/ income for the financial year	-	-	(1,988)	-	-	-	9,230	7,242
Transfer to statutory reserve fund	-	-	-	-	156	-	(156)	-
Employee share option scheme - value of employees services	-	-	-	-	-	262	-	262
Issue of share capital	13,937	-	-	-	-	-	-	13,937
Dividend paid	-	-	-	-	-	-	(5,850)	(5,850)
At 31 December 2009	<u>90,552</u>	<u>-</u>	<u>5,856</u>	<u>2,345</u>	<u>156</u>	<u>276</u>	<u>96,103</u>	<u>195,288</u>
The Company								
	Share Capital \$ '000	Treasury Shares \$ '000	Foreign Currency Translation Reserve \$ '000	Merger Reserve * \$ '000	Statutory Reserve Fund \$ '000	Share Option Reserve \$ '000	Retained Profits/ (Accumulated Losses) \$ '000	\$ '000
At 1 January 2010	90,552	-	-	-	-	276	155	90,983
Total comprehensive income for the financial year	-	-	-	-	-	-	20,749	20,749
Purchase of treasury shares	-	(2,544)	-	-	-	-	-	(2,544)
Employee share option scheme - value of employees services	-	-	-	-	-	526	-	526
Dividend paid	-	-	-	-	-	-	(2,776)	(2,776)
At 31 December 2010	<u>90,552</u>	<u>(2,544)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>802</u>	<u>18,128</u>	<u>106,938</u>
At 1 January 2009	76,615	-	-	-	-	14	(1,550)	75,079
Total comprehensive income for the financial year	-	-	-	-	-	-	7,555	7,555
Employee share option scheme - value of employees services	-	-	-	-	-	262	-	262
Issue of share capital	13,937	-	-	-	-	-	-	13,937
Dividend paid	-	-	-	-	-	-	(5,850)	(5,850)
At 31 December 2009	<u>90,552</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>276</u>	<u>155</u>	<u>90,983</u>

* The amount of \$2,345,000 previously disclosed as capital reserve has now been renamed as Merger Reserve.

1(e)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Issued and paid up capital

During the quarter, there were no ordinary shares bought back from the market. Total number of ordinary shares bought back as at 31 December 2010 amounted to 10,227,000. These are held as treasury shares.

	Total number of issued shares as at	
	31/12/10	31/12/09
Number of issued shares	376,184,325	376,184,325
Number of treasury shares	(10,227,000)	-
Total number of issued shares excluding treasury shares	365,957,325	376,184,325

Share options

On 1 December 2010, the Company granted 9,050,000 options pursuant to Frencken Group Limited's Employee Share Option Scheme 2008 at exercise price of \$0.224 per share ("2010 Options"). The 2010 Options are exercisable from 1 December 2012 and expire on 30 November 2020. As at 31 December 2010, the number of share options of the Company outstanding was 25,940,000 (31 December 2009 : 17,560,000).

The movement of share options of the Company during the period from 1 October 2010 to 31 December 2010 is as follows:

Date of grant	Number of ordinary shares under option					Exercise price	Exercise period
	As at 1.10.2010	Granted during the period	Forfeited during the period	Exercised during the period	As at 31.12.2010		
1.12.2008 (2008 Option)	8,610,000	-	(230,000)	-	8,380,000	\$0.155	1.12.2010 - 30.11.2018
1.12.2009 (2009 Option)	8,800,000	-	(290,000)	-	8,510,000	\$0.168	1.12.2011 - 30.11.2019
1.12.2010 (2010 Option)	-	9,050,000	-	-	9,050,000	\$0.224	1.12.2012 - 30.11.2020
	17,410,000	9,050,000	(520,000)	0	25,940,000		

1(e)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	Total number of issued shares as at	
	31/12/10	31/12/09
Total number of issued shares excluding treasury shares	365,957,325	376,184,325

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

Not applicable.

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

The figures have not been audited and reviewed by the independent auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied.

