

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF Q2 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 JUNE 2011 AND 30 JUNE 2010

	Group 2Q2011	Group 2Q2010	Increase/ (Decrease)	Group HY2011	Group HY2010	Increase/ (Decrease)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Revenue	119,672	121,271	(1.3%)	242,182	234,084	3.5%
Cost of sales	(109,059)	(112,338)	(2.9%)	(222,314)	(217,645)	2.1%
<b>Gross profit</b>	<b>10,613</b>	<b>8,933</b>	<b>18.8%</b>	<b>19,868</b>	<b>16,439</b>	<b>20.9%</b>
Other income	127	48	164.6%	210	245	(14.3%)
Sales and distribution costs	(5,303)	(4,732)	12.1%	(10,400)	(8,893)	16.9%
General and administrative expenses	(3,049)	(2,797)	9.0%	(5,878)	(5,540)	6.1%
Other expenses	(302)	(481)	(37.2%)	(238)	(549)	(56.6%)
Finance costs	(193)	(188)	2.7%	(404)	(357)	13.2%
<b>Profit before taxation</b>	<b>1,893</b>	<b>783</b>	<b>141.8%</b>	<b>3,158</b>	<b>1,345</b>	<b>134.8%</b>
Income tax expense	(467)	(365)	27.9%	(764)	(589)	29.7%
<b>Profit after taxation</b>	<b>1,426</b>	<b>418</b>	<b>241.1%</b>	<b>2,394</b>	<b>756</b>	<b>216.7%</b>
<b>Other comprehensive income</b>						
Foreign currency translation	(46)	-	N.M	(63)	3	N.M
Net (loss)/gain on fair value changes of available-for-sale financial assets	(652)	181	N.M	(654)	519	N.M
<b>Other comprehensive (loss)/income for the quarter/half year</b>	<b>(698)</b>	<b>181</b>	<b>N.M</b>	<b>(717)</b>	<b>522</b>	<b>N.M</b>
<b>Total comprehensive income for the quarter/half year</b>	<b>728</b>	<b>599</b>	<b>21.5%</b>	<b>1,677</b>	<b>1,278</b>	<b>31.2%</b>

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

1(a)(i) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTERS ENDED 30 JUNE 2011 AND 30 JUNE 2010

	Group 2Q2011	Group 2Q2010	Increase/ (Decrease)	Group HY2011	Group HY2010	Increase/ (Decrease)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
<b>Profit after taxation attributable to:-</b>						
Equity holders of the Company	1,426	418	241.1%	2,394	756	216.7%
	<b>1,426</b>	<b>418</b>	<b>241.1%</b>	<b>2,394</b>	<b>756</b>	<b>216.7%</b>
<b>Total comprehensive income attributable to:-</b>						
Equity holders of the Company	728	599	21.5%	1,677	1,278	31.2%
	<b>728</b>	<b>599</b>	<b>21.5%</b>	<b>1,677</b>	<b>1,278</b>	<b>31.2%</b>

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

Notes to the consolidated statement of comprehensive income	2Q2011	2Q2010	HY2011	HY2010
	US\$'000	US\$'000	US\$'000	US\$'000
Interest income	7	5	12	10
Interest on borrowings	(193)	(188)	(404)	(357)
Allowance for doubtful trade debts written back	87	14	132	21
Allowance for doubtful trade debts	(73)	(5)	(96)	(30)
Reversal of stocks written down/stocks recovered	865	240	1,477	604
Stocks written down/off	(1,112)	(706)	(1,625)	(1,021)
(Loss)/gain on disposal of property, plant and equipment	(1)	40	(10)	-
Depreciation of property, plant and equipment	(167)	(187)	(325)	(382)
(Under)/overprovision of tax in respect of prior years	-	(5)	-	3
Net foreign exchange gain/(loss)	203	(66)	332	(26)
Impairment loss on property, plant and equipment	-	-	12	-

