

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) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTERS ENDED 30 SEPTEMBER 2009 AND 30 SEPTEMBER 2008

|  | Group<br>3Q2009 | Group<br>3Q2008 | Increase/<br>(Decrease) | Group<br>YTD Sep<br>2009 | Group<br>YTD Sep<br>2008 | Increase/<br>(Decrease) |
|--|-----------------|-----------------|-------------------------|--------------------------|--------------------------|-------------------------|
|  | US\$'000        | US\$'000        | %                       | US\$'000                 | US\$'000                 | %                       |
| Revenue  | 95,673          | 117,987         | (18.9%)                 | 252,480                  | 358,008                  | (29.5%)                 |
| Cost of sales  | (88,248)        | (110,588)       | (20.2%)                 | (233,070)                | (334,038)                | (30.2%)                 |
| <b>Gross profit</b>  | <b>7,425</b>    | <b>7,399</b>    | <b>0.4%</b>             | <b>19,410</b>            | <b>23,970</b>            | <b>(19.0%)</b>          |
| Other income   | 41              | 369             | (88.9%)                 | 375                      | 879                      | (57.3%)                 |
| Sales and distribution costs   | (3,759)         | (4,738)         | (20.7%)                 | (11,364)                 | (14,517)                 | (21.7%)                 |
| General and administrative expenses  | (2,610)         | (2,833)         | (7.9%)                  | (8,104)                  | (8,908)                  | (9.0%)                  |
| Other expenses   | (367)           | 447             | N.M                     | (1,325)                  | (1,204)                  | 10.0%                   |
| Interest expense   | (97)            | (383)           | (74.7%)                 | (331)                    | (1,410)                  | (76.5%)                 |
| <b>Profit/(loss) before taxation</b>   | <b>633</b>      | <b>261</b>      | <b>142.5%</b>           | <b>(1,339)</b>           | <b>(1,190)</b>           | <b>12.5%</b>            |
| Income tax expense   | (174)           | (171)           | 1.8%                    | (481)                    | (388)                    | 24.0%                   |
| <b>Profit/(loss) after taxation</b>  | <b>459</b>      | <b>90</b>       | <b>410.0%</b>           | <b>(1,820)</b>           | <b>(1,578)</b>           | <b>15.3%</b>            |
| <b>Other comprehensive<br/>(loss)/income</b>   |                 |                 |                         |                          |                          |                         |
| Translation differences relating to<br>financial statements of foreign<br>subsidiaries | (1)             | (2)             | (50.0%)                 | 5                        | -                        | N.M                     |
| <b>Total comprehensive income/(loss)<br/>for the quarter/9 months</b>                  | <b>458</b>      | <b>88</b>       | <b>420.5%</b>           | <b>(1,815)</b>           | <b>(1,578)</b>           | <b>15.0%</b>            |
| <b>Profit/(loss) after taxation<br/>attributable to:</b>                               |                 |                 |                         |                          |                          |                         |
| Equity holders of the parent   | 459             | 90              | 410.0%                  | (1,820)                  | (1,578)                  | 15.3%                   |
|  | <b>459</b>      | <b>90</b>       | <b>410.0%</b>           | <b>(1,820)</b>           | <b>(1,578)</b>           | <b>15.3%</b>            |
| <b>Total comprehensive income/(loss)<br/>attributable to:</b>                          |                 |                 |                         |                          |                          |                         |
| Equity holders of the parent   | 458             | 88              | 420.5%                  | (1,815)                  | (1,578)                  | 15.0%                   |
|  | <b>458</b>      | <b>88</b>       | <b>420.5%</b>           | <b>(1,815)</b>           | <b>(1,578)</b>           | <b>15.0%</b>            |

1(a)(ii) NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| Notes to the consolidated statement of comprehensive income | 3Q2009   | 3Q2008   | YTD Sep 2009 | YTD Sep 2008 |
|---|----------|----------|--------------|--------------|
|   | US\$'000 | US\$'000 | US\$'000     | US\$'000     |
| Interest income   | 3        | 48       | 14           | 164          |
| Interest on borrowings                                      | (97)     | (383)    | (331)        | (1,410)      |
| Allowance for doubtful trade debts written back             | 71       | 437      | 389          | 489          |
| Allowance for doubtful trade debts                          | (4)      | (38)     | (94)         | (109)        |
| Reversal of stocks written down / stocks recovered          | 408      | 567      | 962          | 752          |
| Stocks written down / off                                   | (764)    | (502)    | (2,524)      | (2,618)      |
| Impairment of property, plant and equipment                 | -        | -        | -            | (3)          |
| Gain on disposal of property, plant and equipment           | -        | 31       | 13           | 66           |
| Depreciation of property, plant and equipment               | (356)    | (243)    | (1,356)      | (762)        |
| Depreciation on investment property                         | (16)     | (16)     | (47)         | (27)         |
| Under provision of tax in respect of prior years            | (16)     | (41)     | (16)         | (199)        |
| Net foreign exchange loss                                   | (74)     | (215)    | (107)        | (50)         |

