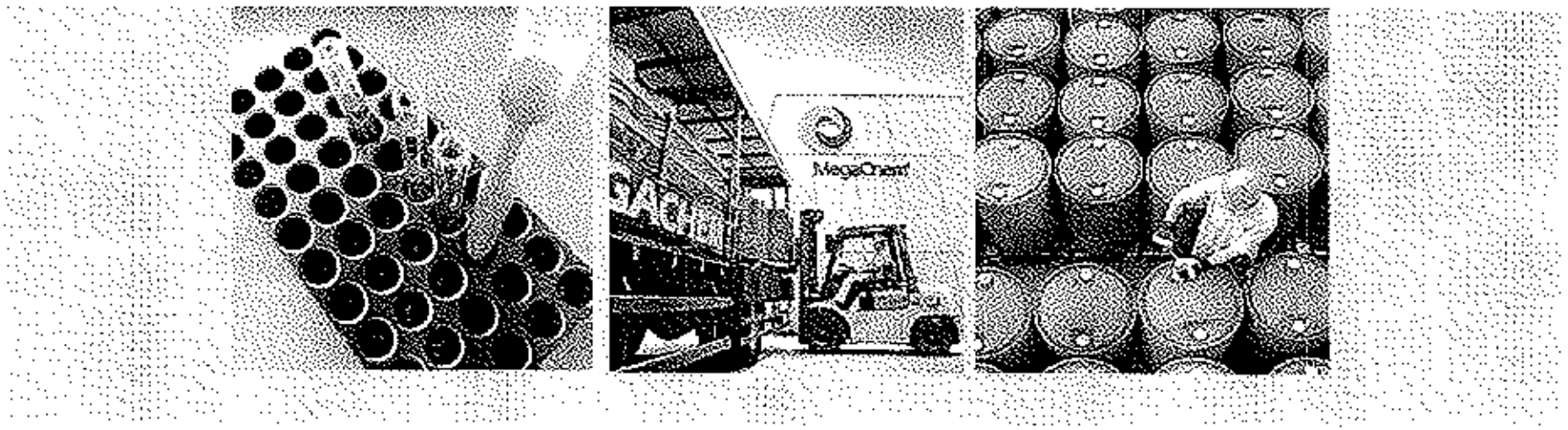
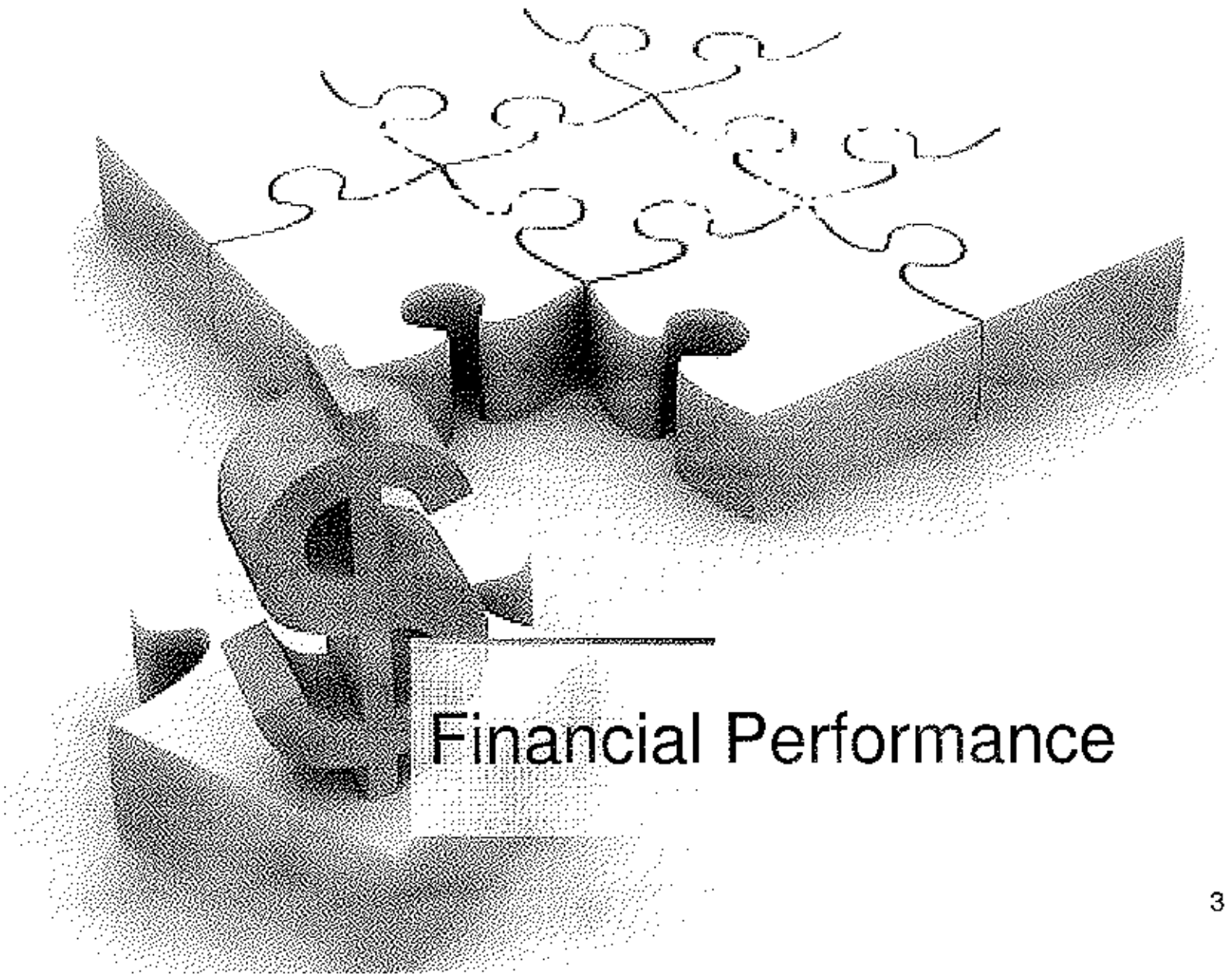
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Results Presentation
For Analyst Briefing
Full Year ended 31 Dec 2012



Financial Performance

Industry Review

The Guardian, Wednesday 30 January 2013 22.35 GMT

The US economic recovery juddered to a halt in the final months of 2012 as the government slashed defence spending, business orders declined, and Washington fought over the fiscal cliff budget crisis.

