mDR Limited (Formerly known as ACCORD CUSTOMER CARE SOLUTIONS LIMITED)

2006 - Full Year Financial Statement

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

In S$'000	Notes	Q4-06	Q4-05	YTD 31-Dec-06	YTD 31-Dec-05	Q4 Inc/(Dec) %	YTD Inc/(Dec) %
Revenue	**1(a)(i)**	72,359	77,651	268,732	284,320	-7%	-5%
Cost of sales	**1(a)(i)**	(61,036)	(62,044)	(219,834)	(216,607)	2%	-1%
Gross profit	**1(a)(i)**	11,323	15,607	48,898	67,713	-27%	-28%
Other operating income	**1(a)(ii)**	3,509	4,708	7,391	7,068	-25%	5%
Administrative expenses	**1(a)(iii)**	(12,836)	(15,285)	(46,668)	(65,214)	16%	28%
Other operating expenses	**1(a)(iv)**	(3,463)	(7,658)	(40,646)	(21,001)	55%	-94%
Finance cost	**1(a)(v)**	(492)	(512)	(1,655)	(2,054)	4%	19%
Loss before income tax		(1,959)	(3,140)	(32,680)	(13,488)	38%	-142%
Income tax expense	**1(a)(vi)**	10	125	(206)	(500)	-92%	59%
Loss for the year		(1,949)	(3,015)	(32,886)	(13,988)	35%	-135%
<u>Attributable to:</u>							
Equity holders of the parent company		*(1,896)*	*(583)*	*(33,041)*	*(9,946)*	*-225%*	*-232%*
Minority interest		*(53)*	*(2,432)*	*155*	*(4,042)*	*98%*	*104%*
Loss attributable to shareholders		*(1,949)*	*(3,015)*	*(32,886)*	*(13,988)*	*35%*	*-135%*

1(a) (i) Revenue, Cost of Sales and Gross Profit

The group operates in two business segments – after market services ("AMS") and distribution management solutions ("DMS'). The breakdown of revenue and cost of goods sold and spare parts are as follows:

In S$'000	Q4-06	Q4-05	YTD 31-Dec-06	YTD 31-Dec-05
Revenue				
AMS	10,661	18,091	54,167	73,760
DMS	61,698	59,560	214,565	210,560
	72,359	77,651	268,732	284,320
Cost of Goods Sold and Spare Parts				
AMS	(3,794)	(6,743)	(22,536)	(23,745)
DMS	(57,242)	(55,301)	(197,298)	(192,862)
	(61,036)	(62,044)	(219,834)	(216,607)
Gross Profit				
AMS	6,867	11,348	31,631	50,015
DMS	4,456	4,259	17,267	17,698
	11,323	15,607	48,898	67,713

1(a) (ii) Other operating income consist of the following:

In S$'000	Q4-06	Q4-05	YTD 31-Dec-06	YTD 31-Dec-05
Interest income				
- Bonds	511	504	2,017	1,985
- Others	179	46	288	199
Rental income	-	-	-	321
Government grant	-	148	-	148
Bad debt recovered	19	-	322	-
Release of negative goodwill to income on re-acquisition of interest in a subsidiary	-	4,371	601	4,371
Write back of impairment on investment	1,141	-	1,141	-
Waiver of debts due to intermediary companies	1,197	-	2,307	-
Others	462	(361)	715	44
	3,509	4,708	7,391	7,068

1(a)(iii) Administrative Expenses

The administrative expenses mainly pertain to staff cost.

In S$'000	Q4-06	Q4-05	YTD 31-Dec-06	YTD 31-Dec-05
Staff Cost				
AMS	7,256	9,307	27,176	40,851
DMS	1,776	1,537	7,015	7,128
Share option expense	450	813	450	813
	9,482	11,657	34,641	48,792

The lower administrative expenses for Q4-06 compared to the corresponding period in 2005 is mainly due to the decrease in staff cost which is in line with the cessation of certain business operation and closure of service centres as part of the restructuring exercise.