The accounting policies and methods of computation applied by the Group are consistent with those used in its most recent audited financial statements as well as all the applicable new/revised Financial Reporting Standards (FRS) and FRS interpretations which became effective for the financial years beginning on or after 1 January 2010.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The adoption of the new/revised FRS and FRS interpretations did not result in any substantial change to the Group's accounting policies nor any material impact on the Group's financial results.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group 3 months ended		Group 12 months ended	
	31/12/10	31/12/09	31/12/10	31/12/09
Earnings per ordinary share of the Group based on net profit/ (loss) attributable to the shareholders of the Company:				
(i) Based on weighted average number of shares (in cents)	1.56	(0.91)	4.74	2.64
- Weighted average number of shares (in thousand)	365,957	376,184	370,412	349,162
(ii) On a fully diluted basis (in cents)	1.56	(0.91)	4.74	2.64
- Adjusted weighted average number of shares (in thousand)	366,647	377,496	369,910	348,696

Basic earnings per share for the period/year is calculated based on the weighted average number of ordinary shares in issue.

Diluted earnings per share

There were no diluted earnings per share for the year ended 31 December 2010, quarter ended 31 December 2009 and year ended 31 December 2009 as there were antidilutive effect.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

	Group		Company	
	31/12/10	31/12/09	31/12/10	31/12/09
Net asset value per ordinary share based on issued share capital at the end of financial year (cents)	53.64	51.91	29.22	24.19

Net asset value per ordinary shares is calculated based on the Group's net asset value divided by the number of ordinary shares at 31.12.2010 of 365,957,325 (31.12.2009 : 376,184,325).

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

a. any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

b. any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Frencken Group is a global high-tech capital and consumer equipment service provider that has two main business divisions.

- The Mechatronics Division provides 'One-Stop' solutions for the design, development and production of complex, high precision industrial machinery and capital equipment for global Original Equipment Manufacturers from the medical, semiconductor, analytical and industrial automation industries. This division has a network of production facilities strategically located in The Netherlands, Singapore, China and Malaysia.
- The EMS Division offers integrated contract design and manufacturing services for automotive, office automation and other consumer products to a global customer base. Its manufacturing facilities are located in Malaysia.

Key corporate developments

The Group completed two key corporate developments that are relevant in the comparison of its financial performance for the 3 months ended 31 December 2010 (4Q10) and the 12 months ended 31 December 2010 (FY2010), compared to the corresponding periods a year ago.

- 1) In May 2009, the Group completed the acquisition of a 100% interest in ETLA Limited (ETLA) by way of a scheme of arrangement under section 210 of the Singapore Companies Act. Together, ETLA and its subsidiaries operate as the Asian operation of the Group's Mechatronics Division ("Mechatronics Asia"). As its financial performance was consolidated in the Group's financial statements from 1 June 2009, Mechatronics Asia contributed 7 months post acquisition results to the Group in FY2009.
- 2) In January 2010, the Group announced the sale of certain assets related to the keypad product segment of its EMS Division. This was in line with the Group's long term strategy to fully focus the EMS Division's operations and resources on higher value added products with longer life cycles in the automotive and niche office automation segments. Production of the keypad segment was discontinued from February 2010 and hence, ceased to contribute revenue from 2Q10 onwards.

Income Statement

Group Revenue

	1Q	2Q	3Q	4Q	q-o-q	Full Year
FY2010 (S\$ m)	70.7	102.8	81.1	97.2	19.9%	351.8
FY2009 (S\$ m)	38.8	40.8	58.6	68.7	17.1%	206.9
y-o-y (%)	82.6	151.8	38.2	41.5	-	70.0

Group revenue increased 70.0% to S\$351.8 million in FY2010, from S\$206.9 million in FY2009. With the recovery of global technology sector, the Group benefited from higher sales at both the Mechatronics and EMS divisions. Revenue growth was also attributed to the first full-year contribution from Mechatronics Asia, compared to its 7-month contribution in FY2009.

On a quarterly basis, Group revenue of S\$97.2 million in 4Q10 registered a year-on-year (yoy) increase of 41.5% from S\$68.7 million in 4Q09, and a qoq increase of 19.9% from S\$81.1 million in 3Q10. The improvement in 4Q10 was due to better sales performances of the Mechatronics and EMS divisions.