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 30/06/2011</b>	<b>Group 31/12/2010</b>	<b>Company 30/06/2011</b>	<b>Company 31/12/2010</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	3,455	3,587	-	-
Intangible assets	326	326	-	-
Investments in subsidiaries	-	-	13,049	13,049
Investment securities	1,706	2,360	1,706	2,360
Deferred tax assets	58	59	-	-
<b>Current assets</b>				
Trade debtors	59,093	57,704	6	4
Other debtors	684	728	-	-
Prepayments	301	141	69	7
Stocks	57,853	59,177	-	-
Amounts due from subsidiaries	-	-	16,123	16,021
Cash and short term deposits	14,979	15,983	2,880	4,241
<b>Total current assets</b>	<b>132,910</b>	<b>133,733</b>	<b>19,078</b>	<b>20,273</b>
<b>Current liabilities</b>				
Trade creditors and accruals	(56,224)	(57,810)	(264)	(77)
Other creditors	(6,910)	(5,920)	-	-
Interest-bearing loans and borrowings	(28,599)	(30,785)	-	-
Finance lease obligations	-	(22)	-	-
Provision for taxation	(1,808)	(1,056)	(10)	(10)
<b>Total current liabilities</b>	<b>(93,541)</b>	<b>(95,593)</b>	<b>(274)</b>	<b>(87)</b>
<b>Net current assets</b>	<b>39,369</b>	<b>38,140</b>	<b>18,804</b>	<b>20,186</b>
<b>Net assets</b>	<b>44,914</b>	<b>44,472</b>	<b>33,559</b>	<b>35,595</b>
<b>Equity attributable to equity holders of the Company</b>				
Share capital	32,294	32,294	32,294	32,294
Treasury shares	(201)	(201)	(201)	(201)
Reserves	12,821	12,379	1,466	3,502
	<b>44,914</b>	<b>44,472</b>	<b>33,559</b>	<b>35,595</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 30/06/2011 (US\$'000)</b>		<b>At 31/12/2010 (US\$'000)</b>	
Secured	Unsecured	Secured	Unsecured
-	28,599	22	30,785

**Details of any collateral**

The Group's borrowings as at 30 June 2011 consisted of interest-bearing loans and borrowings.

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

	<b>Group 2Q2011</b>	<b>Group 2Q2010</b>	<b>Group HY2011</b>	<b>Group HY2010</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>Operating activities</b>				
Profit before taxation	1,893	783	3,158	1,345
Adjustments for:-				
Interest income	(7)	(5)	(12)	(10)
Interest expense	193	188	404	357
Depreciation of property, plant and equipment	167	187	325	382
Loss/(gain) on disposal of property, plant and equipment	1	(40)	10	-
Impairment loss on property, plant and equipment	-	-	(12)	-
Property, plant and equipment written off	(1)	44	(1)	47
<b>Operating cash flows before changes in working capital</b>	<b>2,246</b>	<b>1,157</b>	<b>3,872</b>	<b>2,121</b>
Decrease/(increase) in stocks	2,003	(4,457)	1,324	(8,632)
Increase in trade debtors, other debtors and prepayments (Decrease)/increase in trade creditors, accruals and other creditors	(4,459)	(337)	(1,505)	(4,117)
	(1,075)	(4,787)	(596)	1,738
<b>Cash flows (used in)/generated from operations</b>	<b>(1,285)</b>	<b>(8,424)</b>	<b>3,095</b>	<b>(8,890)</b>
Interest received	7	5	12	10
Interest paid	(193)	(188)	(404)	(357)
Income tax paid	(20)	(53)	(11)	(89)
<b>Net cash flows (used in)/generated from operating activities</b>	<b>(1,491)</b>	<b>(8,660)</b>	<b>2,692</b>	<b>(9,326)</b>
<b>Investing activities</b>				
Purchase of property, plant and equipment	(155)	(183)	(286)	(268)
Proceeds on disposal of property, plant and equipment	52	40	96	41
<b>Net cash flows used in investing activities</b>	<b>(103)</b>	<b>(143)</b>	<b>(190)</b>	<b>(227)</b>
<b>Financing activities</b>				
(Decrease)/increase in interest-bearing loans and borrowings	(645)	4,861	(2,186)	5,799
Repayment of finance lease obligations	(11)	(21)	(22)	(51)
Purchase of treasury shares	-	(119)	-	(169)
Dividend paid on ordinary shares	(1,235)	-	(1,235)	-
<b>Net cash flows (used in)/generated from financing activities</b>	<b>(1,891)</b>	<b>4,721</b>	<b>(3,443)</b>	<b>5,579</b>
Net decrease in cash and short term deposits	(3,485)	(4,082)	(941)	(3,974)
Cash and short term deposits at beginning of period	18,510	19,716	15,983	19,605
Effects of exchange rate changes on cash and short term deposits	(46)	-	(63)	3
<b>Cash and short term deposits at end of period</b>	<b>14,979</b>	<b>15,634</b>	<b>14,979</b>	<b>15,634</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.