1(a)(iv) Included in other operating expenses are the following:

In S$'000	Note	Q4-06	Q4-05	YTD 31-Dec-06	YTD 31-Dec-05
Depreciation expenses		750	1,253	3,353	5,242
Impairment of goodwill on consolidation		2,326	865	2,326	865
Impairment of other investments		(79)	(663)	-	87
Impairment of fixed assets		62	-	62	-
Other goodwill written off		560	1,613	560	1,613
Minimum lease payments under operating lease		2,272	3,005	9,250	11,665
Allowance for doubtful debts		585	1,268	2,345	1,440
Allowance for inventories		273	3,333	351	3,333
Reversal of provision for other liabilities		(1,594)	(2,597)	(1,594)	(2,597)
Reversal of provision for retention sum receivable		-	(3,250)	-	(3,250)
Reversal of impairment on plant and equipment		-	(2,182)	-	(2,182)
Fixed assets written off		1,395	3,984	1,405	4,119
Loss (gain) on disposal of fixed assets		31	(37)	190	(399)
Loss on foreign exchange		42	1,066	1,147	1,065
(Reversal)/Provisions and one-time expenses	A	(3,160)	-	21,251	-
		3,463	7,658	40,646	21,001

Note A. Breakdown of the reversal/provisions and one-time expenses

In S$'000	Q4-06	Q4-05	YTD 31-Dec-06	YTD 31-Dec-05
(Reversal)/Provisions and one-time expenses				
Restructuring cost	(2,685)	-	9,069	-
Impairment of other investment	-	-	8,000	-
Impairment of purchase goodwill	-	-	600	-
Impairment of fixed assets	(90)	-	239	-
Accelerated depreciation expenses	(79)	-	1,743	-
Allowance for doubtful debt	(191)	-	1,439	-
Allowance for inventories	(115)	-	161	-
	(3,160)	-	21,251	-

1(a)(v) Finance cost

Finance cost comprises mainly interest expense arising from loans drawn down for operating and investment activities.

1(a)(vi) Income tax expenses

The tax expense provision is calculated for profitable subsidiaries using the tax rates applicable in the jurisdictions where the companies in the Group operate.

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

In S$'000	Notes	Group 31-Dec-06	Restated Group 31-Dec-05	Company 31-Dec-06	Company 31-Dec-05
ASSETS					
Current assets					
Cash		14,320	16,685	3,395	1,838
Cash pledged		98	5,448	-	5,448
Trade receivables	A	32,205	18,634	7,523	7,950
Other receivables and prepayments	B	6,583	16,564	17,123	45,131
Inventories	C	14,190	11,667	-	-
		67,396	**68,998**	**28,041**	**60,367**
Non-current assets					
Investment in subsidiaries		-	-	27,198	21,642
Investment in associates		18	14	-	-
Other investments		9,731	17,731	6,090	14,090
Advance payments for investments		1,951	2,487	1,951	2,487
Plant and equipment		7,468	13,963	942	2,027
Goodwill on consolidation		12,174	5,743	-	-
Other goodwill		8,074	9,998	-	-
		39,416	**49,936**	**36,181**	**40,246**
Total assets		**106,812**	**118,934**	**64,222**	**100,613**
Current liabilities					
Bank loans		13,627	24,002	4,435	6,000
Bank overdraft		8,668	11,614	1,581	2,413
Trade payables	D	14,977	10,910	1,479	8,555
Other payables	E	45,574	42,484	33,199	51,935
Income tax payable		1,166	1,198	-	-
Obligations under finance leases		17	68	-	-
Current portion of long- term bank loan		-	508	-	-
		84,029	**90,784**	**40,694**	**68,903**
Non-current liabilities					
Obligations under finance leases		191	212	-	-
Deferred tax		1,153	1,021	912	912
Long-term bank loans		-	324	-	-
		1,344	**1,557**	**912**	**912**
Equity					
Issued capital		89,841	24,024	89,841	24,024
Share premium reserve		-	38,394	-	38,394
Capital redemption reserve		22	22	22	22
Share options reserve		3,166	2,716	3,166	2,716
Foreign currency translation reserve		1,204	(633)	-	-
Revenue reserve	F	(76,369)	(43,328)	(70,413)	(34,358)
Equity attributable to equity holders of the parent		**17,864**	**21,195**	**22,616**	**30,798**
Minority interest		3,575	5,398	-	-
Total equity and liabilities		**106,812**	**118,934**	**64,222**	**100,613**

(A) Trade receivables

The trade receivables turnover days is 43 as at 31 December 2006 (31 December 2005 : 24 days). This arose primarily from the acquisition of new subsidiaries during the year which has longer credit terms for its trade receivables compared to the existing subsidiaries within the Group.

