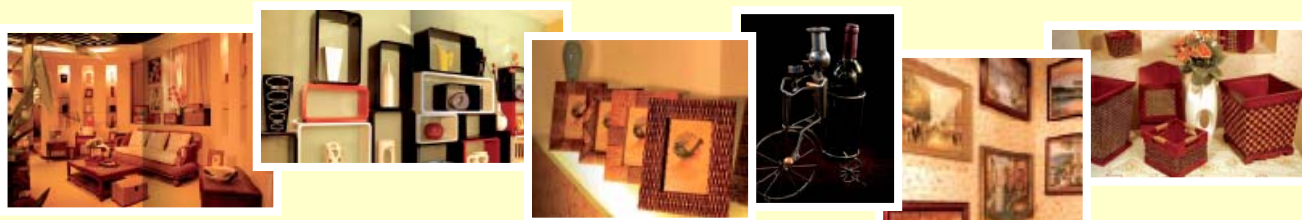


About Us

We are an integrated designer, producer and retailer of a wide range of handicrafts and furnishings. Widely used as decorations, interior designs or home furnishings, our products are sold either under our brand name "Passion" or as original design manufacturer ("ODM") products through our distributors in the PRC and overseas. We have been catering to the medium and high-end overseas markets over the past several years. Our manufacturing facilities are located in Longyan City, Fujian Province, the PRC, which has one of the larger forest bases in the PRC.



| | FY2009 |
|---------------------------------|---------------|
| EPS (RMB cents) | 37.2 |
| ROE (%) | 56.8 |
| Current ratio (times) | 2.3 |
| Debt to equity ratio (times) | 0.5 |
| Net operating cash flow (RMB'm) | 53.0 |
| Listing Status | SGX Mainboard |
| Financial year end | 30 June |

Competitive Strengths

Integrated handicrafts and furnishings manufacturer with large scale production

- Actively involved in the various stages of the manufacturing process
- Achieve economies of scale, with better control over quality and costs
- Offer competitive pricing and delivery of large product quantities on a timely basis

Strong and experienced design and development team

- Introduction of unique and innovative designs, and customised solutions
- Able to create over 2,000 new designs annually
- Collaboration with reputable design centres, domestic research institutes and overseas professional designers

Established track record

- Emphasis on stringent quality control systems
- Consistently produces quality products, at competitive prices

Established "Passion" brand name

- Established brand name built with our overseas customers provides a platform for growth within the PRC market

Strong administration and management systems

- "Office Anywhere" office management system eliminates geographical restrictions

Experienced management team

- Extensive experience in the handicrafts, furnishings & exports industry enables us to identify new opportunities and grow our business
- Supported by long-serving and committed staff

Good relations with our customers and suppliers

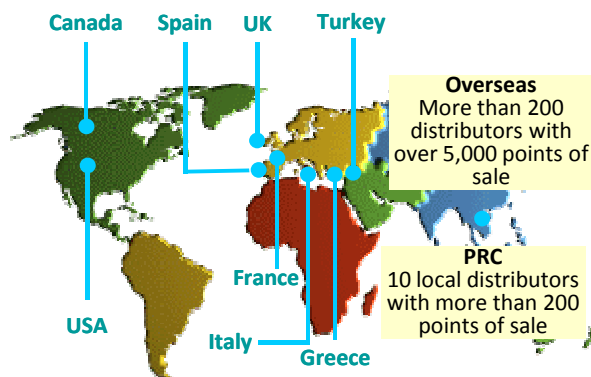
- We foster close working relationships with customers to retain their patronage
- 82.6% of our customers in FY2009 were repeat customers
- We visit suppliers regularly to understand their businesses and production processes

Our Product Range

We have more than 30 product categories that can be divided into five different series:-

- 1. Rattan-wood series**
E.g. storage cabinets and tea tables
- 2. Bamboo-wood series**
E.g. trays, umbrella pots and table flower vases
- 3. Medium-density fibreboard ("MDF") series**
E.g. display shelves, compact disc racks and wall-mounted wine racks
- 4. Wood series**
E.g. photo-frames and decorative frames
- 5. Iron series**
E.g. wine shelves, stationery holders and decorative pieces

Most of our products are exported to countries including the UK, France, Spain, Italy, Turkey, Greece, Canada and the USA. Our export sales accounted for approximately 84.1% of our total revenue in FY2009.

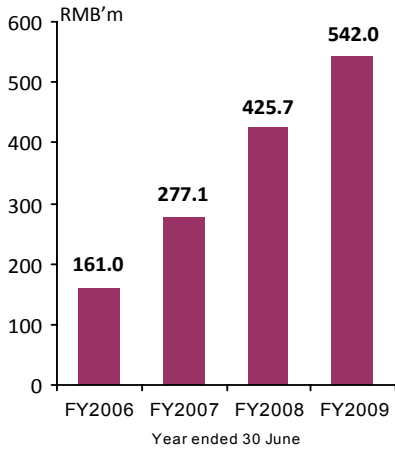


Established distribution network

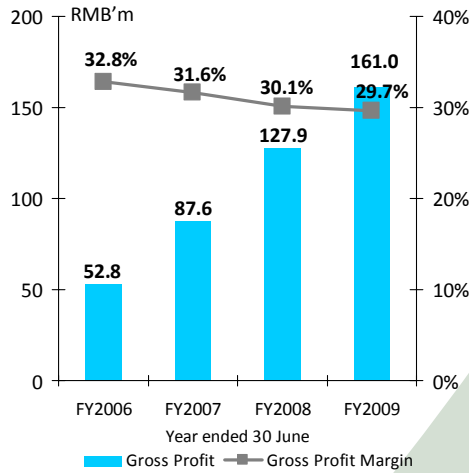
We have a diversified base of more than 200 overseas distributors with a network of more than 5,000 points of sale ("POS"), as well as 10 local distributors with a network of more than 200 POS in the PRC. Our local network includes 12 Passion Art specialty stores located in Fujian, Zhejiang, Jiangxi and Guangdong Provinces.