**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.**

| <b>BALANCE SHEETS</b>                                      | <b>Group<br/>30/09/2009</b> | <b>Group<br/>31/12/2008</b> | <b>Company<br/>30/09/2009</b> | <b>Company<br/>31/12/2008</b> |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
|  | <b>US\$'000</b>             | <b>US\$'000</b>             | <b>US\$'000</b>               | <b>US\$'000</b>               |
| <b>Non-current assets</b>                                  |                             |                             |                               |                               |
| Property, plant and equipment                              | 2,190                       | 3,101                       | -                             | 1                             |
| Investment property  | 1,879                       | 1,926                       | -                             | -                             |
| Intangible assets  | 326                         | 326                         | -                             | -                             |
| Investments in subsidiaries                                | -                           | -                           | 13,049                        | 13,049                        |
| Deferred tax assets  | 36                          | -                           | -                             | -                             |
| <b>Current assets</b>                                      |                             |                             |                               |                               |
| Trade debtors  | 49,605                      | 43,590                      | 5                             | 4                             |
| Other debtors  | 926                         | 942                         | 42                            | 1                             |
| Stocks   | 30,326                      | 46,251                      | -                             | -                             |
| Amounts due from subsidiary companies                      | -                           | -                           | 17,077                        | 15,229                        |
| Tax recoverable  | 19                          | 311                         | -                             | -                             |
| Cash and short term deposits                               | 23,267                      | 13,568                      | 3,954                         | 4,876                         |
| <b>Total current assets</b>                                | <b>104,143</b>              | <b>104,662</b>              | <b>21,078</b>                 | <b>20,110</b>                 |
| <b>Current liabilities</b>                                 |                             |                             |                               |                               |
| Trade creditors and accruals                               | (45,024)                    | (34,768)                    | (98)                          | (90)                          |
| Other creditors  | (4,973)                     | (4,945)                     | (856)                         | -                             |
| Interest-bearing loans and borrowings                      | (15,755)                    | (27,703)                    | -                             | -                             |
| Finance lease obligations                                  | (83)                        | (86)                        | -                             | -                             |
| Provision for taxation                                     | (287)                       | (456)                       | (13)                          | (22)                          |
| <b>Total current liabilities</b>                           | <b>(66,122)</b>             | <b>(67,958)</b>             | <b>(967)</b>                  | <b>(112)</b>                  |
| <b>Net current assets</b>                                  | <b>38,021</b>               | <b>36,704</b>               | <b>20,111</b>                 | <b>19,998</b>                 |
| <b>Non-current liabilities</b>                             |                             |                             |                               |                               |
| Interest-bearing loans and borrowings                      | (2,431)                     | -                           | -                             | -                             |
| Finance lease obligations                                  | (31)                        | (86)                        | -                             | -                             |
| Deferred tax liabilities                                   | -                           | (166)                       | -                             | -                             |
| <b>Net assets</b>  | <b>39,990</b>               | <b>41,805</b>               | <b>33,160</b>                 | <b>33,048</b>                 |
| <b>Equity attributable to equity holders of the parent</b> |                             |                             |                               |                               |
| Share capital  | 31,429                      | 31,429                      | 31,429                        | 31,429                        |
| Reserves   | 8,561                       | 10,376                      | 1,731                         | 1,619                         |
|  | <b>39,990</b>               | <b>41,805</b>               | <b>33,160</b>                 | <b>33,048</b>                 |

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

**Amount repayable in one year or less, or on demand**

| <b>At 30/09/2009 (US\$'000)</b> |           | <b>At 31/12/2008 (US\$'000)</b> |           |
|---------------------------------|-----------|---------------------------------|-----------|
| Secured                         | Unsecured | Secured                         | Unsecured |
| 83                              | 15,755    | 86                              | 27,703    |

**Amount repayable after one year**

| <b>At 30/09/2009 (US\$'000)</b> |           | <b>At 31/12/2008 (US\$'000)</b> |           |
|---------------------------------|-----------|---------------------------------|-----------|
| Secured                         | Unsecured | Secured                         | Unsecured |
| 31                              | 2,431     | 86                              | Nil       |

