

**Third Quarter Financial Statement And Related Announcement for the Quarter Ended 30 September 2016**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF Q3 RESULTS**

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

1(a)(i) **CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTERS ENDED 30 SEPTEMBER 2016 AND 30 SEPTEMBER 2015**

**Consolidated Income Statement**

	Group 3Q2016	Group 3Q2015 (Restated)	Increase/ (Decrease)	Group YTD Sep 2016	Group YTD Sep 2015 (Restated)	Increase/ (Decrease)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Revenue	297,769	224,271	32.8%	738,020	605,402	21.9%
Cost of sales	(282,602)	(211,536)	33.6%	(697,659)	(570,877)	22.2%
<b>Gross profit</b>	<b>15,167</b>	<b>12,735</b>	<b>19.1%</b>	<b>40,361</b>	<b>34,525</b>	<b>16.9%</b>
Other income	194	387	(49.9%)	339	536	(36.8%)
Sales and distribution costs	(7,922)	(7,860)	0.8%	(21,906)	(19,400)	12.9%
General and administrative expenses	(4,215)	(3,124)	34.9%	(11,932)	(9,985)	19.5%
Other expenses	345	53	550.9%	367	(319)	N.M
Interest expense	(681)	(469)	45.2%	(1,696)	(1,266)	34.0%
<b>Profit before taxation</b>	<b>2,888</b>	<b>1,722</b>	<b>67.7%</b>	<b>5,533</b>	<b>4,091</b>	<b>35.2%</b>
Income tax expense	(458)	(381)	20.2%	(1,034)	(855)	20.9%
<b>Profit after taxation</b>	<b>2,430</b>	<b>1,341</b>	<b>81.2%</b>	<b>4,499</b>	<b>3,236</b>	<b>39.0%</b>
<b>Profit attributable to:</b>						
Equity holders of the Company	2,430	1,341	81.2%	4,499	3,236	39.0%

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year (Cont'd).

1(a)(i) CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTERS ENDED 30 SEPTEMBER 2016 AND 30 SEPTEMBER 2015 (CONT'D)

Consolidated Statement of Other Comprehensive Income

	Group 3Q2016	Group 3Q2015 (Restated)	Increase/ (Decrease)	Group YTD Sep 2016	Group YTD Sep 2015 (Restated)	Increase/ (Decrease)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
<b>Profit after taxation</b>	<b>2,430</b>	<b>1,341</b>	<b>81.2%</b>	<b>4,499</b>	<b>3,236</b>	<b>39.0%</b>
<b>Other comprehensive income: Items that may be reclassified subsequently to profit or loss:</b>						
Foreign currency translation	(3)	(4)	(25.0%)	(8)	(11)	(27.3%)
Net (loss)/ gain on fair value changes of available-for-sale financial assets	(70)	(726)	(90.4%)	62	(476)	N.M
<b>Other comprehensive (loss)/ income for the period</b>	<b>(73)</b>	<b>(730)</b>	<b>(90.0%)</b>	<b>54</b>	<b>(487)</b>	<b>N.M</b>
<b>Total comprehensive income for the period</b>	<b>2,357</b>	<b>611</b>	<b>285.8%</b>	<b>4,553</b>	<b>2,749</b>	<b>65.6%</b>
<b>Total comprehensive income attributable to:</b>						
Equity holders of the Company	2,357	611	285.8%	4,553	2,749	65.6%
	<b>2,357</b>	<b>611</b>	<b>285.8%</b>	<b>4,553</b>	<b>2,749</b>	<b>65.6%</b>

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

Notes to the consolidated statement of comprehensive income	3Q2016	3Q2015	YTD Sep 2016	YTD Sep 2015
	US\$'000	US\$'000	US\$'000	US\$'000
Interest income	6	9	20	28
Interest on borrowings	(681)	(469)	(1,696)	(1,266)
Allowance for doubtful trade debts written back	348	236	451	329
Allowance for doubtful trade debts	(3)	(184)	(84)	(615)
Bad debts written off	-	-	-	(33)
Reversal of stocks written down	503	1,481	1,858	3,474
Stocks written down/ off	(665)	(1,115)	(1,876)	(4,016)
Loss on disposal of property, plant and equipment	-	(2)	(4)	(2)
Depreciation of property, plant and equipment	(180)	(201)	(555)	(626)
Net foreign exchange loss	(229)	(751)	(767)	(876)
Net fair value loss on financial instruments	-	(4)	-	(24)