The GDP of the world's biggest economy shrank for the first time in three and a half years during the fourth quarter, dropping at an annual rate of 0.1%, the commerce department said. It was the US's worst economic performance since October 2009, and came as economists had been expecting mild growth of about 1%.

February 13, 2013

Japanese Economy Shrinks and Remains in Recession

By THE ASSOCIATED PRESS

TOKYO (AP) — Japan's economy remained mired in recession late last year, shrinking 0.4 percent in annualized terms for the third straight quarter of contraction on feeble demand at home and overseas.

The government reported Thursday that growth for all of 2012 was 1.9 percent, after a 0.6 percent contraction in 2011 and a 4.7 percent increase in 2010 and a 5.5 percent contraction in 2009.

Industry Review

A Glance at Economic Growth Across Europe
By The Associated Press
February 14, 2013 (AP)

Official figures show the recession across the economy of the 17 European Union countries that use the euro deepened in the last three months of 2012 as Germany faltered in the face of anaemic demand across the debt-ridden region.

Growth rates in Gross Domestic Product across Europe

	Q4 2012 vs Q4 2011	Q3 vs Q2	Q4 vs Q3
European Union(27 countries)	-0.6	0.1	-0.5
Eurozone (17 Countries)	-0.9	-0.1	-0.6

According to American Chemistry Council, US chemical production increased 1.5% in 2012

The European Chemical Industry Council reported contraction of 2%

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P&L Highlights

S$'mil	1H 11	2H 11	1H 12	2H 12	Var	Var %
Sales	57.3	49.6	54.0	52.2	-1.8	-3.4%
Gross Profit	11.6	10.5	11.1	10.7	-0.4	-4.0%
Gross Profit Margin	20.3%	21.2%	20.6%	20.5%	-0.1% pts	Na
Expenses	8.4	8.6	9.5	9.5	-	(0.5%)
Expenses/Sales %	14.7%	17.3%	17.6%	18.2%	0.6% pts	Na
Other Income	0.05	0.12	0.23	0.19	-0.04	-18.8%
Share of Assoc Profit	0.58	0.44	0.69	0.54	-0.15	-21.6%
NPBT	3.8	2.5	2.6	1.9	-0.7	-26.3%
NPAT	3.0	2.0	2.1	1.3	-0.7	-35.1%
NPAT margin %	5.3%	4.1%	3.8%	2.6%	-1.2% pts	Na
EBITDA	4.3	2.9	3.2	2.7	-0.5	-15.2%
EBITDA margin %	7.5%	5.8%	5.9%	5.2%	-0.7% pts	Na
ROE %	15.8%	9.7%	9.8%	6.3%	-3.5% pts	Na
EPS(cents)	2.23	1.42	1.43	0.95	-0.48	-33.6%

P&L Highlights

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S$'mil	FY 11	FY12	Var	Var %
Sales	106.9	106.3	-0.6	-0.6%
Gross Profit	22.1	21.8	-0.3	-1.3%
Gross Profit Margin %	20.7%	20.6%	-0.1% pts	Na
Expenses	17.0	19.0	2.0	11.6%
Expenses/Sales %	16.0%	17.9%	1.9% pts	Na
Other Income	0.17	0.41	0.25	145.4%
Share of Assoc Profit	1.03	1.23	0.21	20.3%
NPBT	6.3	4.5	-1.8	-28.8%
NPAT	5.1	3.4	-1.7	-33.3%
NPAT margin %	4.8%	3.2%	-1.6% pts	Na
EBITDA	7.2	5.9	-1.3	-18.2%
EBITDA Margin %	6.7%	5.5%	-1.2% pts	Na
ROE %	12.5%	7.9%	-4.6% pts	Na
EPS(cents)	3.64	2.38	-1.26	-34.6%

Sales

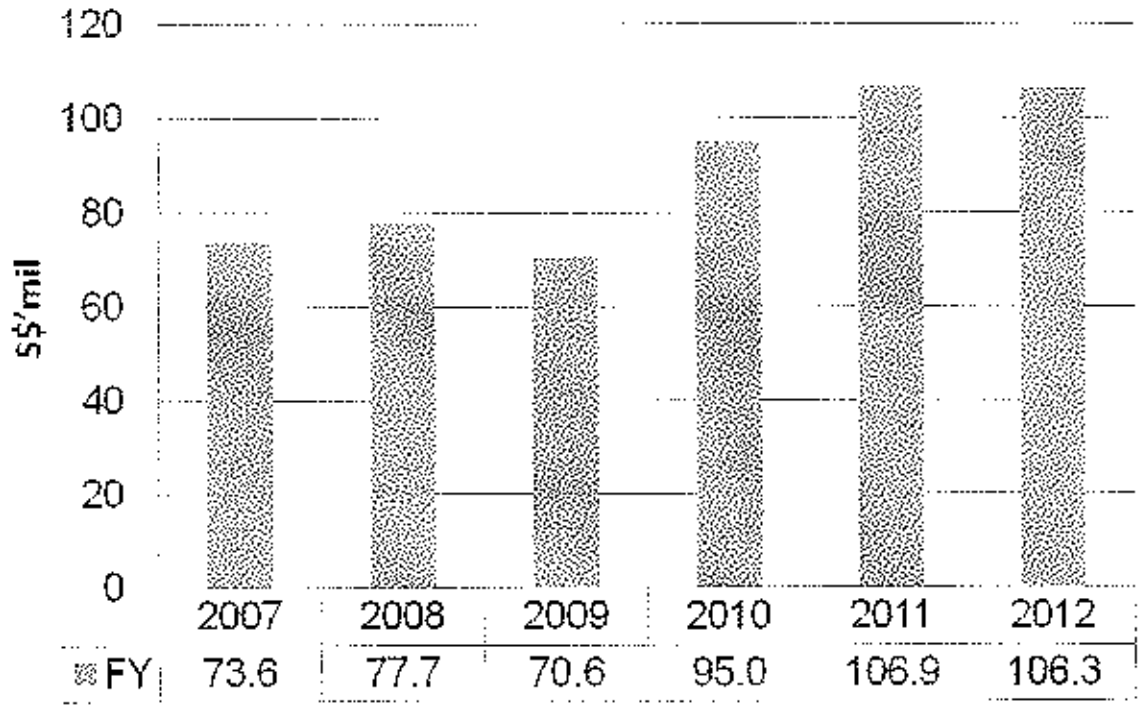
Half-yearly Sales



- 2H 2012 vs 1H 2012 : S$1.8 mil or 3.4% fall
- 2H 2012 vs 2H 2011 : S$2.6 mil or 5.3% increase

