

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF Q3 RESULTS

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

1(a)(i) STATEMENT OF PROFIT AND LOSS
FOR THE QUARTER ENDED 30 SEPTEMBER 2008 AND 30 SEPTEMBER 2007

	Group 3Q2008	Group 3Q2007	Increase/ (Decrease)	Group YTD Sep 2008	Group YTD Sep 2007	Increase/ (Decrease)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Revenue	117,987	132,427	(10.9%)	358,008	360,711	(0.7%)
Cost of sales	(110,588)	(123,510)	(10.5%)	(334,038)	(334,895)	(0.3%)
Gross profit	7,399	8,917	(17.0%)	23,970	25,816	(7.2%)
Other income	369	309	19.4%	879	643	36.7%
Sales and distribution costs	(4,738)	(4,559)	3.9%	(14,517)	(13,873)	4.6%
General and administrative expenses	(2,833)	(3,061)	(7.4%)	(8,908)	(9,530)	(6.5%)
Other expenses	447	(342)	N.M.	(1,204)	205	N.M.
Finance costs	(383)	(671)	(42.9%)	(1,410)	(1,658)	(15.0%)
Profit/(Loss) before taxation	261	593	(56.0%)	(1,190)	1,603	N.M.
Income tax expense	(171)	(404)	(57.7%)	(388)	(946)	(59.0%)
Profit/(Loss) after taxation	90	189	(52.4%)	(1,578)	657	N.M.

1(a)(ii) NOTES TO THE PROFIT AND LOSS STATEMENT

Notes to the profit and loss account	3Q2008	3Q2007	YTD Sep 2008	YTD Sep 2007
	US\$'000	US\$'000	US\$'000	US\$'000
Interest income	48	98	164	277
Gain on disposal of property, plant and equipment	31	27	66	219
Gain on disposal of subsidiary companies	-	-	-	9
Depreciation of property, plant and equipment	(243)	(280)	(762)	(829)
Depreciation on investment property	(16)	(6)	(27)	(18)
Interest on borrowings	(383)	(671)	(1,410)	(1,658)
Underprovision of tax in respect of prior years	(41)	-	(199)	-
Allowance for doubtful trade debts written back	437	83	489	198
Reversal of stocks written down/ stocks recovered	567	749	752	1,672
Stocks written down/ off	(502)	(793)	(2,618)	(1,181)
Allowance for doubtful trade debts	(38)	(478)	(109)	(814)
Net foreign exchange (loss) /gain	(215)	61	(50)	108
Impairment of property, plant and equipment	-	-	(3)	-

1(b)(i) Balance sheets (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

BALANCE SHEETS	Group 30/09/2008	Group 31/12/2007	Company 30/09/2008	Company 31/12/2007
	US\$'000	US\$'000	US\$'000	US\$'000
Non-current assets				
Property, plant and equipment	3,184	3,768	2	3
Investment property	1,941	1,968	-	-
Intangible assets	326	223	-	-
Investments in subsidiaries	-	-	13,049	13,049
Current assets				
Trade debtors	64,211	69,935	5	5
Other debtors	1,021	1,099	-	1
Prepayments	144	92	43	-
Stocks	52,483	63,437	-	-
Amount due from subsidiary companies	-	-	19,086	20,836
Tax recoverable	99	99	-	-
Cash and cash equivalents	10,902	9,616	1,023	87
Total current assets	128,860	144,278	20,157	20,929
Current liabilities				
Trade creditors and accruals	(56,720)	(69,371)	(238)	(148)
Other creditors	(4,549)	(4,398)	-	-
Interest-bearing loans and borrowings	(30,490)	(31,381)	-	-
Finance lease obligations	(86)	(96)	-	-
Provision for taxation	(482)	(399)	(22)	(60)
Total current liabilities	(92,327)	(105,645)	(260)	(208)
Net current assets	36,533	38,633	19,897	20,721
Non-current liabilities				
Finance lease obligations	(100)	(178)	-	-
Deferred tax liabilities	(183)	(245)	-	-
Net assets	41,701	44,169	32,948	33,773
Equity attributable to equity holders of the Company				
Share capital	31,429	31,429	31,429	31,429
Reserves	10,272	12,740	1,519	2,344
	41,701	44,169	32,948	33,773

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

Amount repayable in one year or less, or on demand

At 30/09/2008 (US\$'000)		At 31/12/2007 (US\$'000)	
Secured	Unsecured	Secured	Unsecured
86	30,490	96	31,381

