

BALANCE SHEETS

as at 31 December 2007

	Note	Group		Company	
		2007	2006	2007	2006
		\$'000	\$'000	\$'000	\$'000
Non-Current Assets					
Property, plant and equipment	5	19,164	29,308	9	104
Investment in subsidiaries	6	–	–	12,481	12,682
Deferred tax assets	7	624	862	–	–
		19,788	30,170	12,490	12,786
Current Assets					
Inventories	8	414	1,469	–	115
Amounts due from subsidiaries, trade	9	–	–	9,621	3,917
Trade receivables	10	6,477	10,847	4,262	7,243
Other receivables	11	335	1,189	178	1,087
Prepayments		103	216	20	30
Cash at bank and on hand	12	886	1,366	417	792
		8,215	15,087	14,498	13,184
Current Liabilities					
Borrowings	13	8,927	24,353	1,490	15,192
Trade payables	14	5,457	7,030	3,819	4,913
Other payables and accruals	15	2,684	2,918	990	600
Obligations under finance leases	16	360	779	256	660
Income tax payable		380	480	144	144
		17,808	35,560	6,699	21,509
Net Current (Liabilities)/Assets		(9,593)	(20,473)	7,799	(8,325)
Non-Current Liabilities					
Borrowings	13	4,762	4,520	4,470	4,520
Obligations under finance leases	16	45	133	–	–
Deferred tax liabilities	7	624	624	–	–
		5,431	5,277	4,470	4,520
Net Assets/(Liabilities)		4,764	4,420	15,819	(59)
Capital and reserves					
Share capital	17	18,706	6,232	18,706	6,232
Reserves	18	(13,942)	(1,812)	(2,887)	(6,291)
Total Equity		4,764	4,420	15,819	(59)

CONSOLIDATED INCOME STATEMENT

for the year ended 31 December 2007

	Note	Group	
		2007	2006
		\$'000	\$'000
Revenue		19,341	56,208
Cost of goods sold		(22,919)	(50,733)
Gross (loss)/profit		(3,578)	5,475
Other income	19	1,098	383
Selling and distribution expenses		(867)	(1,621)
Administrative expenses		(4,831)	(4,912)
Other operating expenses	19	(2,820)	(4,216)
Finance costs	20	(755)	(1,805)
Loss before exceptional items		(11,753)	(6,696)
Exceptional items	21	(104)	5,644
Loss before taxation	22	(11,857)	(1,052)
Taxation	23	(284)	687
Loss for the year		(12,141)	(365)
Loss for the year attributable to equity holders of the parent		(12,141)	(365)
Basic and fully diluted loss per share attributable to equity holders of the parent (cents per share)	24	(5.19)	(0.47)

STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 December 2007

Group	Attributable to equity holders of the parent						
	Share capital	Capital reduction reserve	Asset revaluation reserve	Foreign currency translation reserve	Accumulated losses	Total reserves	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2006	6,232	3,710	2,373	(4,476)	(1,350)	257	6,489
Net effect of exchange differences and net expense recognised directly in equity	-	-	-	(1,704)	-	(1,704)	(1,704)
Loss for the year	-	-	-	-	(365)	(365)	(365)
Total recognised income and expenses for the year	-	-	-	(1,704)	(365)	(2,069)	(2,069)
At 31 December 2006 and 1 January 2007	6,232	3,710	2,373	(6,180)	(1,715)	(1,812)	4,420
Net effect of exchange differences and net expense recognised directly into equity	-	-	-	11	-	11	11
Loss for the year	-	-	-	-	(12,141)	(12,141)	(12,141)
Total recognised income and expenses for the year	-	-	-	11	(12,141)	(12,130)	(12,130)
Issuance of shares	12,474	-	-	-	-	-	12,474
At 31 December 2007	18,706	3,710	2,373	(6,169)	(13,856)	(13,942)	4,764

STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 December 2007

Company	Attributable to equity holder of the parent				
	Share capital	Capital reduction reserve	Accumulated losses	Total reserves	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2006	6,232	3,710	(10,474)	(6,764)	(532)
Profit for the year, representing total recognised for the year	-	-	473	473	473
At 31 December 2006	6,232	3,710	(10,001)	(6,291)	(59)
Profit for the year, representing total recognised for the year	-	-	3,404	3,404	3,404
Issuance of shares	12,474	-	-	-	12,474
At 31 December 2007	18,706	3,710	(6,597)	(2,887)	15,819

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2007

	2007	2006
	\$'000	\$'000
Cash flow from operating activities		
Loss before taxation	(11,857)	(1,052)
Adjustments for:		
Allowance for doubtful debts	144	1,596
Bad debts written off – trade receivables	8	4
Allowance for inventory obsolescence	458	1,256
Depreciation of property, plant and equipment	7,662	4,305
Interest income on bank deposits	(4)	(2)
Interest expense	755	1,805
Gain on waiver of loan from a corporate shareholder	(3,000)	(5,000)
Gain on waiver of interest on loan from a corporate shareholder	–	(644)
Loss/(gain) on disposal of property, plant and equipment	13	(70)
Impairment loss in value of property, plant and equipment	3,833	687
Plant and equipment written off	–	37
Operating cashflow before working capital changes	(1,988)	2,922
Decrease in inventories	597	6,623
Decrease in trade and other receivables	5,185	9,665
Decrease in trade and other payables	(1,807)	(14,843)
Cash generated from operations	1,987	4,367
Income tax paid	(146)	185
Interest paid	(755)	(1,805)
Interest received	4	2
Net cash generated from operating activities	1,090	2,749
Cash flow from investing activities		
Proceeds from disposal of property, plant and equipment	40	4,622
Purchase of property, plant and equipment (Note 5)	(411)	(5,326)
Net cash used in investing activities	(371)	(704)
Cash flow from financing activities		
Repayment of term loans	(1,449)	(4,397)
Repayment of hire purchase liabilities	(1,020)	(6,185)
Loans from a corporate shareholder	2,950	8,844
Net cash generated/(used in) from financing activities	481	(1,738)
Net increase in cash and cash equivalents	1,200	307
Cash and cash equivalents at beginning of year	(2,765)	(3,432)
Net effect of exchange rate changes on opening cash and cash equivalents	(468)	360
Cash and cash equivalents at end of year (Note 12)	(2,033)	(2,765)