Sales

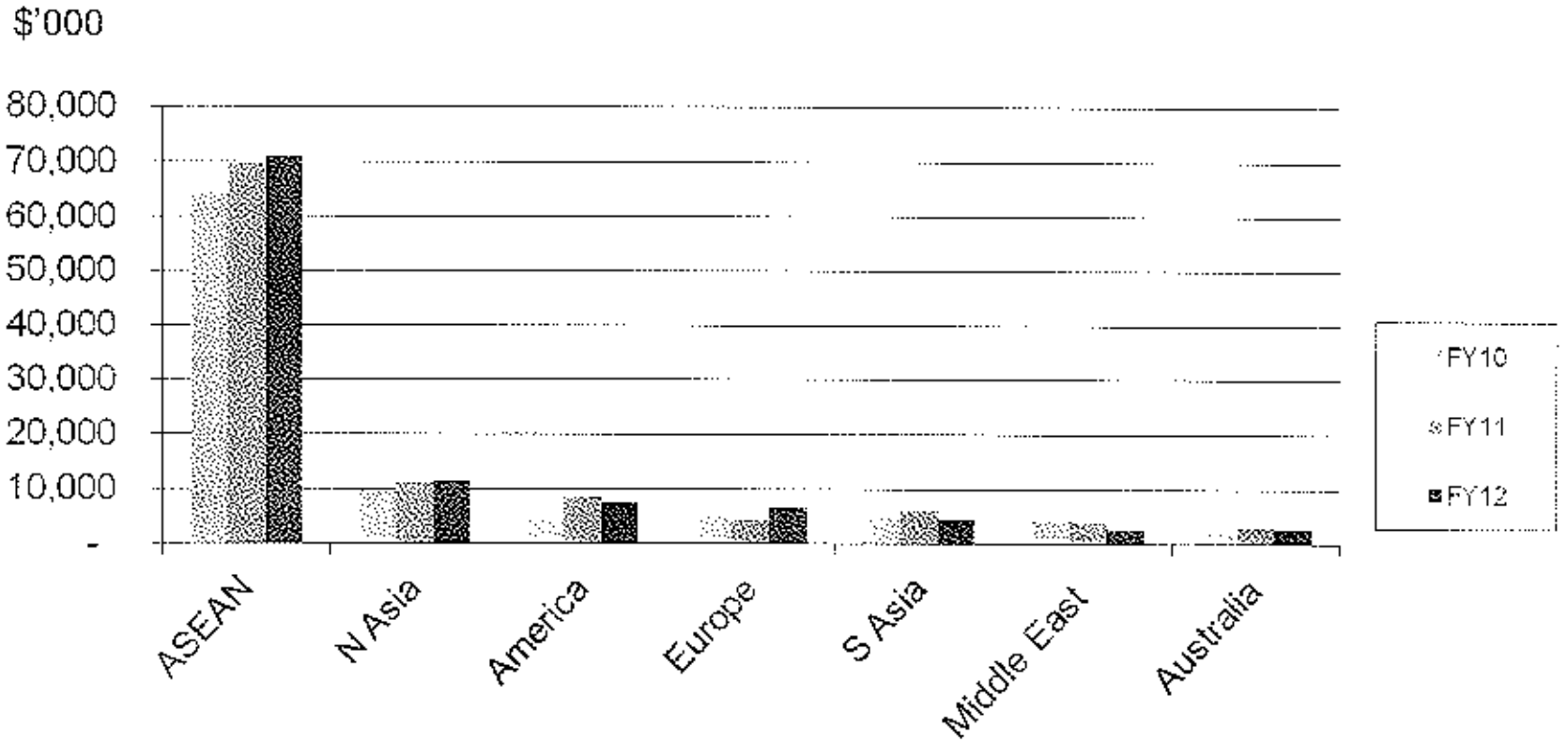
Annual Sales



- 2012 sales maintained at close to record level sales achieved in 2011

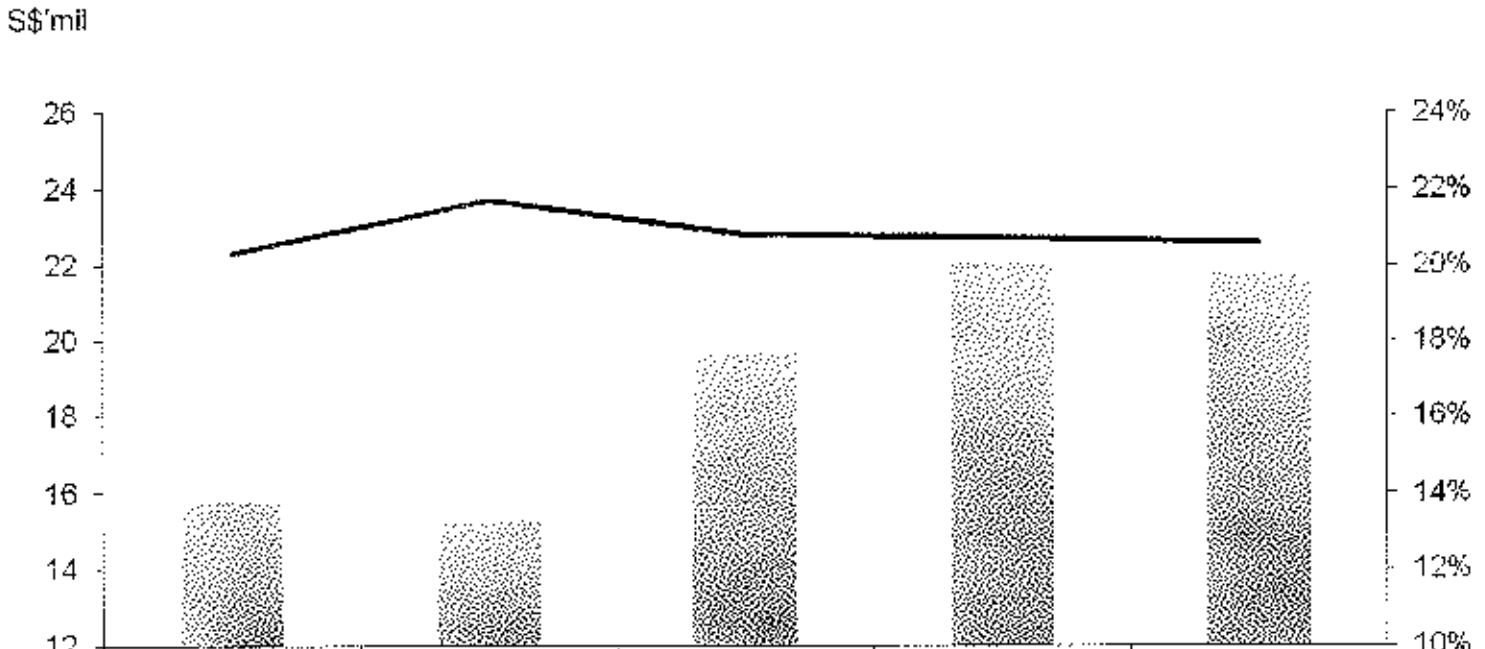
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Sales by Geographic Markets