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

<b>STATEMENT OF FINANCIAL POSITION</b>	<b>Group 30/09/2016</b>	<b>Group 31/12/2015</b>	<b>Company 30/09/2016</b>	<b>Company 31/12/2015</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	1,914	1,870	-	-
Intangible assets	326	326	-	-
Investments in subsidiaries	-	-	13,049	13,049
Investment securities	1,855	1,756	1,855	1,756
Deferred tax assets	25	30	-	-
<b>Current assets</b>				
Trade debtors	187,094	135,238	8	5
Other debtors	1,302	891	-	-
Prepayments	1,044	295	16	2
Stocks	123,644	111,613	-	-
Amounts due from subsidiaries	-	-	19,606	18,759
Cash and short term deposits	7,733	10,724	654	881
<b>Total current assets</b>	<b>320,817</b>	<b>258,761</b>	<b>20,284</b>	<b>19,647</b>
<b>Current liabilities</b>				
Trade creditors and accruals	(125,823)	(93,088)	(992)	(449)
Other creditors	(12,448)	(10,235)	(37)	(24)
Interest-bearing loans and borrowings	(123,040)	(99,445)	-	-
Amounts due to subsidiaries	-	-	-	(78)
Provision for taxation	(3,784)	(2,792)	(74)	(14)
<b>Total current liabilities</b>	<b>(265,095)</b>	<b>(205,560)</b>	<b>(1,103)</b>	<b>(565)</b>
<b>Net current assets</b>	<b>55,722</b>	<b>53,201</b>	<b>19,181</b>	<b>19,082</b>
<b>Net assets</b>	<b>59,842</b>	<b>57,183</b>	<b>34,085</b>	<b>33,887</b>
<b>Equity attributable to equity holders of the Company</b>				
Share capital	32,422	32,410	32,422	32,410
Reserves	27,420	24,773	1,663	1,477
	<b>59,842</b>	<b>57,183</b>	<b>34,085</b>	<b>33,887</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 30/09/2016 (US\$'000)</b>		<b>At 31/12/2015 (US\$'000)</b>	
Secured	Unsecured	Secured	Unsecured
-	123,040	-	99,445

**Amount repayable after one year, or on demand**

<b>At 30/09/2016 (US\$'000)</b>		<b>At 31/12/2015 (US\$'000)</b>	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

**Details of any collateral**

The Group's interest-bearing loans and borrowings as at 30 September 2016 consists of bills payables.