Revenue breakdown by Division

	4Q10	4Q09	y-o-y	FY2010		FY2009		y-o-y
	S\$ m	S\$ m	%	S\$ m	%	S\$ m	%	%
Mechatronics	76.4	53.7	42.4	281.7	80.1	156.0	75.4	80.5
- Europe	44.4	31.4	41.6	144.3	-	111.6	-	29.2
- Asia **	32.0	22.3	43.5	137.4	-	44.4	-	209.5
EMS	20.8	15.0	38.1	70.1	19.9	50.9	24.6	37.8
Total	97.2	68.7	41.5	351.8	100.0	206.9	100.0	70.0

** 7 months (Jun - Dec 2009) revenue contribution in FY2009 compared to 12 months revenue contribution in FY2010

The Mechatronics Division recorded revenue growth of 80.5% to S\$281.7 million in FY2010, from S\$156.0 million in FY2009, on the back of a strong recovery in market demand for high-tech capital equipment. The division's revenue growth was also attributed to the 12-month contribution of S\$137.4 million from Mechatronics Asia, compared to its 7-month contribution of S\$44.4 million in FY2009.

The division's European operations ("Mechatronics Europe") reported a strong performance in FY2010 with revenue growth of 29.2% to S\$144.3 million, from S\$111.6 million in FY2009. The revenue contribution of Mechatronics Europe to the division would have been higher by 17.5% if not for the significant depreciation of the Euro against the Singapore Dollar during the year. In Euro terms, revenue at Mechatronics Europe grew at a faster pace of 46.7% in FY2010.

The EMS Division benefited from the expanded range of products in the office automation and automotive segments. As a result, the EMS Division's revenue increased 37.8% to S\$70.1 million in FY2010, from S\$50.9 million in FY2009.

Due to its expanded scale of operations, the Mechatronics Division increased its share of Group revenue to 80.1% in FY2010, compared to 75.4% in the previous year.

Mechatronics Division

Revenue breakdown by Business Segment

	4Q10	4Q09	y-o-y	FY2010	FY2009	y-o-y
	S\$ m	S\$ m	%	S\$ m	S\$ m	%
Semiconductor	19.0	10.1	88.5	78.6	23.8	230.8
Medical	17.8	16.0	11.4	57.2	53.9	6.1
Analytical	15.6	11.0	41.3	50.9	37.9	33.9
Industrial Automation	16.2	10.1	60.4	67.0	22.0	203.7
Others	7.8	6.5	21.0	28.0	18.4	52.6
Total	76.4	53.7	42.4	281.7	156.0	80.5

FY2010 Revenue	Mechatronics Europe		Mechatronics Asia	
	S\$ m	y-o-y %	S\$ m	y-o-y %
Semiconductor	45.1	172.0	33.5	366.9
Medical	54.4	3.7	2.8	92.8
Analytical	32.5	3.4	18.3	181.5
Industrial Automation	-	N.M.	67.0	203.7
Others	12.3	9.7	15.8	119.0
Total	144.3	29.2	137.4	209.5

The Mechatronics Division's semiconductor segment registered a strong rebound in FY2010 to register revenue growth of 230.8% to S\$78.6 million, compared to S\$23.8 million in FY2009. The recovery in demand from customers in the semiconductor equipment sector led to substantial increases in sales at both the division's Europe and Asia operations. As a result, the semiconductor segment was the largest contributor to the Mechatronics Division's revenue in FY2010 with a share of 27.9%, compared to 15.2% in FY2009.

Revenue of the medical segment increased 6.1% to S\$57.2 million in FY2010, from S\$53.9 million in FY2009. The modest growth was due to the substantial depreciation of the Euro against the Singapore dollar as the bulk of this business segment's sales are derived from Mechatronics Europe. In Euro currency, sales of the medical segment increased approximately 17.8% yoy in FY2010.

The analytical segment recorded a 33.9% increase in revenue to S\$50.9 million in FY2010, from S\$37.9 million in FY2009, lifted mainly by higher sales to customers of Mechatronics Asia.