- Core markets of ASEAN higher.
- Europe : Business outside of EU zone expanded. Minimal sales to PIGS
- China also higher but other markets lower

Gross Profit



	2008	2009	2010	2011	2012
Gross Profit	15.8	15.3	19.7	22.1	21.8
GP Margin	20.3%	21.7%	20.8%	20.7%	20.6%

Expenses

S$'000	FY 2011	FY 2012	Var	Var %	
Staff Cost	9,427	10,064	637	6.8%	Salary increment and increase in headcount
Depreciation	652	765	113	17.3%	Production facility expansion
FX	299	674	375	125.5%	Mainly USD and Rupee.
Professional Fees	490	624	134	27.3%	Production facility expansion
Rental	1,720	1,720	-	-	Reduction in inventory.
Impairment of Trade Receivables	226	115	-111	-49.0%	Lower uncollectibility of debt
Finance Cost	285	364	79	27.7%	Due mainly to factory expansion

- Total expenses increased by S$2.0 mil or 11.6% to S$19.0 mil.
- Increase in expenses attributed mainly to production facility expansion, new subsidiary in Australia and foreign exchange loss.

Net Profit After Tax

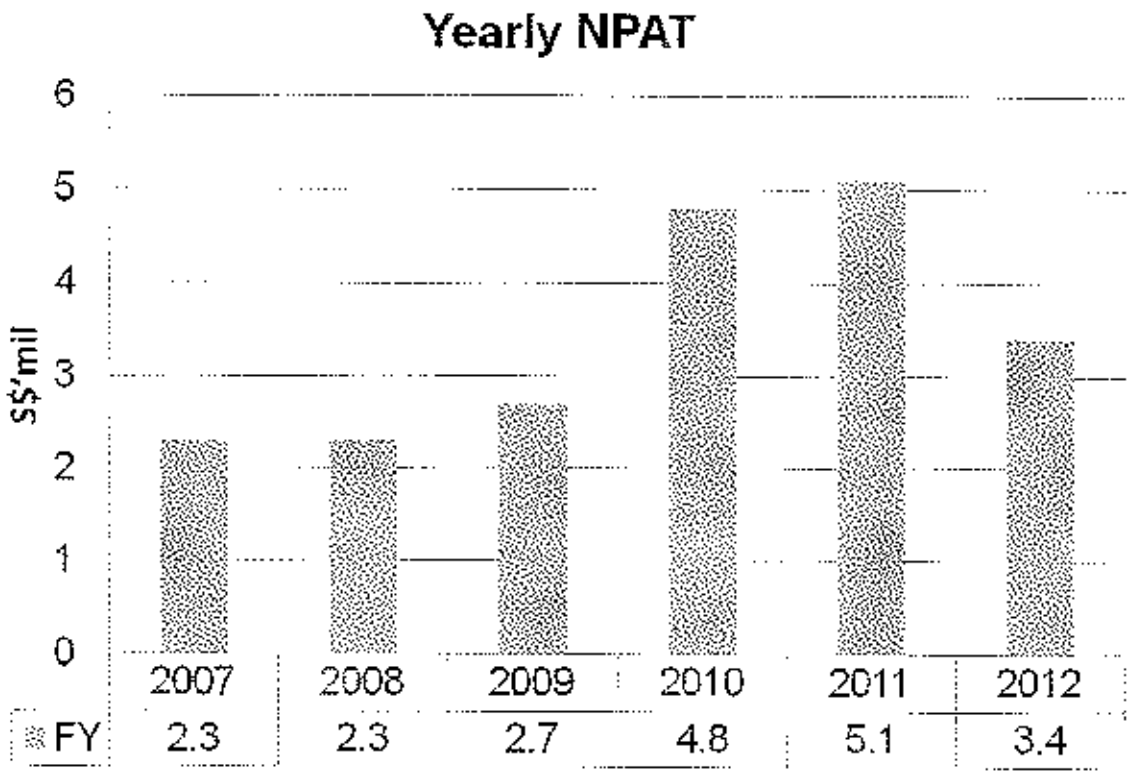
Fall in 2H 2012 NPAT due to lower sales and higher expenses from facility expansion

Half-yearly NPAT



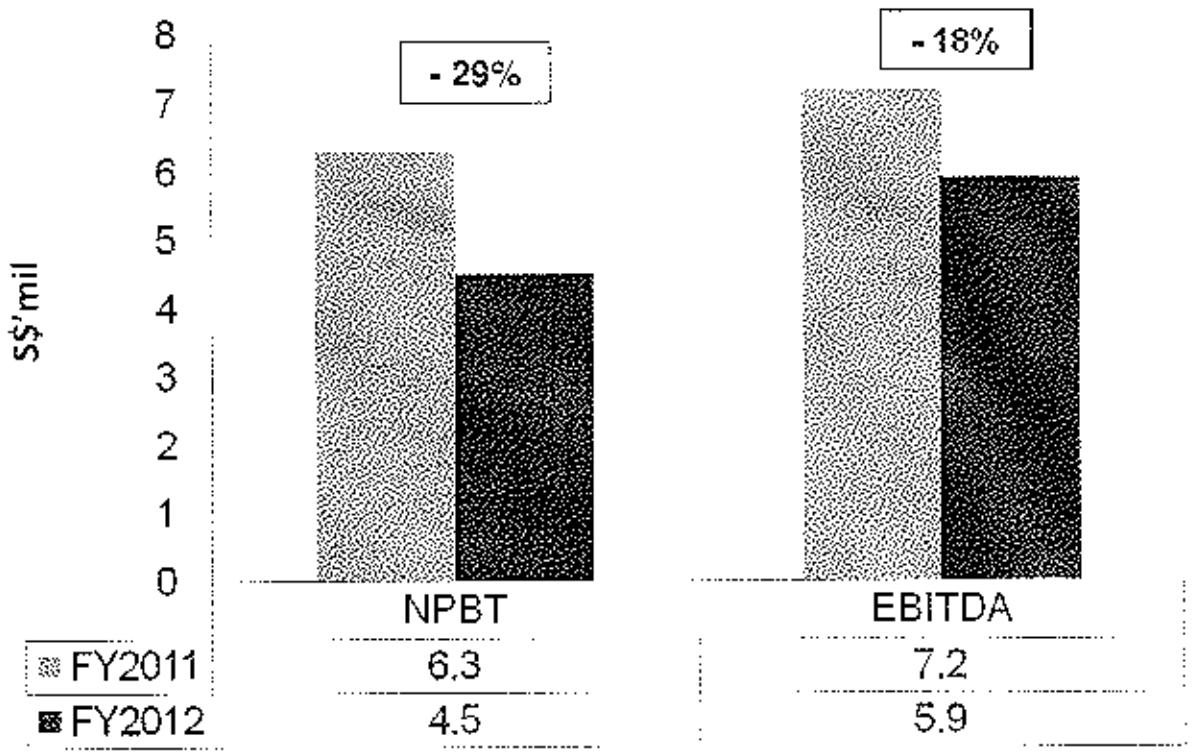
	2010	2011	2012
1H	2.8	3.0	2.1
2H	2.0	2.0	1.3