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

	Group 3Q2016	Group 3Q2015	Group YTD Sep 2016	Group YTD Sep 2015
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Operating activities</b>				
Profit before taxation	2,888	1,722	5,533	4,091
Adjustments for:-				
Interest income	(6)	(9)	(20)	(28)
Interest expense	681	469	1,696	1,266
Depreciation of property, plant and equipment	180	201	555	626
Loss on disposal of property, plant and equipment	-	2	4	2
Fair value loss on financial instruments	-	4	-	24
Dividend income from investment securities	(177)	(191)	(177)	(191)
Share based payments under EPSS	-	-	12	-
<b>Operating cash flows before changes in working capital</b>	<b>3,566</b>	<b>2,198</b>	<b>7,603</b>	<b>5,790</b>
Increase in stocks	(11,106)	(3,987)	(12,031)	(19,157)
Increase in trade debtors, other debtors and prepayments	(38,226)	(7,708)	(53,016)	(27,893)
Increase in trade creditors, accruals and other creditors	26,026	262	34,948	29,960
<b>Cash flows used in operations</b>	<b>(19,740)</b>	<b>(9,235)</b>	<b>(22,496)</b>	<b>(11,300)</b>
Interest received	6	9	20	28
Interest paid	(681)	(469)	(1,696)	(1,266)
Income tax paid	(114)	(25)	(37)	(254)
<b>Net cash flows used in operating activities</b>	<b>(20,529)</b>	<b>(9,720)</b>	<b>(24,209)</b>	<b>(12,792)</b>
<b>Investing activities</b>				
Purchase of property, plant and equipment	(359)	(59)	(710)	(241)
Proceeds on disposal of property, plant and equipment	3	-	107	-
Dividend income from investment securities	140	106	140	106
<b>Net cash flows (used in)/ generated from investing activities</b>	<b>(216)</b>	<b>47</b>	<b>(463)</b>	<b>(135)</b>
<b>Financing activities</b>				
Increase in interest-bearing loans and borrowings	17,237	7,342	23,595	12,096
Dividend paid on ordinary shares	-	-	(1,906)	(3,081)
<b>Net cash flows generated from financing activities</b>	<b>17,237</b>	<b>7,342</b>	<b>21,689</b>	<b>9,015</b>
Net decrease in cash and short-term deposits	(3,508)	(2,331)	(2,983)	(3,912)
Effects of exchange rate changes on cash and short-term deposits	(3)	(4)	(8)	(11)
Cash and short-term deposits at beginning of period	11,244	10,259	10,724	11,847
<b>Cash and short-term deposits at end of period</b>	<b>7,733</b>	<b>7,924</b>	<b>7,733</b>	<b>7,924</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 2016									
Attributable to equity holders of the Company									
Group	Equity, total US\$'000	Share capital US\$'000	Reserves, total US\$'000	Other reserve US\$'000	Fair value reserve US\$'000	Statutory reserve US\$'000	Foreign currency translation reserve US\$'000	Revenue reserve US\$'000	
<b>Opening balance at 1 January 2016</b>	<b>57,183</b>	<b>32,410</b>	<b>24,773</b>	<b>227</b>	<b>263</b>	<b>25</b>	<b>(1,196)</b>	<b>25,454</b>	
Profit for the period	4,499	-	4,499	-	-	-	-	4,499	
<b>Other comprehensive income:</b>									
Items that may be reclassified subsequently to profit or loss:									
Foreign currency translation	(8)	-	(8)	-	-	-	(8)	-	
Net gain on fair value changes of available-for-sale financial assets	62	-	62	-	62	-	-	-	
Other comprehensive income for the period	54	-	54	-	62	-	(8)	-	
Total comprehensive income for the period	4,553	-	4,553	-	62	-	(8)	4,499	
<b>Contribution by and distribution to owners</b>									
Issuance of new shares	12	12	-	-	-	-	-	-	
Dividends on ordinary shares	(1,906)	-	(1,906)	-	-	-	-	(1,906)	
<b>Closing balance at 30 September 2016</b>	<b>59,842</b>	<b>32,422</b>	<b>27,420</b>	<b>227</b>	<b>325</b>	<b>25</b>	<b>(1,204)</b>	<b>28,047</b>	
YTD Sep 2015									
Attributable to equity holders of the Company									
Group	Equity, total US\$'000	Share capital US\$'000	Reserves, total US\$'000	Other reserve US\$'000	Fair value reserve US\$'000	Statutory reserve US\$'000	Foreign currency translation reserve US\$'000	Revenue reserve US\$'000	
<b>Opening balance at 1 January 2015</b>	<b>56,227</b>	<b>32,294</b>	<b>23,933</b>	<b>227</b>	<b>677</b>	<b>25</b>	<b>(1,176)</b>	<b>24,180</b>	
Profit for the period	3,236	-	3,236	-	-	-	-	3,236	
<b>Other comprehensive income:</b>									
Items that may be reclassified subsequently to profit or loss:									
Foreign currency translation	(11)	-	(11)	-	-	-	(11)	-	
Net loss on fair value changes of available-for-sale financial assets	(476)	-	(476)	-	(476)	-	-	-	
Other comprehensive loss for the period	(487)	-	(487)	-	(476)	-	(11)	-	
Total comprehensive income for the period	2,749	-	2,749	-	(476)	-	(11)	3,236	
<b>Contribution by and distribution to owners</b>									
Issuance of new shares	46	46	-	-	-	-	-	-	
Dividends on ordinary shares	(3,081)	-	(3,081)	-	-	-	-	(3,081)	
<b>Closing balance at 30 September 2015</b>	<b>55,941</b>	<b>32,340</b>	<b>23,601</b>	<b>227</b>	<b>201</b>	<b>25</b>	<b>(1,187)</b>	<b>24,335</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).