HY 2011		Attributable to equity holders of the Company						
Group	Equity, total	Share capital	Treasury shares	Reserves, total	Fair value reserve	Statutory reserve	Foreign currency translation reserve	Revenue reserve
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Opening balance at 1 January 2011</b>	<b>44,472</b>	<b>32,294</b>	<b>(201)</b>	<b>12,379</b>	<b>1,339</b>	<b>25</b>	<b>(1,075)</b>	<b>12,090</b>
Profit for the period	2,394	-	-	2,394	-	-	-	2,394
<u>Other comprehensive loss</u>								
Foreign currency translation	(63)	-	-	(63)	-	-	(63)	-
Net loss on fair value changes of available-for-sale financial assets	(654)	-	-	(654)	(654)	-	-	-
Other comprehensive loss for the period	(717)	-	-	(717)	(654)	-	(63)	-
Total comprehensive income for the period	1,677	-	-	1,677	(654)	-	(63)	2,394
<u>Distributions to owners</u>								
Dividends on ordinary shares	(1,235)	-	-	(1,235)	-	-	-	(1,235)
<b>Closing balance at 30 June 2011</b>	<b>44,914</b>	<b>32,294</b>	<b>(201)</b>	<b>12,821</b>	<b>685</b>	<b>25</b>	<b>(1,138)</b>	<b>13,249</b>
HY 2010		Attributable to equity holders of the Company						
Group	Equity, total	Share capital	Treasury shares	Reserves, total	Fair value reserve	Statutory reserve	Foreign currency translation reserve	Revenue reserve
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Opening balance at 1 January 2010</b>	<b>41,316</b>	<b>32,294</b>	<b>(19)</b>	<b>9,041</b>	<b>433</b>	<b>25</b>	<b>(941)</b>	<b>9,524</b>
Profit for the period	756	-	-	756	-	-	-	756
<u>Other comprehensive income</u>								
Foreign currency translation	3	-	-	3	-	-	3	-
Net gain on fair value changes of available-for-sale financial assets	519	-	-	519	519	-	-	-
Other comprehensive income for the period	522	-	-	522	519	-	3	-
Total comprehensive income for the period	1,278	-	-	1,278	519	-	3	756
<u>Contributions by owners</u>								
Acquisitions of treasury shares	(169)	-	-	(169)	-	-	-	(169)
<b>Closing balance at 30 June 2010</b>	<b>42,425</b>	<b>32,294</b>	<b>(188)</b>	<b>10,319</b>	<b>952</b>	<b>25</b>	<b>(938)</b>	<b>10,280</b>