Net Profit After Tax



- 2012 vs 2011 : -S$1.7 mil or -33.3%
- Due to expansion of production facility, new subsidiary in Australia and FX losses

NPBT/EBITDA



- NPBT fell but stripping off the depreciation and interest relating to factory expansion, the fall was lower.

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Balance Sheet

S$'mil	2010	2011	2012	Var	
Cash	6.8	7.6	8.1	0.4	Positive operating cashflow.
Cash/share (cents)	5.1	5.7	6.0	0.3	
Borrowings	9.7	15.3	16.0	0.7	Purchase of production equipment
Shareholders Equity	36.1	38.9	39.9	0.9	
Gearing (times)	0.27	0.39	0.40	0.01	Acceptable level
Current ratio (times)	2.4	2.4	2.1	(0.4)	Sound liquidity
Inventory	18.2	21.2	19.8	(1.5)	More prudent purchasing.
Inventory T/O (days)	84	91	95	4	
Trade Receivables	22.8	21.8	23.1	1.3	Higher sales in 4Q 12 vs 4Q 11
Receivables T/O (days)	86	78	80	2	
Property, Plant & Equipment	3.5	9.0	12.5	3.5	Factory Expansion
NTA/share (cents)	27.1	29.2	29.9	0.7	

Cashflow

$'000	FY2011	FY2012	
Cash from Operating Activities	3,351	6,156	Improved working capital cycle
Cash used in Investing Activities	(6,386)	(4,094)	Expansion of production facility
Cash provided by /(used in) Financing Activities	3,953	(1,451)	Increase in borrowing offset by dividend payment
Net change in Cash	919	611	
Beginning Cash	6,767	7,613	
Ending Cash	7,613	8,056	

Financial Summary

P&L Summary

- Sales maintained at same level despite slower market conditions

- Higher operating expenses
  - Manufacturing expansion
  - Investment in Australia
  - FX losses

=> Lower Profit

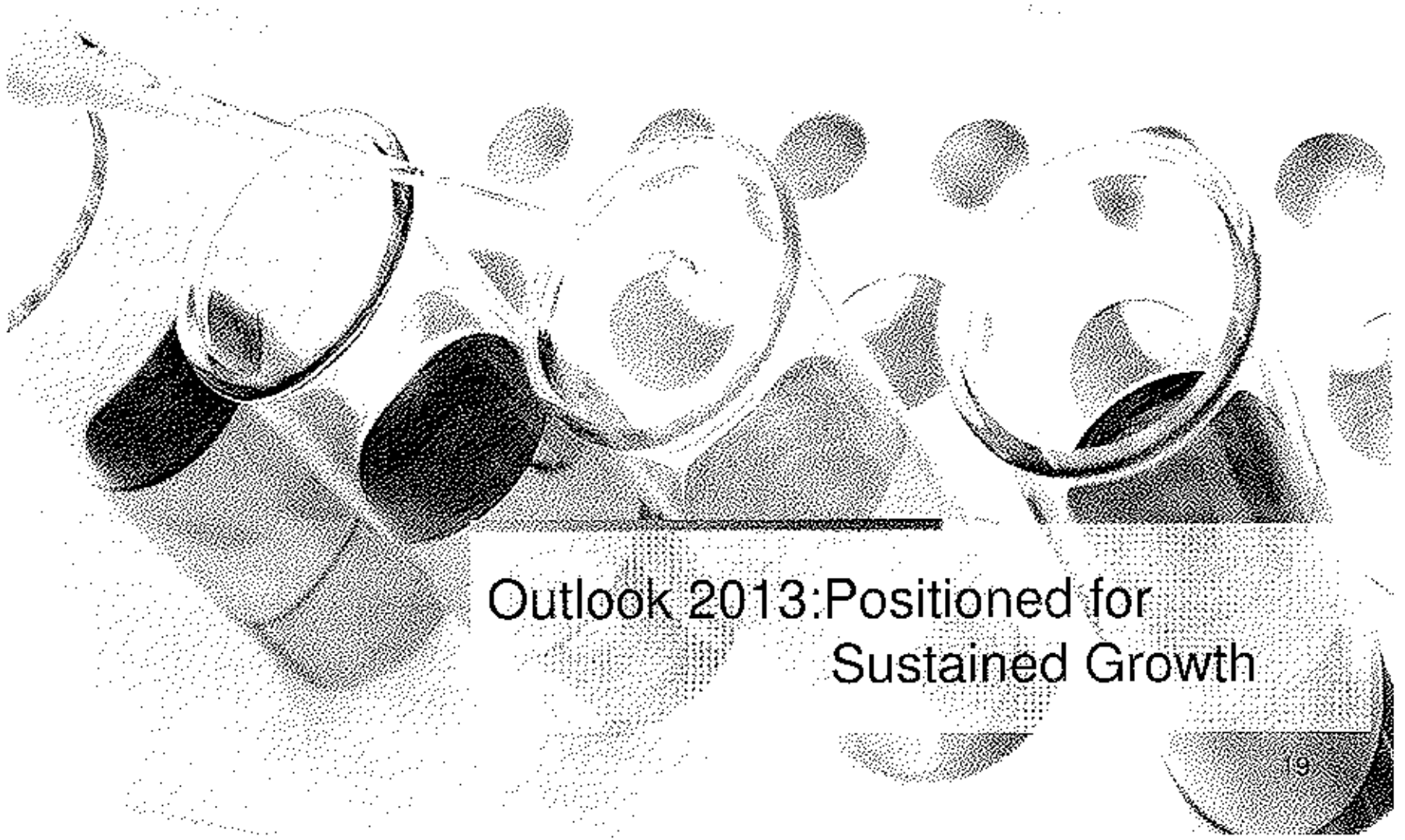
Balance Sheet Summary

- Gearing marginally higher

- Reduction in inventory improves cashflow

- Liquidity sound

=> Financial condition remains strong



Outlook 2013:Positioned for Sustained Growth

External Environment

U.S. Leading Economic Indicators Rose in January

Feb 21, 2013 The index of U.S. leading indicators rose for a second month in January, showing the world's largest economy is on track to sustain the expansion in the first half of this year.