Revenue of the industrial automation segment increased 203.7% to S\$67.0 million due to a 12-month contribution in FY2010, compared to the 7-month contribution of S\$22.0 million in FY2009. The performance of this business segment was also boosted by a significant upsurge in sales of automated production equipment for data storage products to an existing customer in 2Q10.

Revenue from customers in the "Others" segment increased 52.6% to S\$28.0 million, from S\$18.4 million in FY2009. This was due mainly to the full year sales contribution from Mechatronics Asia in FY2010 as compared to 7 months sales contribution in FY2009.

In FY2010, the Europe and Asia operations accounted for 51.2% and 48.8% respectively of the Mechatronics Division's revenue.

EMS Division

Revenue breakdown by Business Segment

	4Q10	4Q09	y-o-y	FY2010	FY2009	y-o-y
	S\$ m	S\$ m	%	S\$ m	S\$ m	%
Keypad / Telco	-	3.7	N.M.	2.5	16.1	(84.3)
Office Automation	8.7	4.7	83.4	34.2	15.4	120.7
Automotive	9.6	4.8	102.5	24.2	14.6	67.0
Others *	2.5	1.8	35.7	9.2	4.8	90.5
Total	20.8	15.0	38.1	70.1	50.9	37.8

* With the discontinuance of keypad business, telco sales have been reclassified as "Others" with effect from 2Q10

The office automation segment registered strong revenue growth of 120.7% to S\$34.2 million in FY2010, compared to S\$15.4 million in FY2009, due mainly to an expanded range of products for an existing customer. This business segment was the largest revenue contributor to the EMS Division with a share of 48.7%, compared to 30.4% in FY2009.

The automotive segment continued to improve steadily during the year due to better market conditions, especially in the US and the addition of new products. As a result, revenue from this business segment gained 67.0% to S\$24.2 million in FY2010 from S\$14.6 million in FY2009.

Following the Group's strategic decision to cease production of keypads from early February 2010, this product segment recorded a single month of sales in the Keypad/Telco segment in FY2010. Sales of telco products have been reclassified under the Others segment with effect from 2Q10.

The Others segment registered a significant 90.5% increase in revenue to S\$9.2 million in FY2010, from S\$4.8 million in FY2009, due to the inclusion of sales of telco products as well as from improved sales to customers.

Gross Profit

The Group's gross profit (GP) increased 142.5% to S\$44.5 million in FY2010, from S\$18.3 million in FY2009. This is attributable to an improvement in the capacity utilisation of the Group's manufacturing operations in line with the higher sales generated during FY2010.

The Mechatronics Division, particularly the Europe operations, continued to benefit from the improvement in market conditions and higher operating efficiency. This lifted the division's GP margin to 14.9% in FY2010, from 11.1% in FY2009.

As a result, the Group's GP margin expanded to 12.6% in FY2010, from 8.9% in FY2009.

Other Gains

Other gains increased 79.1% to S\$4.7 million in FY2010, from S\$2.6 million in FY2009. This was due mainly to a gain of S\$1.6 million from the disposal of the Group's properties at 1 and 2 Changi North Street 2 in Singapore.

Operating Expenses

Selling and distribution expenses increased 49.1% to S\$7.5 million in FY2010, from S\$5.0 million in FY2009. This was due to increased sales and the inclusion of 12 months of staff costs, transport, freight and forwarding charges from Mechatronics Asia, compared to 7 months in FY2009.

Administrative and general expenses increased 28.3% to S\$16.8 million in FY2010, from S\$13.1 million in FY2009. This was attributable mainly to the inclusion of 12 months of administrative and general expenses of Mechatronics Asia amounting to S\$7.9 million, compared to S\$4.6 million for the 7 month period in FY2009. In addition, higher provisions for management incentives were also made in FY2010.

Other operating expenses increased 87.1% to S\$2.3 million in FY2010 from S\$1.3 million in FY2009. This was due mainly to higher foreign exchange loss resulting from the depreciation of the Euro and US dollar against both the Singapore dollar and Malaysia Ringgit.

Finance Costs

Finance costs increased to S\$1.4 million in FY2010, from S\$0.8 million in FY09, attributable mainly to the inclusion of 12 months of interest expenses of Mechatronics Asia.