<b>2Q 2011</b>		<b>Attributable to equity holders of the Company</b>						
<b>Group</b>	<b>Equity, total</b>	<b>Share capital</b>	<b>Treasury shares</b>	<b>Reserves, total</b>	<b>Fair value reserve</b>	<b>Statutory reserve</b>	<b>Foreign currency translation reserve</b>	<b>Revenue reserve</b>
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Opening balance at 1 April 2011</b>	<b>45,421</b>	<b>32,294</b>	<b>(201)</b>	<b>13,328</b>	<b>1,337</b>	<b>25</b>	<b>(1,092)</b>	<b>13,058</b>
Profit for the period	1,426	-	-	1,426	-	-	-	1,426
<u>Other comprehensive loss</u>								
Foreign currency translation	(46)	-	-	(46)	-	-	(46)	-
Net loss on fair value changes of available-for-sale financial assets	(652)	-	-	(652)	(652)	-	-	-
Other comprehensive loss for the period	(698)	-	-	(698)	(652)	-	(46)	-
Total comprehensive income for the period	728	-	-	728	(652)	-	(46)	1,426
<u>Distributions to owners</u>								
Dividends on ordinary shares	(1,235)	-	-	(1,235)	-	-	-	(1,235)
<b>Closing balance at 30 June 2011</b>	<b>44,914</b>	<b>32,294</b>	<b>(201)</b>	<b>12,821</b>	<b>685</b>	<b>25</b>	<b>(1,138)</b>	<b>13,249</b>

<b>2Q 2010</b>		<b>Attributable to equity holders of the Company</b>						
<b>Group</b>	<b>Equity, total</b>	<b>Share capital</b>	<b>Treasury shares</b>	<b>Reserves, total</b>	<b>Fair value reserve</b>	<b>Statutory reserve</b>	<b>Foreign currency translation reserve</b>	<b>Revenue reserve</b>
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Opening balance at 1 April 2010</b>	<b>41,945</b>	<b>32,294</b>	<b>(69)</b>	<b>9,720</b>	<b>771</b>	<b>25</b>	<b>(938)</b>	<b>9,862</b>
Profit for the period	418	-	-	418	-	-	-	418
<u>Other comprehensive income</u>								
Net gain on fair value changes of available-for-sale financial assets	181	-	-	181	181	-	-	-
Total comprehensive income for the period	599	-	-	599	181	-	-	418
<u>Contributions by owners</u>								
Acquisitions of treasury shares	(119)	-	-	(119)	-	-	-	(119)
<b>Closing balance at 30 June 2010</b>	<b>42,425</b>	<b>32,294</b>	<b>(188)</b>	<b>10,319</b>	<b>952</b>	<b>25</b>	<b>(938)</b>	<b>10,280</b>

<b>HY 2011</b>		<b>Attributable to equity holders of the Company</b>				
<b>Company</b>	<b>Equity, total</b> US\$'000	<b>Share capital</b> US\$'000	<b>Treasury shares</b> US\$'000	<b>Reserves, total</b> US\$'000	<b>Fair value reserve</b> US\$'000	<b>Revenue reserve</b> US\$'000
<b>Opening balance at 1 January 2011</b>	<b>35,595</b>	<b>32,294</b>	<b>(201)</b>	<b>3,502</b>	<b>1,339</b>	<b>2,163</b>
Loss for the period	(147)	-	-	(147)	-	(147)
<u>Other comprehensive loss</u>						
Net loss on fair value changes of available-for-sale financial assets	(654)	-	-	(654)	(654)	-
Total comprehensive loss for the period	(801)	-	-	(801)	(654)	(147)
<u>Distributions to owners</u>						
Dividends on ordinary shares	(1,235)	-	-	(1,235)	-	(1,235)
<b>Closing balance at 30 June 2011</b>	<b>33,559</b>	<b>32,294</b>	<b>(201)</b>	<b>1,466</b>	<b>685</b>	<b>781</b>