The Conference Board's gauge of the outlook for the next three to six months increased 0.2 percent from a 0.5 percent rise in December, the New York-based group said today. The gain matched the increase projected by economists, according to the median estimate in a Bloomberg survey.

Rising stock prices, stronger property values and sustained gains in hiring are boosting economic growth and holding up household balance sheets. Still, higher payroll taxes are trimming Americans' paychecks while the likelihood of further U.S. budget cutbacks may limit the recovery's acceleration.

CONFIDENCE RALLY

New data from Brussels showed euro zone economic sentiment improved more than expected across all sectors in January, rising for the third time in a row in a sign the economy could be emerging from a low point in the fourth quarter of 2012.

External Environment

China Leading Index Rises at Faster Pace, Conference Board Says

Feb 20, 2013

A leading index for China's economy rose at a faster pace in January, suggesting the nation's growth rebound is maintaining momentum.

The gauge increased 1 percent from December to 253.4, the Conference Board, a New York-based research group, said in a statement today, citing a preliminary reading. That compared with a gain of 0.4 percent the previous month and 1.1 percent in November.

Today's report adds to signs that economic growth may accelerate for a second quarter after exports rose more than estimated last month and a broad measure of credit increased to a record. The nation's growth momentum is "relatively strong," the central bank said in a report released Feb. 6.

External Environment

Singapore GDP Growth Beats Initial Estimate as Asia Recovers

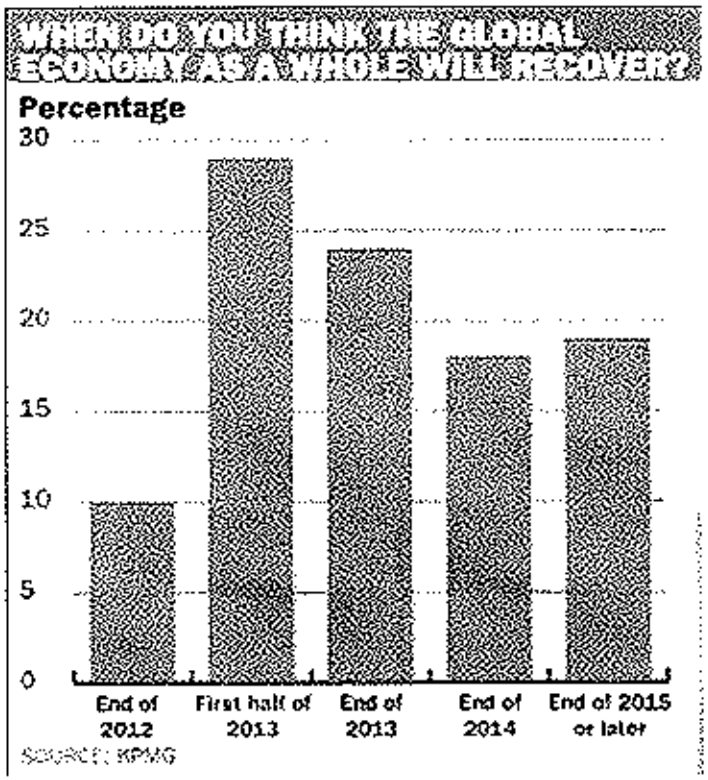
Feb 21, 2013

Singapore's economy expanded more than initially estimated last quarter after a smaller contraction in manufacturing, adding to evidence of a recovery in Asia. Gross domestic product rose an annualized 3.3 percent in the three months through December from the previous quarter, when it shrank a revised 4.6 percent, the Trade Ministry said in a statement today.

"We are seeing an improvement from some of the worst days of last year," said Kit Wei Zheng, a Singapore-based economist at Citigroup Inc. "The leading indicators seem to point to small but modest, positive growth in 2013." Recoveries in China and the U.S. have improved the outlook for the region, with economies from Malaysia to Thailand reporting faster GDP growth for last quarter.

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External Environment



External Environment

This year, U.S. chemical production is expected to grow by a modest 1.9%, not much better than the 1.5% increase in 2012, according to the American Chemistry Council, a trade group. The European Chemical Industry Council predicts that European chemical production will rise 0.5% in 2013, an anemic figure, although an improvement compared with the 2.0% contraction experienced in 2012.