3Q2016									
Attributable to equity holders of the Company									
Group	Equity, total US\$'000	Share capital US\$'000	Reserves, total US\$'000	Other reserve US\$'000	Fair value reserve US\$'000	Statutory reserve US\$'000	Foreign currency translation reserve US\$'000	Revenue reserve US\$'000	
<b>Opening balance at 1 July 2016</b>	<b>57,485</b>	<b>32,422</b>	<b>25,063</b>	<b>227</b>	<b>395</b>	<b>25</b>	<b>(1,201)</b>	<b>25,617</b>	
Profit for the period	2,430	-	2,430	-	-	-	-	2,430	
<b>Other comprehensive income</b>									
Items that may be classified subsequently to profit/ loss:									
Foreign currency translation	(3)	-	(3)	-	-	-	(3)	-	
Net loss on fair value changes of available-for-sale financial assets	(70)	-	(70)	-	(70)	-	-	-	
Other comprehensive loss for the period	(73)	-	(73)	-	(70)	-	(3)	-	
Total comprehensive income for the period	2,357	-	2,357	-	(70)	-	(3)	2,430	
<b>Closing balance at 30 September 2016</b>	<b>59,842</b>	<b>32,422</b>	<b>27,420</b>	<b>227</b>	<b>325</b>	<b>25</b>	<b>(1,204)</b>	<b>28,047</b>	
3Q2015									
Attributable to equity holders of the Company									
Group	Equity, total US\$'000	Share capital US\$'000	Reserves, total US\$'000	Other reserve US\$'000	Fair value reserve US\$'000	Statutory reserve US\$'000	Foreign currency translation reserve US\$'000	Revenue reserve US\$'000	
<b>Opening balance at 1 July 2015</b>	<b>55,330</b>	<b>32,340</b>	<b>22,990</b>	<b>227</b>	<b>927</b>	<b>25</b>	<b>(1,183)</b>	<b>22,994</b>	
Profit for the period	1,341	-	1,341	-	-	-	-	1,341	
<b>Other comprehensive income</b>									
Items that may be classified subsequently to profit/ loss:									
Foreign currency translation	(4)	-	(4)	-	-	-	(4)	-	
Net loss on fair value changes of available-for-sale financial assets	(726)	-	(726)	-	(726)	-	-	-	
Other comprehensive loss for the period	(730)	-	(730)	-	(726)	-	(4)	-	
Total comprehensive income for the period	611	-	611	-	(726)	-	(4)	1,341	
<b>Closing balance at 30 September 2015</b>	<b>55,941</b>	<b>32,340</b>	<b>23,601</b>	<b>227</b>	<b>201</b>	<b>25</b>	<b>(1,187)</b>	<b>24,335</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 2016	Attributable to equity holders of the Company					
Company	Equity, total US\$'000	Share capital US\$'000	Reserves, total US\$'000	Other reserve US\$'000	Fair value reserve US\$'000	Revenue reserve US\$'000
<b>Opening balance at 1 January 2016</b>	<b>33,887</b>	<b>32,410</b>	<b>1,477</b>	<b>227</b>	<b>263</b>	<b>987</b>
Profit for the period	2,030	-	2,030	-	-	2,030
<b>Other comprehensive income</b>						
Items that may be classified subsequently to profit/ loss:						
Net gain on fair value changes of available-for-sale financial assets	62	-	62	-	62	-
Other comprehensive income for the period	62	-	62	-	62	-
Total comprehensive income for the period	2,092	-	2,092	-	62	2,030
<b>Contribution by and distribution to owners</b>						
Issuance of new shares	12	12	-	-	-	-
Dividends on ordinary shares	(1,906)	-	(1,906)	-	-	(1,906)
<b>Closing balance at 30 September 2016</b>	<b>34,085</b>	<b>32,422</b>	<b>1,663</b>	<b>227</b>	<b>325</b>	<b>1,111</b>
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YTD Sep 2015	Attributable to equity holders of the Company					
Company	Equity, total US\$'000	Share capital US\$'000	Reserves, total US\$'000	Other reserve US\$'000	Fair value reserve US\$'000	Revenue reserve US\$'000
<b>Opening balance at 1 January 2015</b>	<b>33,855</b>	<b>32,294</b>	<b>1,561</b>	<b>227</b>	<b>677</b>	<b>657</b>
Profit for the period	3,520	-	3,520	-	-	3,520
<b>Other comprehensive income</b>						
Items that may be classified subsequently to profit/ loss:						
Net loss on fair value changes of available-for-sale financial assets	(476)	-	(476)	-	(476)	-
Other comprehensive loss for the period	(476)	-	(476)	-	(476)	-
Total comprehensive income for the period	3,044	-	3,044	-	(476)	3,520
<b>Contribution by and distribution to owners</b>						
Issuance of new shares	46	46	-	-	-	-
Dividends on ordinary shares	(3,081)	-	(3,081)	-	-	(3,081)
<b>Closing balance at 30 September 2015</b>	<b>33,864</b>	<b>32,340</b>	<b>1,524</b>	<b>227</b>	<b>201</b>	<b>1,096</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).