Exceptional Items

In FY2009, the Group recorded a net exceptional gain of S\$8.5 million which comprised a one-time negative goodwill of S\$13.8 million arising from the acquisition of ETLA, as well as impairment of goodwill of S\$3.4 million and asset write down of S\$1.9 million in connection with the sale of assets of the keypad product segment.

No exceptional items were recorded in FY2010.

Taxation

Income tax expense increased to S\$4.1 million in FY2010, from S\$0.8 million in FY2009, in line with higher taxable profits during the year under review.

Group Net Profit

	1Q	2Q	3Q	4Q	q-o-q	Full Year
FY2010 (S\$ m)	3.1	5.8	3.0	5.7	88.6%	17.6
FY2009 (S\$ m)*	0.1	(0.1)	(1.0)	1.7	N.M.	0.7
y-o-y (%)	2,395.1	N.M.	N.M.	244.2	-	2,268.7

* excluding exceptional items

As a result of higher revenue during the year and improved GP margin, the Group reported a net profit of S\$17.6 million in FY2010. This is a significant increase from its net profit of S\$0.7 million in FY2009 (before accounting for a net exceptional gain of S\$8.5 million). Correspondingly, the Group's net profit margin expanded to 5.0% in FY2010, compared to 0.4% in the previous year.

Dividend

The Board of Directors is pleased to recommend a first and final dividend of 1.44 cents per share (tax-exempt) in respect of FY2010. If approved by Shareholders at the Company's Annual General Meeting on 25 April 2011, the dividend will represent approximately 30% of the Group's net profit attributable to equity holders in FY2010.

Balance Sheet

The Group maintained a sound balance sheet as at 31 December 2010 with a net cash position of S\$33.5 million. Cash and cash equivalents stood at S\$53.0 million while bank borrowings amounted to S\$19.5 million. Shareholders' equity of S\$196.3 million at the end of FY2010 translated to a net asset value of 53.6 cents per share.

Total assets increased to S\$283.6 million as at 31 December 2010, from S\$278.7 million at the end of FY2009. This was due mainly to an increase in inventories and receivables, in line with the recovery of business activities in FY2010, which was offset by a reduction in property, plant and equipment, and cash and cash equivalents. The decrease in property, plant and equipment to \$66.6 million, from S\$82.9 million as at the end of 31 December 2009, is due mainly to the Group's sale of its properties at 1 and 2 Changi North Street 2 in Singapore. In addition, higher utilisation of working capital resulted in decrease in cash and cash equivalents.

The Group's inventories increased to S\$62.0 million at the end of FY2010, compared to S\$55.5 million at the end of FY2009, in order to fulfill the higher level of customer orders at both its Europe and Asia operations.

As at 31 December 2010, trade receivables increased to S\$69.7 million, from S\$54.2 million at the end of December 2009, in line with the higher volume of sales during 4Q10.

Total borrowings at end FY2010 stood at S\$19.5 million which was a substantial reduction from S\$32.3 million at the end FY2009. This is attributable primarily to the repayment of term loans of Mechatronics Asia.

Trade payables increased to S\$39.6 million, from S\$34.2 million as at 31 December 2009, due to increased purchases of raw materials to support the higher level of business activity.

Cash Flow Analysis

The Group generated net cash of S\$2.3 million from operating activities in FY2010, compared to S\$20.3 million in FY2009, due mainly to additional working capital requirements to meet the higher level of business activity in FY2010.

The Group received net cash of S\$13.6 million from investing activities during FY2010. This comprised mainly proceeds from the sale of its properties at 1 and 2 Changi North Street 2 in Singapore, which was offset by capital expenditure to improve production capacity and efficiency of its facilities in Europe and Asia.

Net cash used in financing activities amounted to S\$18.2 million in FY2010 as compared to S\$3.7 million in FY2009, due mainly to higher repayment of bank borrowings.

As a result of the above, the Group ended FY2010 with a net decrease in cash and cash equivalents of S\$2.3 million. However, when added to its opening cash and cash equivalents of S\$61.2 million and after accounting for the negative effect of foreign currency movements of S\$5.9 million on its opening cash and cash equivalents, the Group had an ending cash balance of S\$53.0 million as at 31 December 2010.