(B) Other receivables and prepayments

Included in other receivables are mainly refundable deposits ($2.1 million), prepayments ($0.6 million), amount due from related parties ($1.7 million) and recoverables ($2 million).

(C) Inventories

The increase in inventories is due mainly to the acquisition of mDR (S) Pte Ltd (formerly known as Semitech Mobility Solutions Pte Ltd). The inventory turnover is 23 days for the year ended 31 December 2006 (20 days for the year ended 31 December 2005).

(D) Trade payables

Trade payables turnover days is 25 as at 31 December 2006 (31 December 2005 : 18 days).

(E) Other payables

Included in other payables are accrued operating expenses ($8.0 million), accrued staff related expenses ($3.1 million), accrued restructuring cost ($6.8 million), refundable deposit for disposal of a subsidiary ($2.1 million), amount owing to related parties ($14.8 million), loan payable to bank by associate company ($2.7 million) and other payables to third parties ($8.0 million).

(F) Revenue reserve

In the course of the Company's internal investigation, it was discovered that there was a further invalid sales in FY2004 which amounted to $3.9 million reported in a subsidiary company and is non-recoverable.

Goodwill arising from the acquisition of an overseas subsidiary in FY2004 of $4.7 million was written off.

Accordingly, the revenue reserve of the Group brought forward to FY2005 has been restated to take up the provision and goodwill write off in FY2004.

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

Amount repayable in one year or less, or on demand

As at 31 December 2006		As at 31 December 2005	
Secured ($'000)	Unsecured ($'000)	Secured ($'000)	Unsecured ($'000)
17	22,295	5,220	30,972

Amount repayable after one year

As at 31 December 2006		As at 31 December 2005	
Secured ($'000)	Unsecured ($'000)	Secured ($'000)	Unsecured ($'000)
191	-	212	324

Details of collateral

Finance lease is secured by the fixed assets acquired under the lease arrangement.

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

In S$'000	Q4-06	Q4-05	YTD 31-Dec-06	YTD 31-Dec-05
Operating activities:				
Loss before income tax	**(1,959)**	**(3,140)**	**(32,680)**	**(13,488)**
Adjustments for:				
Depreciation expense	750	1,253	3,353	5,242
Interest expense	492	512	1,655	2,054
Interest income	(690)	(550)	(2,305)	(2,184)
Gain on disposal of fixed assets	31	(37)	190	(399)
Fixed assets written off	1,395	3,984	1,405	4,119
Reversal of impairment on plant and equipment	-	(2,467)	-	(2,467)
Impairment of plant and equipment	62	799	62	799
Allowance for inventories	273	-	351	-
(Reversal) Additional provision	(3,160)	(18,102)	21,251	(18,102)
Share option expense	450	813	450	813
Goodwill written off	560	1,613	560	1,613
Impairment of other investments	(79)	-	-	-
Release of negative goodwill to income on re-acquisition of interest in a subsidiary	-	(4,371)	(601)	(4,371)
Impairment of goodwill on consolidation	2,326	865	2,326	865
Impairment of other goodwill	-	763	-	837
Operating cash flows before movements in working capital	**451**	**(18,065)**	**(3,983)**	**(24,669)**
Trade receivables	(4,189)	131	(11,011)	3,422
Other receivables and prepaid expenses	6,775	(1,835)	8,798	6,056
Inventories	3,125	2,710	(1,629)	3,522
Trade payables	3,172	(5,680)	1,724	(7,045)
Other payables	(10,591)	20,096	(8,377)	15,369
Cash (used in) generated from operations	**(1,257)**	**(2,643)**	**(14,478)**	**(3,345)**
Interest received	690	550	2,305	2,184
Income tax paid	(74)	90	(134)	(2,764)
Net cash (used in) from operating activities	**(641)**	**(2,003)**	**(12,307)**	**(3,925)**
Investing activities:				
Purchase of fixed assets	(60)	(2,249)	(1,058)	(2,445)
Proceeds from disposal of fixed assets	-	3,523	-	4,325
Additional investment in a subsidiary	(1,131)	(1,191)	(1,131)	(3,878)
Increase in investment / bonds in associates-net	-	(8,347)	-	(8,347)
Advance payment for investments	(331)	(316)	536	(7,055)
Provisions	-	10,284	-	10,284
Cash contribution of acquired subsidiaries	-	-	391	-
Net cash (used in) from investing activities:	**(1,522)**	**1,704**	**(1,262)**	**(7,116)**
Financing activities:				
Proceeds from issue of shares	(15)	(128)	19,923	127
Interest paid	(492)	(513)	(1,655)	(2,054)
Decrease in finance lease	(17)	(298)	(72)	(381)
Fixed deposits subject to restriction	3	4	5,350	3,197
Repayment of bank loans	(2,191)	(81)	(11,207)	(5,509)
Net cash(used in) from financing activities:	**(2,712)**	**(1,016)**	**12,339**	**(4,620)**
Net effect of exchange rate changes in consolidating subsidiaries	(316)	-	**1,811**	**(992)**
Net increase (decrease) in cash and cash equivalents	**(5,191)**	**(1,315)**	**581**	**(16,653)**
Cash and cash equivalents at beginning of year	**10,843**	6,386	**5,071**	**21,724**
Cash and cash equivalents at end of year	**5,652**	**5,071**	**5,652**	**5,071**