**Details of any collateral**

The Group's borrowings as at 30 September 2009 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<br>3Q2009 | Group<br>3Q2008 | Group<br>YTD Sep<br>2009 | Group<br>YTD Sep<br>2008 |
|--|-----------------|-----------------|--------------------------|--------------------------|
|  | US\$'000        | US\$'000        | US\$'000                 | US\$'000                 |
|  |                 |                 |                          |                          |
|  |                 |                 |                          |                          |
| <b>Cash flows from operating activities</b>                        |                 |                 |                          |                          |
| Profit/(loss) before taxation                                      | 633             | 261             | (1,339)                  | (1,190)                  |
| Adjustments for:-  |                 |                 |                          |                          |
| Interest income  | (3)             | (48)            | (14)                     | (164)                    |
| Interest expense   | 97              | 383             | 331                      | 1,410                    |
| Depreciation of property, plant and equipment                      | 356             | 243             | 1,356                    | 762                      |
| Depreciation of investment property                                | 16              | 16              | 47                       | 27                       |
| Gain on disposal of property, plant and equipment                  | -               | (31)            | (13)                     | (66)                     |
| Impairment of property, plant and equipment                        | -               | -               | -                        | 3                        |
| <b>Operating cash flows before reinvestment in working capital</b> | <b>1,099</b>    | <b>824</b>      | <b>368</b>               | <b>782</b>               |
| (Increase)/decrease in stocks                                      | (1,641)         | 8,403           | 15,925                   | 10,954                   |
| (Increase)/decrease in debtors                                     | (1,639)         | 5,037           | (5,999)                  | 5,749                    |
| Increase/(decrease) in creditors                                   | 1,335           | (9,677)         | 10,284                   | (12,499)                 |
| <b>Cash flows (used in)/from operations</b>                        | <b>(846)</b>    | <b>4,587</b>    | <b>20,578</b>            | <b>4,986</b>             |
| Interest received  | 3               | 48              | 14                       | 164                      |
| Interest paid  | (97)            | (383)           | (331)                    | (1,410)                  |
| Income tax paid  | (19)            | (224)           | (560)                    | (374)                    |
| <b>Net cash flows (used in)/from operating activities</b>          | <b>(959)</b>    | <b>4,028</b>    | <b>19,701</b>            | <b>3,366</b>             |
|  |                 |                 |                          |                          |
| <b>Cash flows from investing activities</b>                        |                 |                 |                          |                          |
| Purchase of property, plant and equipment                          | (276)           | (152)           | (479)                    | (498)                    |
| Purchase of club membership  | -               | -               | -                        | (103)                    |
| Proceeds on disposal of property, plant and equipment              | -               | 112             | 47                       | 381                      |
| <b>Cash flows used in investing activities</b>                     | <b>(276)</b>    | <b>(40)</b>     | <b>(432)</b>             | <b>(220)</b>             |
|  |                 |                 |                          |                          |
| <b>Cash flows from financing activities</b>                        |                 |                 |                          |                          |
| Increase/(decrease) in interest-bearing loans and borrowings       | 11,812          | (10,225)        | (9,517)                  | (892)                    |
| Decrease in finance lease obligations                              | (14)            | (36)            | (58)                     | (87)                     |
| Dividend paid  | -               | -               | -                        | (890)                    |
| <b>Net cash flows from/(used in) financing activities</b>          | <b>11,798</b>   | <b>(10,261)</b> | <b>(9,575)</b>           | <b>(1,869)</b>           |
|  |                 |                 |                          |                          |
| Net increase/(decrease) in cash and cash equivalents               | 10,563          | (6,273)         | 9,694                    | 1,277                    |
| Cash and cash equivalents at beginning of period                   | 12,705          | 17,166          | 13,568                   | 9,616                    |
| Effects of exchange rate changes                                   | (1)             | 9               | 5                        | 9                        |
| <b>Cash and cash equivalents at end of period</b>                  | <b>23,267</b>   | <b>10,902</b>   | <b>23,267</b>            | <b>10,902</b>            |