Financial Highlights

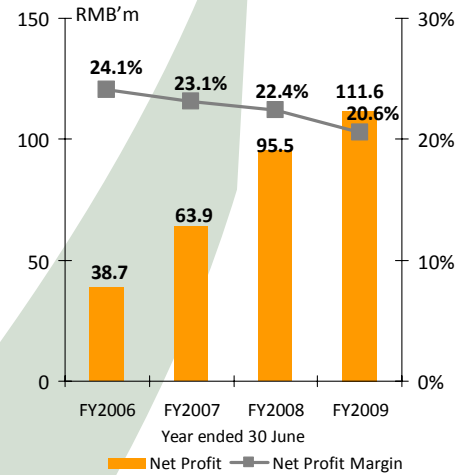
Revenue (RMB'm)



Gross Profit (RMB'm) and Margin (%)



Net Profit (RMB'm) and Margin (%)

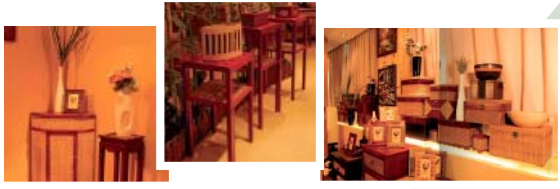


Revenue by Product Segments (RMB'm)

| | FY2006 | FY2007 | FY2008 | FY2009 |
|-------------|--------|--------|--------|--------|
| Rattan-wood | 139.3 | 245.7 | 386.0 | 430.1 |
| Wood | 18.8 | 24.8 | 31.6 | 34.0 |
| MDF | 2.5 | 5.5 | 4.8 | 41.4 |
| Bamboo-wood | 0.04 | 0.9 | 0.4 | 22.7 |
| Iron | 0.3 | 0.1 | 2.9 | 13.9 |

Revenue by Geographical Segments (RMB'm)

| | FY2006 | FY2007 | FY2008 | FY2009 |
|-----------------------|--------|--------|--------|--------|
| PRC | 3.5 | 2.6 | 40.6 | 86.4 |
| Other Asian countries | 50.0 | 66.4 | 112.0 | 89.0 |
| Europe | 81.4 | 132.2 | 180.4 | 254.7 |
| America | 19.3 | 69.0 | 87.5 | 88.3 |
| Others | 6.8 | 7.0 | 5.2 | 23.6 |



Prospects

We aim to become one of the leading handcraft and furnishing product manufacturers in the PRC and achieve recognition as a market leader for our brand name, product quality and design and development capabilities.

Growing handcrafts & furnishings industry in PRC & overseas

i) PRC market

- Handcrafts and furnishings industry is still a developing industry with no dominant industry leaders to date
- Rapid urbanisation of the PRC, continuous growth of the PRC population and reform of traditional urban areas

ii) Overseas market

- Handcrafts and furnishings industries in the European Union, the Middle East and the USA are expected to continue to grow in the medium term

Changing consumer tastes leading to the growing demand for handcrafts and furnishings in PRC & overseas

- PRC will continue to develop economically and socially; sophisticated and discerning middle-class consumers are usually willing to purchase handcrafts and furnishings that suit their preferences and better reflect their lifestyles
- More consumers in line with "less renovation, more decoration" concept promoted by the interior design industry, using decorative handcrafts and furnishings to create a cozy and homely atmosphere in their homes

Future Plans

Expand production capacity

- Invest in additional production lines and machinery to increase our production capacity
- Invest in technological enhancements to production process to increase the quality of our products and enhance manufacturing efficiency to reduce costs
- Intend to purchase land use rights for the purpose of building a new plant to set up additional facilities

Expand sales and distribution network within the PRC and strengthen the "Passion" brand name

- Expand network by appointing additional distributors in the big cities of the PRC eg Shanghai, Beijing, Guangzhou, Dalian, Qingdao & Xiamen
- Distributors will also set up Passion Art specialty stores to further expand network and build the "Passion" brand name
- Enhance public awareness of our brand name and build stronger brand loyalty through extensive brand-driven and customer-centric advertising

Enhance design and development capabilities

- Employ highly skilled and experienced design and development personnel
- Develop processes to improve efficiency and reduce costs

Expand through acquisitions, JVs and strategic alliances

- Explore opportunities that will complement our current and future businesses

Acquire forest base for supply of raw materials

- Medium-term plan to acquire forest bases comprising high-yield and fast-growing trees to provide us with constant supply of wood, which is one of our main raw materials, hence reducing our costs