<b>HY 2010</b>		<b>Attributable to equity holders of the Company</b>				
<b>Company</b>	<b>Equity, total</b> US\$'000	<b>Share capital</b> US\$'000	<b>Treasury shares</b> US\$'000	<b>Reserves, total</b> US\$'000	<b>Fair value reserve</b> US\$'000	<b>Revenue reserve</b> US\$'000
<b>Opening balance at 1 January 2010</b>	<b>34,478</b>	<b>32,294</b>	<b>(19)</b>	<b>2,203</b>	<b>433</b>	<b>1,770</b>
Profit for the period	117	-	-	117	-	117
<u>Other comprehensive income</u>						
Net gain on fair value changes of available-for-sale financial assets	519	-	-	519	519	-
Total comprehensive income for the period	636	-	-	636	519	117
<u>Contributions by owners</u>						
Acquisitions of treasury shares	(169)	-	-	(169)	-	(169)
<b>Closing balance at 30 June 2010</b>	<b>34,945</b>	<b>32,294</b>	<b>(188)</b>	<b>2,839</b>	<b>952</b>	<b>1,887</b>

<b>2Q 2011</b>		<b>Attributable to equity holders of the Company</b>				
<b>Company</b>	<b>Equity, total</b> US\$'000	<b>Share capital</b> US\$'000	<b>Treasury shares</b> US\$'000	<b>Reserves, total</b> US\$'000	<b>Fair value reserve</b> US\$'000	<b>Revenue reserve</b> US\$'000
<b>Opening balance at 1 April 2011</b>	<b>35,632</b>	<b>32,294</b>	<b>(201)</b>	<b>3,539</b>	<b>1,337</b>	<b>2,202</b>
Loss for the period	(186)	-	-	(186)	-	(186)
<u>Other comprehensive loss</u>						
Net loss on fair value changes of available-for-sale financial assets	(652)	-	-	(652)	(652)	-
Total comprehensive loss for the period	(838)	-	-	(838)	(652)	(186)
<u>Distributions to owners</u>						
Dividends on ordinary shares	(1,235)	-	-	(1,235)	-	(1,235)
<b>Closing balance at 30 June 2011</b>	<b>33,559</b>	<b>32,294</b>	<b>(201)</b>	<b>1,466</b>	<b>685</b>	<b>781</b>

<b>2Q 2010</b>		<b>Attributable to equity holders of the Company</b>				
<b>Company</b>	<b>Equity, total</b> US\$'000	<b>Share capital</b> US\$'000	<b>Treasury shares</b> US\$'000	<b>Reserves, total</b> US\$'000	<b>Fair value reserve</b> US\$'000	<b>Revenue reserve</b> US\$'000
<b>Opening balance at 1 April 2010</b>	<b>34,826</b>	<b>32,294</b>	<b>(69)</b>	<b>2,601</b>	<b>771</b>	<b>1,830</b>
Profit for the period	57	-	-	57	-	57
<u>Other comprehensive income</u>						
Net gain on fair value changes of available-for-sale financial assets	181	-	-	181	181	-
Total comprehensive income for the period	238	-	-	238	181	57
<u>Contributions by owners</u>						
Acquisitions of treasury shares	(119)	-	-	(119)	-	(119)
<b>Closing balance at 30 June 2010</b>	<b>34,945</b>	<b>32,294</b>	<b>(188)</b>	<b>2,839</b>	<b>952</b>	<b>1,887</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.**

In addition to the disclosure in Note 1(d)(i) above, the changes to the company's treasury shares during the year were as follows:-

	2Q2011		2Q2010	
	No. of shares	US\$'000	No. of shares	US\$'000
<b>Treasury shares</b>				
At beginning of financial period	5,363,000	201	1,943,000	69
Purchase during the current period	–	–	3,097,000	119
At end of financial period	5,363,000	201	5,040,000	188

**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.**

The total number of issued shares excluding treasury shares as at the end of 30 June 2011 is 504,659,200 (31 December 2010: 504,659,200)

**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.**

There were no sales, transfers, disposal, cancellation and/or use of treasury share during the current financial period reported on.