Amount repayable after one year

At 30/09/2008 (US\$'000)		At 31/12/2007 (US\$'000)	
Secured	Unsecured	Secured	Unsecured
100	Nil	178	Nil

Details of any collateral

The Group's borrowings as at 30 September 2008 consisted of interest-bearing loans and borrowings, and finance lease obligations. Finance lease obligations were secured over certain motor vehicles owned by 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 3Q2008	Group 3Q2007	Group YTD Sep 2008	Group YTD Sep 2007
	US\$'000	US\$'000	US\$'000	US\$'000
Cash flows from operating activities				
Profit/ (loss) before taxation	261	593	(1,190)	1,603
Adjustments for:-				
Interest income	(48)	(98)	(164)	(277)
Interest expense	383	671	1,410	1,658
Depreciation of property, plant and equipment	243	286	762	847
Depreciation of investment property	16	-	27	-
Impairment of property, plant and equipment	-	-	3	-
Gain on disposal of property, plant and equipment	(31)	(27)	(66)	(219)
Operating cash flows before changes in working capital	824	1,425	782	3,612
Decrease in stocks	8,403	1,692	10,954	1,573
Decrease/ (increase) in debtors	5,037	(14,212)	5,749	(8,299)
Decrease in creditors	(9,677)	(506)	(12,499)	(13,578)
Cash flows from/ (used in) operations	4,587	(11,601)	4,986	(16,692)
Interest received	48	98	164	277
Interest paid	(383)	(671)	(1,410)	(1,658)
Income tax (paid)/ rebate	(224)	19	(374)	587
Net cash flows from/ (used in) operating activities	4,028	(12,155)	3,366	(17,486)
Cash flows from investing activities				
Purchase of property, plant and equipment	(152)	(292)	(498)	(1,742)
Purchase of club membership	-	-	(103)	-
Proceeds on disposal of property, plant and equipment	112	46	381	675
Cash flows used in investing activities	(40)	(246)	(220)	(1,067)
Cash flows from financing activities				
(Decrease)/ increase in bills payables	(10,225)	13,998	(892)	26,429
(Decrease)/ increase of finance lease obligations	(36)	108	(87)	(59)
Dividend paid	-	-	(890)	(1,605)
Net cash flows (used in)/ from financing activities	(10,261)	14,106	(1,869)	24,765
Net (decrease)/ increase in cash and cash equivalents	(6,273)	1,705	1,277	6,212
Cash and cash equivalents at beginning of period	17,166	11,476	9,616	6,958
Effects of exchange rate changes	9	(1)	9	10
Cash and cash equivalents at end of period	10,902	13,180	10,902	13,180

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.

YTD Sep 2008

The Group	Equity Total	Share capital	Foreign currency translation reserve	Statutory reserve fund	Revenue reserve
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
At 1 January 2008	44,169	31,429	(927)	25	13,642
Foreign currency translation	-	-	-	-	-
Net expense recognised directly in equity	-	-	-	-	-
Net loss for the 9 months	(1,578)	-	-	-	(1,578)
Total recognised expense for the 9 months	(1,578)	-	-	-	(1,578)
Dividends paid on ordinary shares	(890)	-	-	-	(890)
At 30 September 2008	41,701	31,429	(927)	25	11,174
At 1 January 2007	44,553	31,429	(938)	17	14,045
Foreign currency translation	11	-	11	-	-
Net income recognised directly in equity	11	-	11	-	-
Net profit for the 9 months	657	-	-	-	657
Total recognised income for the 9 months	668	-	11	-	657
Transfer to statutory reserve fund	-	-	-	8	(8)
Dividends paid on ordinary shares	(1,605)	-	-	-	(1,605)
At 30 September 2007	43,616	31,429	(927)	25	13,089

3Q2008

The Group	Equity Total	Share capital	Foreign currency translation reserve	Statutory reserve fund	Revenue reserve
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
At 1 July 2008	41,613	31,429	(925)	25	11,084
Foreign currency translation	(2)	-	(2)	-	-
Net expense recognised directly in equity	(2)	-	(2)	-	-
Net income for the quarter	90	-	-	-	90
Total recognised income and expense for the quarter	88	-	(2)	-	90
At 30 September 2008	41,701	31,429	(927)	25	11,174
At 1 July 2007	43,426	31,429	(928)	25	12,900
Foreign currency translation	1	-	1	-	-
Net income recognised directly in equity	1	-	1	-	-
Net profit for the quarter	189	-	-	-	189
Total recognised income for the quarter	190	-	1	-	189
At 30 September 2007	43,616	31,429	(927)	25	13,089

