SINGAMAS CONTAINER HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

Stock code: 0716

Websites: http://www.singamas.com, http://www.irasia.com/listco/hk/singamas and http://singamas.quamir.com

2007 ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2007

FINANCIAL HIGHLIGHTS

- CONSOLIDATED REVENUE INCREASED 67.3% TO US$1,546,042,000
- CONSOLIDATED NET PROFIT INCREASED 87.9% TO US$33,994,000
- EARNINGS PER SHARE WERE US5.37 CENTS, COMPARED WITH US2.96 CENTS IN 2006
- PROPOSED FINAL DIVIDEND PAYMENT OF HK5 CENTS PER ORDINARY SHARE, TOGETHER WITH INTERIM DIVIDEND OF HK6 CENTS, TOTAL DIVIDEND FOR THE YEAR WOULD BE HK11 CENTS

ANNUAL RESULTS

The Board of Directors (the "Directors") of Singamas Container Holdings Limited ("Singamas" / the "Company") would like to announce the consolidated results of the Company and its subsidiaries (together the "Group") for the year ended 31st December, 2007 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31st December

	Notes	**2007** **US$'000**	2006 US$'000
Revenue	3	**1,546,042**	924,011
Other income		**3,204**	3,556
Changes in inventories of finished goods and work in progress		**40,986**	22,335
Raw materials and consumables used		**(1,317,626)**	(767,681)
Staff costs		**(78,055)**	(51,516)
Depreciation and amortisation expense		**(16,361)**	(12,589)
Other expenses		**(133,694)**	(87,567)
Finance costs		**(29,432)**	(17,732)
Investment income		**1,885**	1,540
Changes in fair value of derivative financial instruments classified as held for trading		**24,881**	7,468
Share of results of associates		**(1,256)**	1,189
Share of results of jointly controlled entities		**420**	(477)
Profit before taxation		**40,994**	22,537
Income tax expense	4	**(6,635)**	(1,219)
Profit for the year		**34,359**	21,318
Attributable to:			
Equity holders of the Company		**33,994**	18,096
Minority interests		**365**	3,222
		34,359	21,318
Earnings per share	6		
Basic		**US5.37 cents**	US2.96 cents
Diluted		**US5.37 cents**	N/A

CONSOLIDATED BALANCE SHEET

As at 31st December

	Notes	***2007***	*2006*
		US$'000	*US$'000*
Non-current assets			
Property, plant and equipment	*7*	**178,922**	169,315
Patents		**1,806**	1,120
Goodwill		**5,280**	5,598
Interests in associates		**9,432**	13,261
Interests in jointly controlled entities		**23,280**	19,664
Available-for-sale investments		**3,174**	3,174
Prepaid lease payments		**60,829**	53,992
Deferred tax assets		**5,697**	1,979
Other assets		**84**	489
		288,504	268,592
Current assets			
Inventories	*8*	**298,250**	240,875
Trade receivables	*9*	**153,703**	179,884
Prepayments and other receivables	*10*	**197,473**	183,061
Amounts due from fellow subsidiaries		**334**	270
Amounts due from associates		**11**	11
Amounts due from jointly controlled entities		**4,334**	475
Amount due from a related company		**1,366**	879
Tax recoverable		**74**	185
Derivative financial instruments		**27,160**	7,535
Prepaid lease payments		**1,380**	1,221
Bank balances and cash		**119,048**	80,659
		803,133	695,055

CONSOLIDATED BALANCE SHEET

As at 31st December

	Notes	*2007* *US$'000*	*2006* *US$'000*
Current liabilities			
Trade payables	*11*	**140,806**	130,788
Accruals and other payables		**83,972**	91,085
Bills payable	*12*	**83,857**	130,427
Amount due to ultimate holding company		**166**	1,611
Amounts due to associates		**2,223**	2,283
Amounts due to jointly controlled entities		**40**	71
Tax payable		**7,490**	3,080
Deferred payable		**182**	200
Bank borrowings		**327,723**	233,792
		646,459	593,337
Net current assets		**156,674**	101,718
Total assets less current liabilities		**445,178**	370,310
Capital and reserves			
Share capital	*13*	**9,025**	7,844
Share premium		**145,646**	98,011
Accumulated profits		**129,129**	106,345
Other reserves		**22,055**	13,946
Equity attributable to equity holders of the Company		**305,855**	226,146
Minority interests		**50,013**	43,135
Total Equity		**355,868**	269,281
Non-current liabilities			
Deferred payable		**1,810**	1,992
Bank borrowings		**87,500**	99,037
		89,310	101,029
		445,178	370,310

Notes:

1. *Significant accounting policies*

The consolidated financial statements have been prepared under the historical cost basis except for certain financial instruments, which are measured at fair values.