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FY2013 Outlook

+ Downside risk to global economy remains

+ Demand for chemicals expected to increase if economic conditions improves

+ Distribution activity will benefit if demand for chemicals increases

+ Contract Manufacturing business more robust following expansion of facility

Growth Chemistry firmly in place
to take advantage of growth if economy recovers



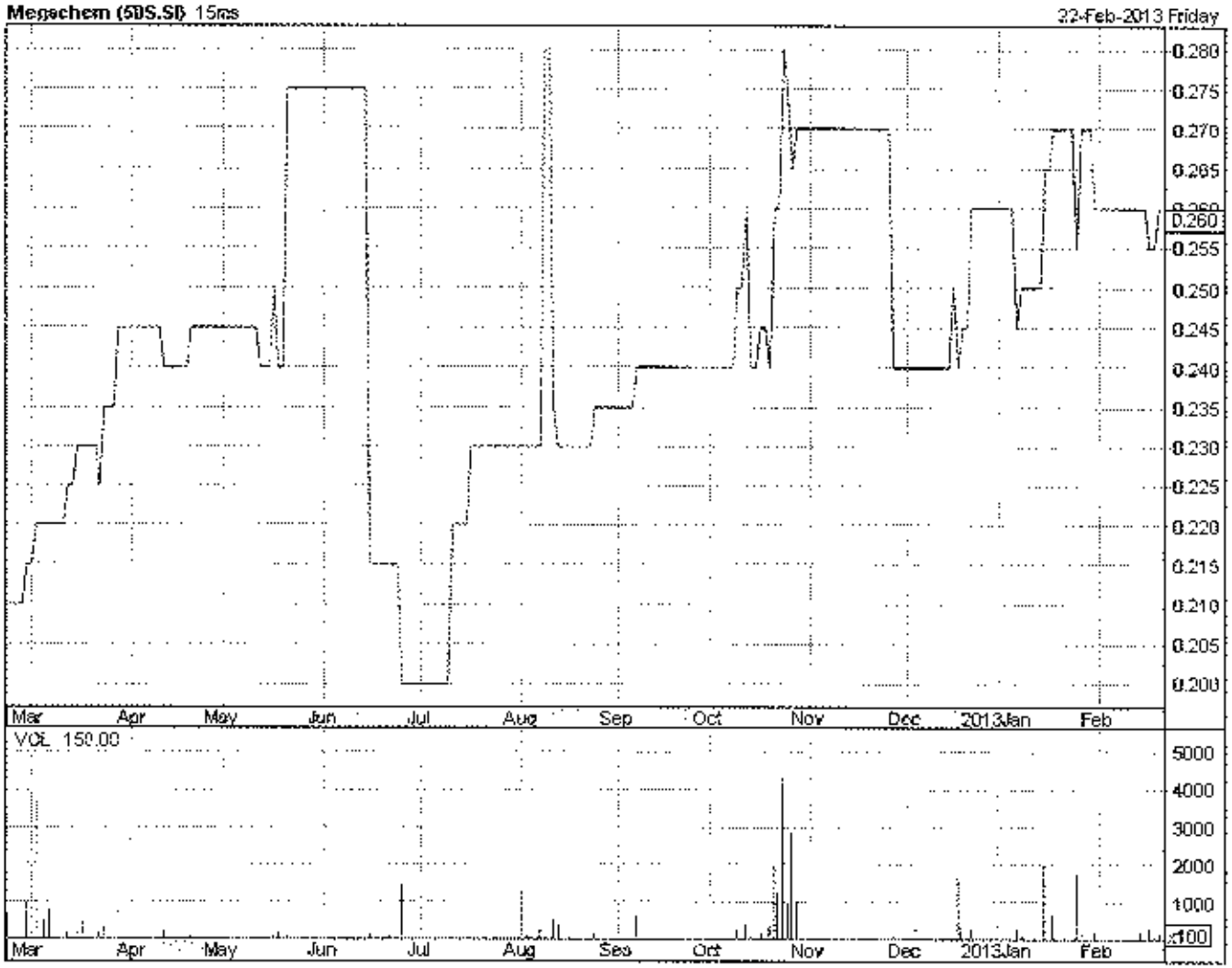
Share Performance :
Enhancing Shareholders Long Term Value

Share Statistics

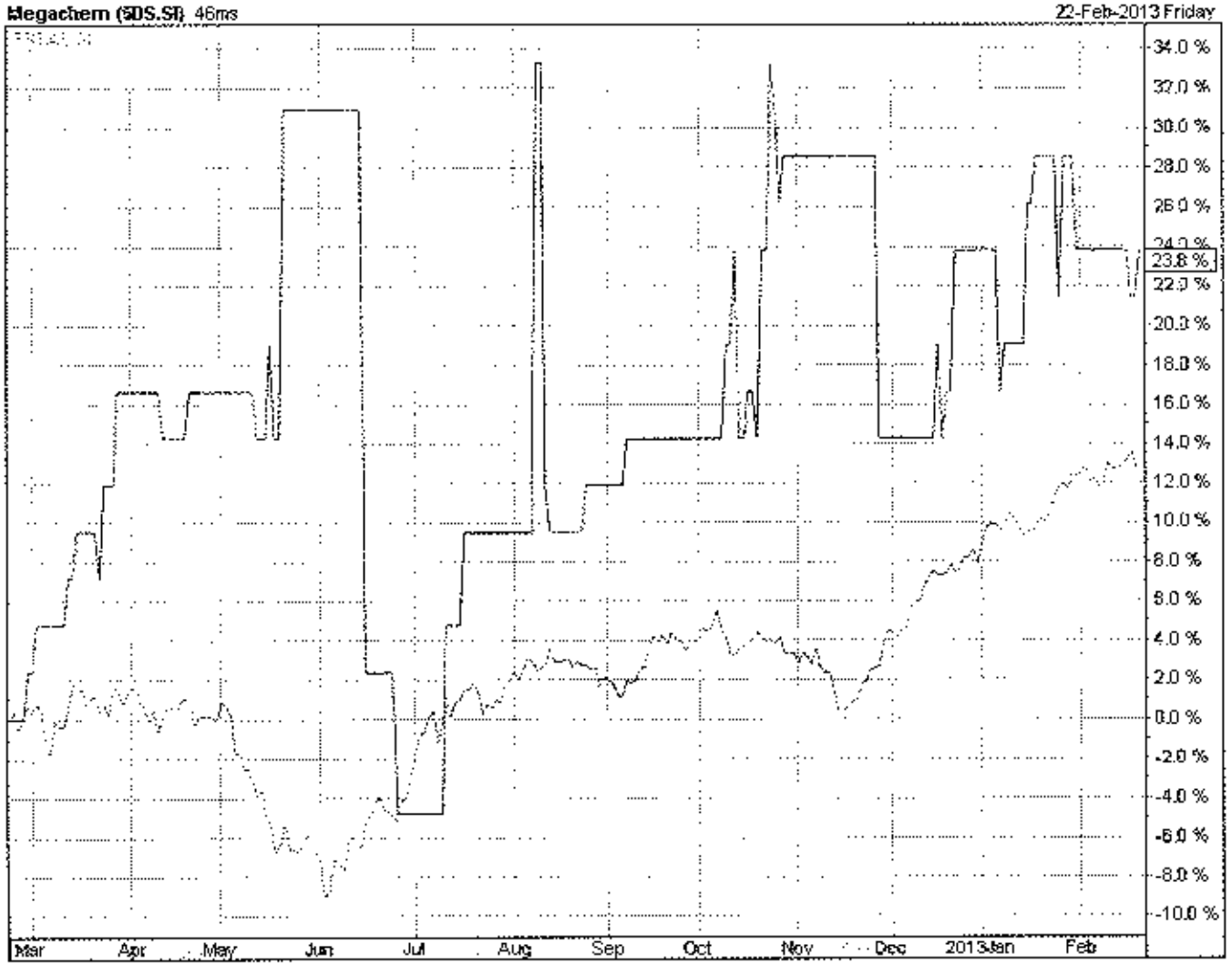
Share Information (as at 22 Feb 2013)