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

**YTD Sep 2009**

| <b>The Group</b>                          | <b>Equity attributable to equity holders of the parent Total</b> | <b>Share capital</b> | <b>Foreign currency translation reserve</b> | <b>Statutory reserve</b> | <b>Revenue reserve</b> |
|---|--|----------------------|---|--------------------------|------------------------|
|   | <b>US\$'000</b>  | <b>US\$'000</b>      | <b>US\$'000</b>                             | <b>US\$'000</b>          | <b>US\$'000</b>        |
| At 1 January 2009                         | 41,805   | 31,429               | (936)                                       | 25                       | 11,287                 |
| Total comprehensive loss for the 9 months | (1,815)  | -                    | 5   | -                        | (1,820)                |
| <b>At 30 September 2009</b>               | <b>39,990</b>  | <b>31,429</b>        | <b>(931)</b>                                | <b>25</b>                | <b>9,467</b>           |
| At 1 January 2008                         | 44,169   | 31,429               | (927)                                       | 25                       | 13,642                 |
| Total comprehensive loss for the 9 months | (1,578)  | -                    | -   | -                        | (1,578)                |
| Dividend paid on ordinary shares          | (890)  | -                    | -   | -                        | (890)                  |
| <b>At 30 September 2008</b>               | <b>41,701</b>  | <b>31,429</b>        | <b>(927)</b>                                | <b>25</b>                | <b>11,174</b>          |

**3Q2009**

| <b>The Group</b>                           | <b>Equity attributable to equity holders of the parent Total</b> | <b>Share capital</b> | <b>Foreign currency translation reserve</b> | <b>Statutory reserve</b> | <b>Revenue reserve</b> |
|--|--|----------------------|---|--------------------------|------------------------|
|  | <b>US\$'000</b>  | <b>US\$'000</b>      | <b>US\$'000</b>                             | <b>US\$'000</b>          | <b>US\$'000</b>        |
| At 1 July 2009                             | 39,532   | 31,429               | (930)                                       | 25                       | 9,008                  |
| Total comprehensive income for the quarter | 458  | -                    | (1)   | -                        | 459                    |
| <b>At 30 September 2009</b>                | <b>39,990</b>  | <b>31,429</b>        | <b>(931)</b>                                | <b>25</b>                | <b>9,467</b>           |
| At 1 July 2008                             | 41,613   | 31,429               | (925)                                       | 25                       | 11,084                 |
| Total comprehensive income for the quarter | 88   | -                    | (2)   | -                        | 90                     |
| <b>At 30 September 2008</b>                | <b>41,701</b>  | <b>31,429</b>        | <b>(927)</b>                                | <b>25</b>                | <b>11,174</b>          |

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

**YTD Sep 2009**

| <b>The Company</b>                          | <b>Equity attributable to equity holders of the parent Total</b> | <b>Share capital</b> | <b>Revenue reserve</b> |
|---|--|----------------------|------------------------|
|   | <b>US\$'000</b>  | <b>US\$'000</b>      | <b>US\$'000</b>        |
| At 1 January 2009                           | 33,048   | 31,429               | 1,619                  |
| Total comprehensive income for the 9 months | 112  | -                    | 112                    |
| <b>At 30 September 2009</b>                 | <b>33,160</b>  | <b>31,429</b>        | <b>1,731</b>           |
| At 1 January 2008                           | 33,773   | 31,429               | 2,344                  |
| Total comprehensive income for the 9 months | 65   | -                    | 65                     |
| Dividend paid on ordinary shares            | (890)  | -                    | (890)                  |
| <b>At 30 September 2008</b>                 | <b>32,948</b>  | <b>31,429</b>        | <b>1,519</b>           |

**3Q2009**

| <b>The Company</b>                         | <b>Equity attributable to equity holders of the parent Total</b> | <b>Share capital</b> | <b>Revenue reserve</b> |
|--|--|----------------------|------------------------|
|  | <b>US\$'000</b>  | <b>US\$'000</b>      | <b>US\$'000</b>        |
| At 1 July 2009                             | 33,125   | 31,429               | 1,696                  |
| Total comprehensive income for the quarter | 35   | -                    | 35                     |
| <b>At 30 September 2009</b>                | <b>33,160</b>  | <b>31,429</b>        | <b>1,731</b>           |
| At 1 July 2008                             | 33,030   | 31,429               | 1,601                  |
| Total comprehensive loss for the quarter   | (82)   | -                    | (82)                   |
| <b>At 30 September 2008</b>                | <b>32,948</b>  | <b>31,429</b>        | <b>1,519</b>           |

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all 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 2009 and 31 December 2008 was 486,022,200.

There were no treasury shares as at 30 September 2009 and 31 December 2008.

**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.**

|                                | <b>3Q2009</b> | <b>FY2008</b> |
|--------------------------------|---------------|---------------|
| <b>Number of issued shares</b> | 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 2008, except as disclosed below.