2. *Application of new and revised Hong Kong Financial Reporting Standards*

In the current year, the Group has applied, for the first time, a number of new standard, amendment and interpretations ("INTs") ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants, which are effective for the Group's financial year beginning 1st January, 2007.

HKAS 1 (Amendment)	*Capital Disclosures*
HKFRS 7	*Financial Instruments: Disclosures*
HK(IFRIC)-INT 7	*Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies*
HK(IFRIC)-INT 8	*Scope of HKFRS 2*
HK(IFRIC)-INT 9	*Reassessment of Embedded Derivatives*
HK(IFRIC)-INT 10	*Interim Financial Reporting and Impairment*

The adoption of these new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Group has not early applied the following new and revised standards, amendment or INTs that have been issued but are not yet effective. The adoption of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1st July, 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions. The Directors anticipate that the application of the other standards, amendment or INTs will have no material impact on the results and the financial position of the Group and the Company.

HKAS 1 (Revised)	*Presentation of Financial Statements*[1]
HKAS 23 (Revised)	*Borrowing Costs*[1]
HKAS 27 (Revised)	*Consolidated and Separate Financial Statements*[2]
HKFRS 2 (Amendment)	*Vesting Conditions and Cancellations*[1]
HKFRS 3 (Revised)	*Business Combinations*[2]
HKFRS 8	*Operating Segments*[1]
HK(IFRIC)- INT 11	*HKFRS 2 – Group and Treasury Share Transactions*[3]
HK(IFRIC)- INT 12	*Service Concession Arrangements*[4]
HK(IFRIC)- INT 13	*Customer Loyalty Programmes*[5]
HK(IFRIC)- INT 14	*HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*[4]

[1] Effective for annual periods beginning on or after 1st January, 2009
[2] Effective for annual periods beginning on or after 1st July, 2009
[3] Effective for annual periods beginning on or after 1st March, 2007
[4] Effective for annual periods beginning on or after 1st January, 2008
[5] Effective for annual periods beginning on or after 1st July, 2008

3. *Segment information*

Business segments

For management purpose, the Group is currently organised into two operating divisions – manufacturing and logistics services. These divisions are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

Manufacturing	-	*manufacturing of marine dry freight containers, refrigerated containers, collapsible flatrack containers, tank containers, other specialised containers, container parts and chassis.*
Logistics services	-	*provision of container storage, repair and trucking services, serving as a freight station, container/cargo handling, mid-stream services and other container related services.*

Segment information about these businesses is presented below.

2007	Manufacturing US$'000	Logistics services US$'000	Eliminations US$'000	Total US$'000
REVENUE				
External sales	1,511,902	34,140	-	1,546,042
Inter-segment sales	-	1,132	(1,132)	-
Total	1,511,902	35,272	(1,132)	1,546,042

Inter-segment sales are charged at prevailing market prices.

	Manufacturing US$'000	Logistics services US$'000	Eliminations US$'000	Total US$'000
SEGMENT RESULTS	33,809	10,687		44,496
Finance costs				(29,432)
Investment income				1,885
Changes in fair value of derivative financial instruments				24,881
Share of results of associates	(2,246)	990		(1,256)
Share of results of jointly controlled entities	(102)	522		420
Profit before taxation				40,994
Income tax expense				(6,635)
Profit for the year				34,359

	Manufacturing US$'000	Logistics services US$'000	Total US$'000
BALANCE SHEET			
ASSETS			
Segment assets	840,632	58,461	899,093
Interests in associates	5,734	3,698	9,432
Interests in jointly controlled entities	10,596	12,684	23,280
Unallocated corporate assets			159,832
Consolidated total assets			1,091,637
LIABILITIES			
Segment liabilities	297,846	12,781	310,627
Unallocated corporate liabilities			425,142
Consolidated total liabilities			735,769
OTHER INFORMATION			
Additions of capital expenditure	21,642	9,961	31,603
Depreciation and amortisation	13,009	3,352	16,361
Allowance for write down of inventories	1,185	-	1,185
Allowance for bad and doubtful debts	256	-	256
Gain on disposal of property, plant and equipment	78	36	114
Gain on disposal of land use rights	-	46	46

2006	*Manufacturing US$'000*	*Logistics services US$'000*	*Eliminations US$'000*	*Total US$'000*
REVENUE				
External sales	*890,376*	*33,635*	*-*	*924,011*
Inter-segment sales	*-*	*1,182*	*(1,182)*	*-*
Total	*890,376*	*34,817*	*(1,182)*	*924,011*

Inter-segment sales are charged at prevailing market prices.