Listing Date	17-Oct-2003
IPO Price	28 cents
Historical High	68 cents
Historical Low	13 cents
52 weeks High	28.5 cents
52 weeks Low	19.6 cents
Price (as at 22 Feb 2013)	26.0 cents
No of Shares	133,300,000
Earnings per share FY2012 (cts)	2.38 cents
Historical P/E	10.9 x
Market Capitalisation	$34.66 mil
NTA/share (cents)	29.9 cents
Price/Book Ratio	0.87

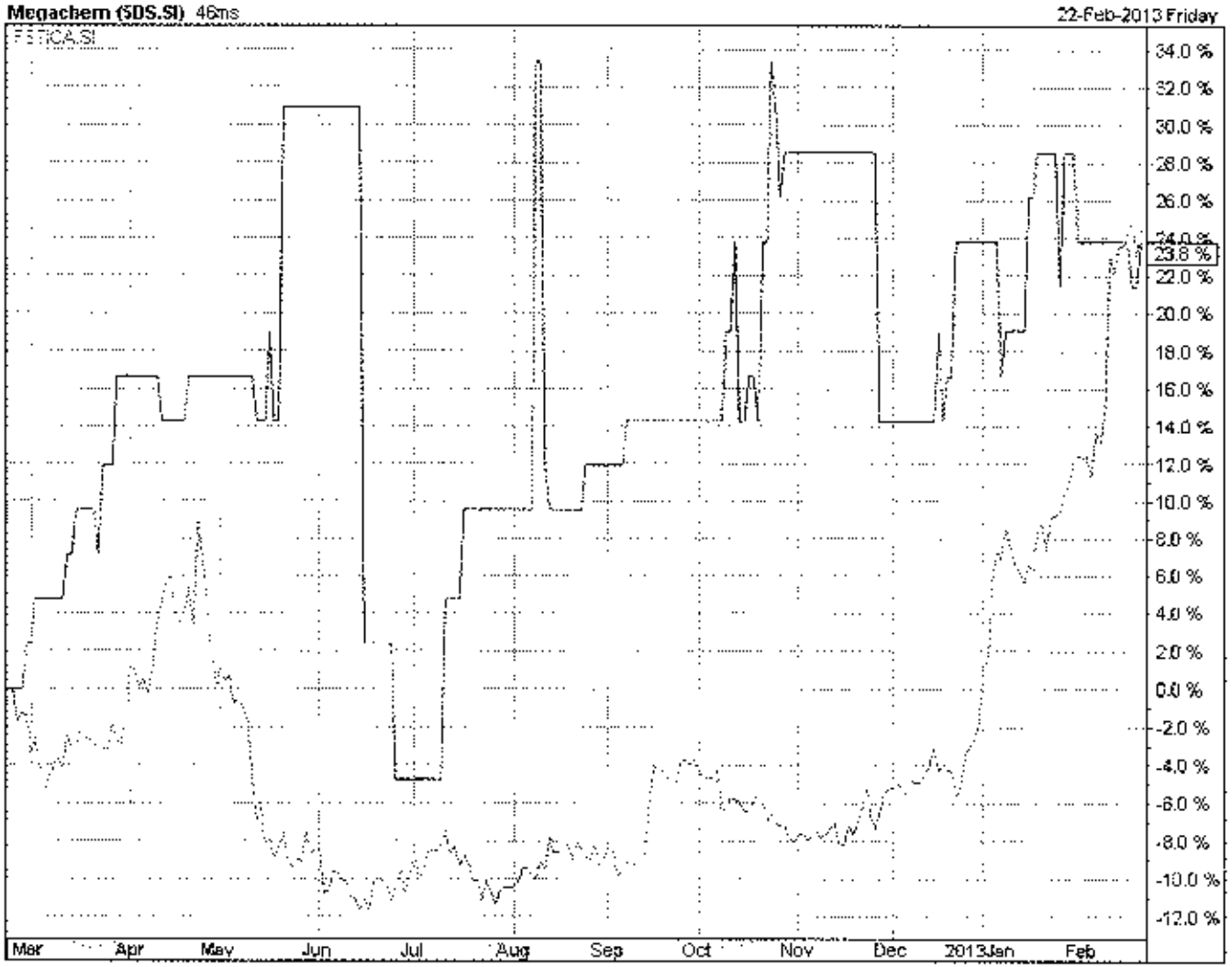
Share Price Performance



Share Price Performance vs ST All Shares



Share Price Performance vs Catalist



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Dividend

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Price/share cts (as at 31 Dec)	31.5	26.0	16.0	16.0	21.5	23.5	19.5	20.0	19.8	26.0*
Dividend / share (cents) - net	0.56	0.864	0.576	0.81	0.595	0.40	1.00	1.20	1.3	1.3**
Dividend payout (%)-net	23.1%	31.9%	30.2%	62.2%	35.1%	24.1%	50.6%	34.6%	35.7%	54.7%
Dividend Yield (%)-net	1.8%	3.3%	3.6%	4.9%	2.8%	2.0%	5.1%	6.0%	6.6%	5.0%**

* Share price for calculation of yield is based on 31 Dec price of the respective periods.

** Dividend/share includes interim dividend of 0.3 cents/share and a proposed final dividend of 1.0 cents/share(subject to approval at coming AGM)

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Total Shareholder's Return

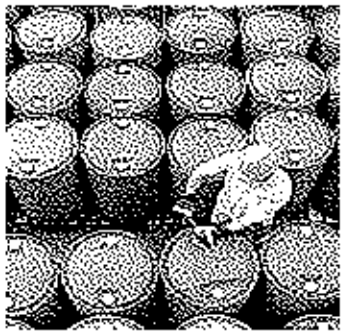
	%
Dividend Yield	5.0%
Capital Gain *	31.3%
Total Shareholders Return	36.3%

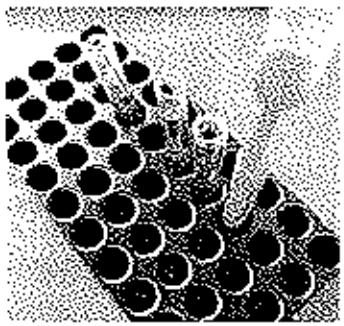
* Capital gain is calculated using ending(ie 26 cents/share) and beginning price of 2012(19.8 cents/share).

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