A. Cash and cash equivalent at end of financial year :

In S$'000	31-Dec-06	31-Dec-05
Cash	14,418	22,133
Bank overdrafts	(8,668)	(11,614)
Less: Cash subject to restriction	(98)	(5,448)
	5,652	5,071

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

In S$'000	Share capital	Capital redemption reserve	Share options reserve	Share premium	Translation reserve	Revenue reserve	Attibutable to equity holders of the parent	Minority interest	Total
Group (12 months ended 31 December 2005)									
Balance at 1 January 2005 as previously reported	24,017	22	1,903	38,274	333	(24,777)	39,772	12,746	52,518
Prior year adjustment [Note 1(b)(i)(F)]	-	-	-	-	-	(8,605)	(8,605)	-	(8,605)
Balance at 1 January 2005 (restated)	24,017	22	1,903	38,274	333	(33,382)	31,167	12,746	43,913
Net loss	-	-	-	-	-	(9,946)	(9,946)	(4,042)	(13,988)
Issue of shares on exercise of share options	7	-	-	120	-	-	127	-	127
Recognition of share-based payments	-	-	813	-	-	-	813	-	813
Effects of acquisition of interest in subsidiaries	-	-	-	-	-	-	-	(3,306)	(3,306)
Foreign currency translation	-	-	-	-	(966)	-	(966)	-	(966)
Balance at 31 December 2005 (restated)	24,024	22	2,716	38,394	(633)	(43,328)	21,195	5,398	26,593
Group (12 months ended 31 December 2006)									
Balance at 1 January 2006 (Restated)	24,024	22	2,716	38,394	(633)	(43,328)	21,195	5,398	26,593
Net loss	-	-	-	-	-	(33,041)	(33,041)	155	(32,886)
Issue of ordinary shares	14,462	-	-	12,961	-	-	27,423	-	27,423
Recognition of share-based payments	-	-	450	-	-	-	450	-	450
Effects of acquisition of interest in subsidiaries	-	-	-	-	-	-	-	(1,978)	(1,978)
Transfer to share capital	51,355	-	-	(51,355)	-	-	-	-	-
Foreign currency translation	-	-	-	-	1,837	-	1,837	-	1,837
Balance at 31 December 2006	89,841	22	3,166	-	1,204	(76,369)	17,864	3,575	21,439
Company (12 months ended 31 December 2005)									
Balance at 1 January 2005 (restated)	24,017	22	1,903	38,274	-	(758)	63,458	-	63,458
Net loss	-	-	-	-	-	(33,600)	(33,600)	-	(33,600)
Issue of shares on exercise of share options	7	-	-	120	-	-	127	-	127
Recognition of share-based payments	-	-	813	-	-	-	813	-	813
Balance at 31 December 2005 (restated)	24,024	22	2,716	38,394	-	(34,358)	30,798	-	30,798
Company (12 months ended 31 December 2006)									
Balance at 1 January 2006	24,024	22	2,716	38,394	-	(34,358)	30,798	-	30,798
Net loss	-	-	-	-	-	(36,055)	(36,055)	-	(36,055)
Issue of ordinary shares	14,462	-	-	12,961	-	-	27,423	-	27,423
Transfer to share capital	51,355	-	-	(51,355)	-	-	-	-	-
Recognition of share-based payments	-	-	450	-	-	-	450	-	450
Balance at 31 December 2006	89,841	22	3,166	-	-	(70,413)	22,616	-	22,616

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

The mDR Limited Share Option Scheme 2003 (the "Scheme") was approved and adopted by members at the Extraordinary General Meeting held on 13 January 2003. The price at which a participant of the Scheme shall subscribe for each share upon the exercise of an option was determined based on the average closing prices of the shares for each of the last five market days immediately preceding the date of grant of the options ("Date of Grant"). The vesting period of the options commences on the date not earlier than the first anniversary of the Date of Grant and expires on the tenth anniversary of the Date of Grant.