<b>3Q2016</b>						
<b>Attributable to equity holders of the Company</b>						
<b>Company</b>	<b>Equity, total US\$'000</b>	<b>Share capital US\$'000</b>	<b>Reserves, total US\$'000</b>	<b>Other reserve US\$'000</b>	<b>Fair value reserve US\$'000</b>	<b>Revenue reserve US\$'000</b>
<b>Opening balance at 1 July 2016</b>	<b>34,052</b>	<b>32,422</b>	<b>1,630</b>	<b>227</b>	<b>395</b>	<b>1,008</b>
Profit for the period	103	-	103	-	-	103
<b>Other comprehensive income</b>						
Items that may be classified subsequently to profit/ loss:						
Net loss on fair value changes of available-for-sale financial assets	(70)	-	(70)	-	(70)	-
Other comprehensive loss for the period	(70)	-	(70)	-	(70)	-
Total comprehensive income for the period	33	-	33	-	(70)	103
<b>Closing balance at 30 September 2016</b>	<b>34,085</b>	<b>32,422</b>	<b>1,663</b>	<b>227</b>	<b>325</b>	<b>1,111</b>
<b>3Q2015</b>						
<b>Attributable to equity holders of the Company</b>						
<b>Company</b>	<b>Equity, total US\$'000</b>	<b>Share capital US\$'000</b>	<b>Reserves, total US\$'000</b>	<b>Other reserve US\$'000</b>	<b>Fair value reserve US\$'000</b>	<b>Revenue reserve US\$'000</b>
<b>Opening balance at 1 July 2015</b>	<b>34,572</b>	<b>32,340</b>	<b>2,232</b>	<b>227</b>	<b>927</b>	<b>1,078</b>
Profit for the period	18	-	18	-	-	18
<b>Other comprehensive income</b>						
Items that may be classified subsequently to profit/ loss:						
Net loss on fair value changes of available-for-sale financial assets	(726)	-	(726)	-	(726)	-
Other comprehensive loss for the period	(726)	-	(726)	-	(726)	-
Total comprehensive income for the period	(708)	-	(708)	-	(726)	18
<b>Closing balance at 30 September 2015</b>	<b>33,864</b>	<b>32,340</b>	<b>1,524</b>	<b>227</b>	<b>201</b>	<b>1,096</b>

- 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.

	3Q2016		3Q2015	
	No. of shares	US\$'000	No. of shares	US\$'000
<b>Issued share capital</b>				
At beginning of financial period	102,483,440	32,422	510,620,200	32,340
Share consolidation	-	-	(408,496,160)	-
At end of financial period	102,483,440	32,422	102,124,040	32,340

#### **Changes in Company's Share Capital**

On 11 August 2015, the Company completed the consolidation of every five existing issued shares in the capital of the Company into one ordinary share in the capital of the Company. As a result of the exercise, the total issued share capital of the Company comprises 102,124,040 consolidated shares.

- 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 September 2016 is 102,483,440 (30 September 2015: 102,124,040).

- 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's accounting policies adopted are consistent with those disclosed in the 2015 audited financial statements, except for the change in estimates within the stock provisioning policy.

The comparative stock provision amount in the consolidated income statement has been reclassified from "Other expenses" to "Cost of sales" to conform to the current year's presentation.

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.

There are no material changes.