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

The Group's financial results for FY2010 are in line with guidance provided in its Third Quarter Financial Statements and Dividend Announcement posted on SGXNet on 11 November 2010.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

The strong recovery in demand for high technology capital and consumer equipment in FY2010 benefited all business segments of the Group. The Group remains optimistic of its business, barring any major impact from the uncertain global political landscape. Certain business segments may still exhibit some fluctuations in the near term due to seasonal factors, volatility in customer orders and timing of product launches.

Mechatronics Division

The Mechatronics Division continues to strengthen its market position due to its wider geographical footprint and enlarged scale of its operations. This is generating opportunities for new projects in both Europe and Asia for the division, which has been receiving a continuous flow of enquires and quotation requests from existing and potential customers.

New products for the medical and analytical segments of Mechatronics Europe were launched in 4Q10 and customers' forecasts currently indicate an increasing trend in demand for these products.

The outlook for Mechatronics Asia is likely to moderate in the current financial year as sales in the industrial automation segment normalises. Mechatronics Asia continues to broaden its customer base in the medical and analytical segments. It will also be in a stronger position to capitalise on the rapidly growing capital equipment market in China with the recent completion of its new and expanded facility in Wuxi.

Barring unforeseen circumstances, the Group is positive in its outlook on the prospects for the Mechatronics Division in FY2011.

EMS Division

The division continues to work on various initiatives to broaden its base of automotive customers and is optimistic of securing new projects in this segment. Options are also being considered for geographical expansion of its automotive business to capitalise on the potentials of growing markets such as China and India.

As the EMS Division has made progress in its office automation and automotive segments, the incremental contributions from these segments are expected to progressively compensate for the loss of contribution from the keypad business.

A number of projects in both the automotive and office automation segments currently at the industrialisation phase are scheduled to commence commercial production from 4Q11 onwards.

11. Dividend

(a) Current Financial Period Reported on

Any dividend declared(recommended) for the current financial period reported on?

Yes

The Directors are pleased to recommend a first and final exempt dividend in respect of the financial year ended 31 December 2010 of 1.44 cents per ordinary share for approval by shareholders at the forthcoming Annual General Meeting to be convened on 25 April 2011.

Name of Dividend	Ordinary Tax Exempt
Dividend Type	Cash
Dividend amount per share (in cents)	1.44cents per ordinary share
Par value of shares	Not applicable
Tax Rate	Not applicable

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Yes

The Directors recommended a first and final exempt dividend in respect of the financial year ended 31 December 2009 of 0.74 cents per ordinary share which was approved by shareholders at the Annual General Meeting convened on 23 April 2010.

Name of Dividend	Ordinary Tax Exempt
Dividend Type	Cash
Dividend amount per share (in cents)	0.74 cents per ordinary share
Par value of shares	Not applicable
Tax Rate	Not applicable

(c) Date Payable

The proposed dividend, if approved at the Annual General Meeting, will be paid on 20 May 2011.

(d) Books closure date

Notice is also hereby given that the Share Transfer Books and the Register of Members of the Company will be closed on Thursday, 5 May 2011 for the purpose of determining the entitlement of Shareholders to the Final Dividend.

Duly completed transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.), 8 Cross Street, #11-00 PWC Building, Singapore 048424, up to the close of business at 5.00 p.m. on Wednesday, 4 May 2011 will be registered to determine Shareholder's entitlements to the Final Dividend.

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

Not applicable.

PART 11- ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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.