The share options granted and exercised during the financial year and share options outstanding as at 31 December 2006 under the Scheme were as follows:

Date of grant	Balance at 1 January 2006 or grant date if later	Re-instatement	Lapsed/ Cancelled	Adjustments pursuant to rights issue	Balance at 31 December 2006	Subscription Price	Expiry date
17 September 2003	1,664,000	-	(331,142)	402,849	1,735,707	0.3111	16 September 2013
14 April 2004	13,833,000	1,620,000	(5,171,136)	3,499,678	13,781,542	0.5063	13 April 2014
22 September 2005	7,000,000	-	-	4,238,000	11,238,000	0.1206	21 September 2010
	22,497,000	1,620,000	(5,502,278)	8,140,527	26,755,249		

Pursuant to the Companies (Amendment) Act 2005 effective from 30 January 2006, the concept of authorised share capital and par value has been abolished. Consequently any amounts standing to the credit of share premium account as at 30 January 2006 were transferred to share capital as at that date.

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

The figures for the period from 1 January 2006 to 31 December 2006 have not been audited or reviewed by our auditors. The auditors have expressed an "except for" opinion on the 2005 financial statements as described in the following: -

a) The opening balances affected by adjustments arising from the matters below were brought forward into the financial statements for the year ended 31 December 2005 and hence have effects on the 2005 financial statements.

- refurbishment service income and investigations;
- payments for certain investments
- adjustments made by the company in relation to financial years 2004 and 2003; and
- limitation on the scope of work of auditors of certain subsidiaries

b) The ongoing CAD proceedings against former executives and the outcome which may uncover information which may require further adjustments

c) The completeness of the disclosure of related party transactions, due to former executives who have been subsequently charged by CAD were still presiding over the affairs of the company during the first half of 2005.

d) The auditors of certain subsidiaries have expressed disclaimer of opinion due to limitation of scope on certain provisions and impairment data.

e) The audit clearances for certain subsidiaries were not received as at date of auditors' report.

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

The figures have not been audited or reviewed by our auditors.

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 accounting policies and methods of computation have been applied consistently. The group and the company have applied accounting policies and methods of computation in the financial statements for the current reporting period consistent with those of the audited financial statements as at 31 December 2005.

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

The Group has adopted all the new and revised Singapore Financial Reporting Standards ("FRS") and interpretations of FRS and amendments to FRS effective for accounting periods beginning 1 January 2006 and they are assessed to have no significant impact on the Group's financial position and results of the Group.

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

Earnings per ordinary share	**YTD**	**YTD**
(based on consolidated net loss	**31-Dec-06**	**31-Dec-05**
attributable to equity holders of the Company)	**Cents**	**Cents**
- Basic	(2.36)	(0.93)
- Fully diluted	(2.36)	(0.93)

Basic earnings per ordinary share is computed based on the weighted average number of shares in issue during the period of 1,398,842,096 (31 December 2005: 1,070,231,507) of $0.025 each.

Fully diluted earnings per ordinary share is computed based on the weighted average number of shares during the period adjusted for the effect of all potential dilutive ordinary shares of 1,398,842,096 (31 December 2005: 1,070,231,507) of $0.025 each.

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-Dec-06	31-Dec-05	31-Dec-06	31-Dec-05
	Cents	Cents	Cents	Cents
Net Asset Value ("NAV") per share	1.28	1.98	1.62	2.88

The NAV per share as at 31 December 2006 is calculated based on 1,398,842,096 (31 December 2005: 1,070,231,507) ordinary shares of $0.025 each.

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

Revenue

Revenue, on a quarter-to-quarter basis, decreased mainly due to the implementation of restructuring programme and closure of non-viable service centres in the AMS business.

On a year-on-year basis, revenue was lower due mainly to the restructuring programme and closure of non-viable service centres. This was offset by the acquisition of the Semitech AMS business which partially back-filled the revenue shortfall.

Loss after income tax

The Group incurred a net loss of $1.9 million for 4Q2006 after taking into account the goodwill impairment of $2.8 million offsetted by the reversal of one-time expenses of $3.2 million which is no longer required.