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			
	3Q2016	3Q2015	YTD Sep 2016	YTD Sep 2015
Based on weighted average number of ordinary shares (US cent)	2.37	1.31	4.39	3.17
Weighted average number of ordinary shares	102,483,440	102,124,040	102,473,586	102,071,469
On a fully diluted basis (US cent)	2.37	1.31	4.39	3.17
Diluted weighted average number of ordinary shares	102,483,440	102,124,040	102,473,586	102,071,469

The basic and diluted earnings per share of the Group were the same, as there were no share options and warrants granted.

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	
	30/09/2016	31/12/2015	30/09/2016	31/12/2015
Net asset value per ordinary share based on existing issued share capital as at end of period reported on (US cents)	58.39	55.83	33.26	33.09

The Group's and the Company's net asset value per ordinary share have been computed based on the share capital of 102,483,440 (31 December 2015:102,423,440) 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 3Q2016 to 3Q2015**

The Group's revenue increased by 32.8% from US\$224.3 million to US\$297.8 million, and gross profit increased by 19.1% from US\$12.7 million to US\$15.2 million, which were due to the higher sales from the Hong Kong and Singapore business units arising from stronger seasonal demand.

Other income decreased by 49.9% from US\$387,000 to US\$194,000 mainly arising from income received in 3Q2015 following the divestment of the non-core research and development division in 2014.

Sales and distribution costs remained constant at US\$7.9 million.

General and administrative expenses increased by 34.9% from US\$3.1 million to US\$4.2 million. These were mainly due to higher staff costs and rental.

Included in other expenses were net write-back of allowance for doubtful trade debts of US\$53,000 and US\$345,000 in 3Q2015 and 3Q2016 respectively, mainly due to the recovery of trade debts.

Interest expense increased by 45.2% from US\$0.5 million to US\$0.7 million mainly due to higher borrowings arising from the increase in working capital needs. Overall, the Group reported an increase in profit after taxation by 81.2% from US\$1.3 million to US\$2.4 million.

#### **FINANCIAL POSITION AND CASHFLOW**

During the quarter, the Group's net cash flows used in operating activities was US\$20.5 million compared to US\$9.7 million in 3Q2015, mainly due to increase in the requirement for working capital by US\$19.7 million.

The Group's trade debtors increased from US\$135.2 million to US\$187.1 million as at 30 September 2016, which was in line with the increase in sales. Stock increased from US\$111.6 million to US\$123.6 million as at 30 September 2016.

Trade creditors and accruals increased from US\$93.1 million to US\$125.8 million as at 30 September 2016 due to higher purchase of stock.

Interest-bearing loans and borrowings increased from US\$99.4 million to US\$123.0 million as at 30 September 2016 to fund the working capital requirements.

The Group's cash and short term deposits was US\$7.7 million as at 30 September 2016 as compared to US\$10.7 million as at 31 December 2015.

Overall, shareholders' equity increased to US\$59.8 million from US\$57.2 million as at 31 December 2015, mainly due to the profit for the period of US\$4.5 million. This was offset by the payment of dividends of US\$1.9 million during the period.

**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.**

The Group will continue to grow its business amidst the uncertainties affecting the global market. China's economic conditions are stabilizing and these in turn will lead to an increase in demand for our range of products. The Group will continue to seek opportunities in emerging markets in the Asia Pacific region. We see growth opportunities in India arising from its government's investments in infrastructure projects particularly in the banking, communication and transportation sectors.

The semiconductor and microelectronics industries are consolidating and these could provide us with opportunities to market a wider range of electronic consumer products. We will continue to build on our strength as a valued distributor by strengthening our engineering design capabilities.

**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 3Q2016.

**13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

No IPT mandate has been obtained.

The aggregate value of all interested person transactions during the financial period ended 30 September 2016 were as follows:-

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Description of the transaction entered into with the interested person during the financial year under review	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Albert Phuyay Yong Hen	US\$81,900	Rental of premises	N.A.

**14. Confirmation by the Board pursuant to Rule 705(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 third quarter ended 30 September 2016 to be false or misleading in any material aspect.

**15. Confirmation Pursuant to Rule 720(1) of the Listing Manual**

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.

**BY ORDER OF THE BOARD**

Wong Yoen Har  
Company Secretary  
2 November 2016