



ABN 77 123 178 852

## Australian Stock Exchange Announcement

Wednesday 18<sup>th</sup> February 2009

The Manager  
Companies Announcements Officer  
Australian Securities Exchange Limited  
PO Box H224  
Australia Square  
Sydney NSW 1215

Electronic Lodgement

Dear Sir/Madam

### Market Profit Guidance for Year ended 31 December 2008

Whilst sales expectations were maintained according to expectations underlying the Market Release on 17 December 2008, the directors have determined in these last days and as a result of preliminary discussions held with the company's external auditors, that it was prudent to make provision for doubtful debts of AUD\$1 million against aged debtors.

It was also considered prudent to be conservative in relation to the net realizable value of inventory in these difficult market environments and which has given rise to a proposed stock writedown of \$AUD 1.2 million.

The effect of both of these non cash adjustments, which have not been evident until discussions with auditors have been held upon their return from undertaking the field audit work in China, is an expected reduction of profit from the last reported expectation of \$AUD 2.8 – 3.2 Million to a net profit of AUD\$ 500,000 – 700,000.

The full Appendix 4E disclosure will be made on Friday 27 February 2009.

Chairman and Managing Director Mr Shen will visit Australia in the week beginning 9 March 2009 to discuss the results and market conditions in China with shareholders and analysts.

On behalf of the board

A handwritten signature in black ink, appearing to read 'Graham Seppelt'.

Graham Seppelt  
Company Secretary

### China Office

288 Kan Shan Road  
Kan Shan Town  
Xiaoshan District  
Hangzhou City  
Zhejiang Province  
People's Republic of China

Tel: 0086 571 8258 9615  
Fax: 0086 571 8258 7222

### Australian Office

25 Peel Street  
Adelaide  
South Australia 5000

P.O. Box 15  
Aldgate  
South Australia 5154

Tel: +61 419 035 297  
Fax: +61 8 8339 7909

For personal use only