13 (a) Segmented revenue and results by business segments

FY2010

	Electronics				Total \$'000
	Mechatronics \$'000	Manufacturing Services \$'000	Investment Holding \$'000	Eliminations \$'000	
Turnover					
External revenue	281,662	70,113	21	-	351,796
Inter-segment sales	-	-	684	(684)	-
	<u>281,662</u>	<u>70,113</u>	<u>705</u>	<u>(684)</u>	<u>351,796</u>
Segment results	<u>26,037</u>	<u>(3,316)</u>	<u>(243)</u>	<u>-</u>	<u>22,478</u>
Interest income	251	26	231	-	508
Finance costs	(1,288)	(91)	-	-	(1,379)
Profit before income tax					21,607
Income tax expense	(5,447)	1,425	(33)	-	(4,055)
Total profit					<u>17,552</u>
Segment assets	<u>186,228</u>	<u>63,692</u>	<u>33,720</u>	<u>-</u>	<u>283,640</u>
Segment liabilities	<u>69,663</u>	<u>17,256</u>	<u>431</u>	<u>-</u>	<u>87,350</u>
Other segment information:					
Capital expenditure	6,298	3,205	-	-	9,503
Depreciation of property, plant and equipment	8,279	3,054	3	-	11,336
Other non-cash expenses	399	102	43	-	544

FY2009

	Electronics				Total \$'000
	Mechatronics \$'000	Manufacturing Services \$'000	Investment Holding \$'000	Eliminations \$'000	
Turnover					
External revenue	156,031	50,872	20	-	206,923
Inter-segment sales	1	36	588	(625)	-
	<u>156,032</u>	<u>50,908</u>	<u>608</u>	<u>(625)</u>	<u>206,923</u>
Segment results	<u>5,679</u>	<u>(4,009)</u>	<u>(119)</u>	<u>-</u>	<u>1,551</u>
Interest income	548	31	224	-	803
Finance costs	(754)	(15)	-	-	(769)
Profit before income tax and exceptional items					1,585
Negative goodwill	13,825	-	-	-	13,825
Impairment of goodwill in subsidiaries	-	(3,399)	-	-	(3,399)
Other losses					
- Impairment loss on machineries and equipments	-	(1,242)	-	-	(1,242)
- Inventories written down	-	(695)	-	-	(695)
Profit before income tax					10,074
Income tax expense	(479)	(320)	(45)	-	(844)
Total profit					<u>9,230</u>
Segment assets	<u>199,155</u>	<u>60,975</u>	<u>18,595</u>	<u>-</u>	<u>278,725</u>
Segment liabilities	<u>67,337</u>	<u>15,770</u>	<u>330</u>	<u>-</u>	<u>83,437</u>
Other segment information:					
Capital expenditure	3,477	1,852	4	-	5,333
Depreciation of property, plant and equipment	7,082	4,079	7	-	11,168
Impairment of goodwill in subsidiaries	-	3,399	-	-	3,399
Other losses					
- Impairment loss on machineries and equipments	-	1,242	-	-	1,242
- Inventories written down	-	695	-	-	695
Other non-cash expenses	608	285	24	-	917

13 (b) Segmented revenue and results for geographical segments**FY2010**

	Asia \$'000	Europe \$'000	Others \$'000	Eliminations \$'000	Total \$'000
Turnover					
External revenue	151,979	197,587	9,817	(7,587)	351,796
Total assets	183,568	100,072	-	-	283,640
Capital expenditure	5,766	3,737	-	-	9,503

FY2009

	Asia \$'000	Europe \$'000	Others \$'000	Eliminations \$'000	Total \$'000
Turnover					
External revenue	69,607	132,432	7,534	(2,650)	206,923
Total assets	166,622	112,103	-	-	278,725
Capital expenditure	4,253	1,080	-	-	5,333

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.

Please refer to paragraph 8.

15. A breakdown of sales.

	31/12/10 \$'000	31/12/09 \$'000	% increase/ (decrease)
Sales reported for first half year	173,532	79,556	118.1%
Operating profit after tax before deducting minority interests reported for first half year	8,814	13,476	-34.6%
Sales reported for second half year	178,264	127,367	40.0%
Operating profit/(loss) after tax before deducting minority interests reported for second half year	8,738	(4,246)	N.M.

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

	Latest Full Year 2010 \$'000	Previous Full 2009 \$'000
Ordinary Dividend	5,270	2,776
Preference Dividend	-	-
Total	5,270	2,776

17. Interested Person Transactions

Name of Interested Person	Aggregate value of all IPTs during the financial period under review (excluding transactions less than \$100,000)	
	31/12/10	31/12/09
Not applicable	-	-

BY ORDER OF THE BOARD

Gooi Soon Hock
Executive Director
24-Feb-11