YTD Sep 2008

	Equity Total	Share capital	Revenue reserve
The Company	US\$'000	US\$'000	US\$'000
At 1 January 2008	33,773	31,429	2,344
Net profit for the 9 months	65	-	65
Total recognised income for the 9 months	65	-	65
Dividends paid on ordinary shares	(890)	-	(890)
At 30 September 2008	32,948	31,429	1,519
At 1 January 2007	33,683	31,429	2,254
Net profit for the 9 months	102	-	102
Total recognised income for the 9 months	102	-	102
Dividends paid on ordinary shares	(1,605)	-	(1,605)
At 30 September 2007	32,180	31,429	751

3Q2008

	Equity Total	Share capital	Revenue reserve
The Company	US\$'000	US\$'000	US\$'000
At 1 July 2008	33,030	31,429	1,601
Net loss for the quarter	(82)	-	(82)
At 30 September 2008	32,948	31,429	1,519
At 1 July 2007	32,106	31,429	677
Net profit for the quarter	74	-	74
At 30 September 2007	32,180	31,429	751

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 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.

The number of shares issued as at 30 September 2008 and 31 December 2007 was 486,022,200.

There were no treasury shares as at 30 September 2008 and 31 December 2007.

1(d)(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.

	3Q2008	FY2007
Number of issued shares	486,022,200	486,022,200

1(d)(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.

N.A.

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

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

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

N.A.

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

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2007.

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

N.A.

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		Group	
	3Q2008	3Q2007	YTD Sep 2008	YTD Sep 2007
Based on weighted average number of ordinary shares (US cents)	0.02	0.04	(0.32)	0.14
On a fully diluted basis (US cents)	N.A.	N.A.	N.A.	N.A.

Earnings per share for 3Q2008 and 3Q2007 have been computed based on the share capital of 486,022,200 shares.

7. Net asset value (for the issuer and Group) per ordinary share based on issued share capital of the issuer at the end of the:-

- (a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	30/09/2008	31/12/2007	30/09/2008	31/12/2007
Net asset value per ordinary share based on existing issued share capital as at end of period reported on (US cents)	8.58	9.09	6.78	6.95

The Group's and the Company's net asset value per ordinary share have been computed based on the share capital of 486,022,200 ordinary shares.

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.

The Group's revenue decreased to US\$118.0 million in 3Q08 from US\$132.4 million in 3Q07. The decrease in revenue was mainly due to challenging business environment and lower average selling prices. Consequently, gross profit stood at US\$7.4 million in 3Q08, a decline of 17.0% from US\$8.9 million in 3Q07. Gross profit margin was at 6.3% in 3Q08 compared with 6.7% in 3Q07.

Arising from implementation of cost saving measures, total operating expenses - which comprise sales and distribution costs, general and administrative expenses and finance costs - decreased by 4.1% to US\$8.0 million in 3Q08 from US\$8.3 million in 3Q07. Profit after tax was US\$0.1 million in 3Q08, a decline from US\$0.2 million in 3Q07.

On the Group's balance sheet, trade debtors' balance decreased to US\$64.2 million in 3Q08 from US\$69.9 million in 4Q07. Trade creditors' balance decreased to US\$56.7 million from US\$69.4 million. AR turnover remained at 51 days in 3Q08 as compared to 4Q07. AP turnover days increased to 50 days in 3Q08 from 47 days in 4Q07 while inventory turnover increased to 46 days from 43 days.

Interest bearing loans and borrowings decreased to US\$30.5 million this quarter from US\$31.4 million in 4Q07. The Group's debt equity ratio remained at 0.5 times in 3Q08 and 4Q07.

Cash flow generated from operating activities for 3Q08 of US\$4.0 million was due mainly to decrease in trade debtors and stock. The Group's cash position stood at US\$10.9 million, as compared to US\$9.6 million as at end of FY07.

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

N.A

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.

In view of the challenging market conditions and expected economic downturn, the Group remains cautious about its overall business performance in FY08.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? **No.**

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? **No.**

(c) Date payable. N.A.

(d) Books closure date. N.A.

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

No dividend has been declared for 3Q2008.

13. Confirmation by the Board pursuant to Rule 705(4) of the Listing Manual

The Board of Directors of the Company hereby confirm to the best of their knowledge that nothing has come to their attention which may render the financial statements for the third quarter ended 30 September 2008 to be false or misleading.

BY ORDER OF THE BOARD

Wong Yoen Har
Company Secretary
29 October 2008