**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 2010.

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

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	
	2Q2011	2Q2010	HY2011	HY2010
Based on weighted average number of ordinary shares (US cent)	0.28	0.08	0.47	0.15
On a fully diluted basis (US cent)	N.A.	N.A.	N.A.	N.A.

Earnings per share excluding treasury shares for 2Q2011 computed based on weighted average number of ordinary shares of 504,659,200 (2Q2010: 506,749,057) and the HY2011 computed based on weighted average number of ordinary shares of 504,659,200 (HY2010: 507,907,686), excluding treasury 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	
	30/06/2011	31/12/2010	30/06/2011	31/12/2010
Net asset value per ordinary share based on existing issued share capital as at end of period reported on (US cents)	8.90	8.81	6.65	7.05

The Group's and the Company's net asset value per ordinary share have been computed based on the share capital of 504,659,200 ordinary shares, excluding treasury 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.

**INCOME STATEMENT**

**Comparing 2Q FY2011 vs 2Q FY2010**

In 2Q FY2011, the Group continues to benefit from the improved business environment. Despite marginally lower revenue this quarter, the Group turned in a 241.1% increase in net profit after tax, which rose from US\$0.4 million in 2Q FY2010 to US\$1.4 million.

Revenue this quarter amounted to US\$119.7 million compared to US\$121.3 million in 2Q FY2010. Gross profit margin improved from 7.4% in 2Q FY2010 to 8.9% in 2Q FY2011 due to the Group's focus on higher margin products.

Other income rose to US\$0.1 million in 2Q FY2011 due primarily to contributions from customized solutions.

Operating expenses rose by 7.9% from US\$8.2 million in 2Q FY2010 to US\$8.9 million this quarter. This is due to increases in selling and distribution and general administrative costs incurred in 2Q FY2011.

**BALANCE SHEET**

Net assets rose from US\$44.5 million as at 31 December 2010 to US\$44.9 million due to:

- Trade debtors rose from US\$57.7 million as at 31 December 2010 to US\$59.1 million while trade creditors and accruals decreased from US\$57.8 million as at 31 December 2010 to US\$56.2 million. Trade debtors'

turnover days for the quarter improved from 45 days as at 31 December 2010 to 43 days and trade creditors' turnover days for the quarter remain at 46 days as compared to 31 December 2010.

- Inventory decreased from US\$59.2 million as at 31 December 2010 to US\$57.9 million. Inventory turnover period rose from 44 days as at 31 December 2010 to 49 days.
- Cash and short term deposits decreased to US\$15.0 million compared to US\$16.0 million as at 31 December 2010 due mainly to dividends paid on ordinary shares.
- Tax provision increased from US\$1.1 million as at 31 December 2010 to US\$1.8 million due to associate the increased in profit before taxation.

#### **SHAREHOLDERS' EQUITY**

Shareholders' equity rose from US\$44.5 million as at 31 December 2010 to US\$44.9 million due to a US\$0.4 million increase in reserves.

#### **WORKING CAPITAL**

In 2Q FY2011, US\$1.5 million used in operating activities was significantly lower than US\$8.7 million used in the same quarter last year. This is due mainly to the profit contribution of US\$1.9 million, decrease in stocks of US\$2.0 million, increase in trade debtors, other debtors and prepayments of US\$4.5 million and a decrease in trade creditors, accruals and other creditors of US\$1.1 million.

#### **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.**

Into the second half of the year, the Group expects that the uncertainties arising from the financial problems in the EU and US may eventually affect the business sentiments in Asia. While business remains encouraging, it will be closely monitoring the market developments and its business operations.

#### **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 2Q2011.

**13. Confirmation by the Board pursuant to Rule705(5) 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 second quarter ended 30 June 2011 to be false or misleading.

**BY ORDER OF THE BOARD**

Wong Yoen Har  
Company Secretary  
3 August 2011