Loss for the year was $32.9 million as this arose primarily from the provisions and one-off expenses of $21.3 million. Excluding this one-off expenses, the Group narrowed its loss to $11.6 million as compared to $14 million in the corresponding period in FY2005.

Cash Flows

On a year-on-year basis, there is a marginal net increase in cash position. The proceeds of rights issue completed in July 2006 together with the recovery of non-core assets were utilized for the financing of working capital, capital expenditure, acquisition of an overseas subsidiary and bank loan repayment.

Restatement

The accumulated loss brought forward for 2005 of the Group has been restated to include provision for receivables which totalled $3.9 million due to invalid sales in 2004 and goodwill written off which amounted to $4.7 million in a subsidiary. Please refer to note 1b(i)F.

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

Not applicable.

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

DMS business continues to be challenging due to intense competition. The division is continuing with efforts to improve margin by re-aligning its various businesses, i.e. distribution and retail, dealer and franchisee channel.

Restructuring efforts in AMS division over the last 18 months, is nearing completion. This exercise has resulted in substantial restructuring cost. In FY2006, the division carried out an intensive review of our network and provision of services to our key business partners. Phasing in of new business model, expansion and introduction of new businesses into AMS's revamped regional network is expected to improve yields in FY2007.

Barring unforeseen circumstances, FY2007 is expected to show improvements.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended.

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

For management purposes, the Group is organised on a world-wide basis into three major operating divisions, namely, South Asia, North Asia and South Pacific. The divisions are the basis on which the Group reports its primary segment information.

The dominant source and nature of the group's risk and returns are based on the geographical areas where its service centres are located. Therefore, the primary segment is geographical segments by location of our service centres.

South Asia comprises Indonesia, Thailand, Malaysia, India, Vietnam, United Arab Emirates and Singapore.
North Asia comprises People's Republic of China, Hong Kong SAR and Taiwan.
South Pacific comprises Australia and New Zealand.

Primary segment information for the group based on geographical segments for the year ended 31 December 2006 is as follows:

By Geographical Operations	South Asia $'000	North Asia $'000	South Pacific $'000	Consolidated $'000
31 December 2006				
REVENUE				
External sales	238,061	7,301	23,370	268,732
RESULTS				
Segment result before restructuring cost	(4,598)	265	(5,441)	(9,774)
Provisions and one-time expenses	(16,498)	(2,537)	(2,216)	(21,251)
Segment result	(21,096)	(2,272)	(7,657)	(31,025)
Finance costs				(1,655)
Loss before income tax				(32,680)
Income tax expense				(206)
Loss after income tax				(32,886)

	South Asia $'000	North Asia $'000	South Pacific $'000	Consolidated $'000
31 December 2005				
REVENUE				
External sales	227,263	10,310	46,747	284,320
RESULTS				
Segment result	1,933	(6,465)	(6,902)	(11,434)
Finance costs				(2,054)
Loss before income tax				(13,488)
Income tax expense				(500)
Loss after income tax				(13,988)

By Business Segment

The group operates in two business segments - after-market services ("AMS") and distribution management solutions ("DMS").

Segment revenue: Segment revenue is the operating revenue reported in the group's profit and loss statement that is directly attributable to a segment and the relevant portion of such revenue that can be allocated on a reasonable basis to a segment.

Segment assets and capital expenditure: Segment assets and capital expenditure are analysed based on those assets used by a segment. Capital expenditure includes the total cost incurred to plant and equipment, and any intangible assets.

	Revenue		Assets		Capital Expenditure	
	2006	2005	2006	2005	2006	2005
	$'000	$'000	$'000	$'000	$'000	$'000
AMS	54,167	73,760	61,739	79,112	768	804
DMS	214,565	210,560	44,559	48,427	290	364
Total	268,732	284,320	106,298	127,539	1,058	1,168

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

South Asia revenue arose primarily from the acquisition of new subsidiaries which contributed to $8.4 million.

North Asia and South Pacific revenue decreased mainly due to lower sales in the particular region and cessation of certain business operation in Australia, respectively.

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

Total Annual Dividend

	Latest Full Year (2006)	Previous Full Year (2005)
Ordinary	0	0
Preference	0	0
Total:	0	0

BY ORDER OF THE BOARD

Huang Wenjian Eugene
Company Secretary

1 March 2007