**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.**

On 1 January 2009, the Group adopted the following new/revised FRS and interpretation of FRS ("INT FRS") which are effective for annual periods on or after 1 January 2009.

The following are the new or amended FRS that are relevant to the Group:-

- (i) FRS 1 (Revised) Presentation of Financial Statements
- (ii) Amendments to FRS 23 Borrowing Costs
- (iii) FRS 108 Operating Segments

The adoption of the above FRS did not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements. However, there is a change in presentation of the Consolidated Statement of Comprehensive income under FRS 1 (Revised). Based on the requirements of the standard, the Group:-



**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 (cont'd).**

- Separated the presentation of owner and non-owner changes in equity. The Statements of Changes in Equity include only details of transactions with owners, with all non-owner changes in equity presented as a single line as "Total comprehensive income/loss for the quarter/9 months".
- Elected to present all items of income and expense, including those accounted for directly in equity, in a single Consolidated Statement of Comprehensive Income.

**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        |              |
|--|--------|--------|--------------|--------------|
|  | 3Q2009 | 3Q2008 | YTD Sep 2009 | YTD Sep 2008 |
| Based on weighted average number of ordinary shares (US cents) | 0.09   | 0.02   | (0.37)       | (0.32)       |
| On a fully diluted basis (US cents)                            | N.A.   | N.A.   | N.A.         | N.A.         |

Earnings per share for 3Q2009 and 3Q2008 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 the total number of issued share 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    |            |
|--|------------|------------|------------|------------|
|  | 30/09/2009 | 31/12/2008 | 30/09/2009 | 31/12/2008 |
| Net asset value per ordinary share based on existing issued share capital as at end of period reported on (US cents) | 8.23       | 8.60       | 6.82       | 6.80       |

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.

(a)

**Revenue**

The Group's 3Q09 revenue was US\$95.7 million compared with US\$118.0 million in 3Q08. The decline in revenue was due to the challenging business environment caused by the global economic slowdown which resulted in reduction of customers' demand for our products and services.

**Gross profit**

Despite the lower revenue, the Group maintained gross profit of US\$7.4 million in 3Q09 which is comparable with 3Q08. Gross margins also improve to 7.8% in 3Q09 from 6.3% in 3Q08. The improvements in gross margins are attributed to changes in the products and services mix with a focus on higher-margin businesses.

**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 (cont'd):-**

- (c) 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**
- (d) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

**Expenses**

Total operating expenses – comprising sales and distribution costs, general and administrative expenses, other expenses and finance costs – stood at US\$6.8 million in 3Q09, a decline of 9.3% from US\$7.5 million in 3Q08. The decrease is a result of the Group's cost containment measures and streamlining of its business. The Group was also able to lower its finance and banking charges due to better management of its working capital.

**Profitability**

The Group's recorded a net profit after tax of US\$0.5 million in 3Q09 as compared with a net profit after tax of US\$0.1 million for the same period in 2008. The improvement in profitability is due to better costs control.

(b)

**Balance sheet**

On the Group's balance sheet, stock balance was reduced to US\$30.3 million as at 30 September 09 from US\$46.3 million as at 31 December 08 as a result of ongoing focus on rationalising and managing inventory. Trade debtors' balance increased to US\$49.6 million as at 30 September 09 from US\$43.6 million as at 31 December 08.

The Group reduced its short-term interest bearing loans and borrowings to US\$15.8 million as at 30 September 09 from US\$27.7 million as at 31 December 08. Trade creditors' balance increased to US\$45.0 million as at 30 September 09 from US\$34.8 million as at 31 December 08.

Cash flow used in operating activities for 3Q09 of US\$1.0 million was mainly due to increase in trade debtors and stocks, which was consistent with increase in revenue. Cash and cash equivalents of the Group increased to US\$23.3 million as at 30 September 09 from US\$10.9 million as at 30 September 08 due mainly to draw down on interest-bearing loans and borrowings.

**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.**

While the recessionary conditions appear to have bottomed, the global economic recovery remains challenging.

Going forward, the Group will continue to streamline its product mix for improved margins, manage its costs and inventories, tighten its credit control and conserve cash. The Group will also focus on its longer-term growth strategies of pursuing higher value business opportunities through joint ventures and strategic alliances and explore expansion into new business areas.

**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.**

**11. Dividend (cont'd)**

**(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 3Q2009.

**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 2009 to be false or misleading.

**BY ORDER OF THE BOARD**

Wong Yoen Har  
Company Secretary  
28 October 2009