	Manufacturing US$'000	*Logistics services US$'000*	*Total US$'000*
SEGMENT RESULTS	*20,834*	*9,715*	*30,549*
Finance costs			*(17,732)*
Investment income			*1,540*
Changes in fair value of derivative financial instruments			*7,468*
Share of results of associates	*(161)*	*1,350*	*1,189*
Share of results of jointly controlled entities	*(1,239)*	*762*	*(477)*
Profit before taxation			*22,537*
Income tax expense			*(1,219)*
Profit for the year			*21,318*

	Manufacturing US$'000	*Logistics services US$'000*	*Total US$'000*
BALANCE SHEET			
ASSETS			
Segment assets	*788,930*	*47,504*	*836,434*
Interests in associates	*8,080*	*5,181*	*13,261*
Interests in jointly controlled entities	*7,233*	*12,431*	*19,664*
Unallocated corporate assets			*94,288*
Consolidated total assets			*963,647*
LIABILITIES			
Segment liabilities	*341,374*	*13,118*	*354,492*
Unallocated corporate liabilities			*339,874*
Consolidated total liabilities			*694,366*
OTHER INFORMATION			
Additions of capital expenditure	*67,684*	*4,487*	*72,171*
Depreciation and amortisation	*9,839*	*2,750*	*12,589*
Allowance for bad and doubtful debts	*20*	*-*	*20*
(Loss)gain on disposal of property, plant and equipment	*(1,093)*	*15*	*(1,078)*

Geographical segments

The Group's operations are located in Hong Kong, the People's Republic of China ("PRC") (other than Hong Kong, Macau and Taiwan), Republic of Indonesia ("Indonesia") and Thailand. The Group's manufacturing division is located in the PRC and Indonesia. Logistics services division is located in Hong Kong, the PRC and Thailand.

The following table provides an analysis of the Group's revenue by geographical market based on the location of customers, irrespective of the origin of the goods/services:

	Revenue	
	2007	*2006*
	US$'000	*US$'000*
Geographical Segments		
United States	***481,777***	*253,456*
Europe	***385,167***	*201,415*
Hong Kong	***265,900***	*159,024*
Taiwan	***103,286***	*67,889*
South Korea	***89,868***	*55,734*
PRC	***83,067***	*64,398*
Others	***136,977***	*122,095*
	1,546,042	*924,011*

The following is an analysis of the carrying amount of segment assets, and additions to property, plant and equipment, prepaid lease payments and intangible assets, analysed by the geographical area in which the assets are located:

	Carrying amount of segment assets		***Additions to property, plant and equipment, prepaid lease payments and intangible assets***	
	2007	*2006*	***2007***	*2006*
	US$'000	*US$'000*	***US$'000***	*US$'000*
PRC	***837,373***	*803,902*	***30,433***	*71,179*
Hong Kong	***50,320***	*21,195*	***1,122***	*815*
Others	***11,400***	*11,337*	***48***	*177*
	899,093	*836,434*	***31,603***	*72,171*

4. Income tax expense

Hong Kong Profits Tax has been provided for at the rate of 17.5% (2006: 17.5%) of the estimated assessable profit for the year.

Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the PRC and Indonesia in which the Group operates.

On 16th March, 2007, the People's Republic of China promulgated the Law of the People's Republic of China on Enterprise Income Tax (the "New Law") by Order No. 63 of the President of the People's Republic of China. On 6th December, 2007, the State Council of the PRC issued Implementation regulations of the New Law. The New Law and Implementation Regulations provides a five-years transitional period from its effective date for those enterprises which were established before the promulgation date of the new tax law and which were entitled to a preferential lower tax rate under the then effective tax laws or regulations. Based on new tax law, certain subsidiaries of the Group that were entitled to preferential treatment in the form of enterprise income tax reduction or exemption, but has not been profitable and, therefore, has not enjoyed such preferential treatment, would have to begin its tax holiday in the same year that the new law comes into effect. The deferred tax balance has already reflected the tax rates that are expected to apply to the respective periods when the asset is realised or the liability is settled.

	2007	2006
	US$'000	US$'000
Current tax:		
Hong Kong Profit Tax		
- Current year	***6,493***	*1,638*
Overseas taxation		
- Current year	***3,878***	*1,623*
- Prior year overprovision	***(18)***	*(306)*
	10,353	*2,955*
Deferred tax:		
Current year credit	***(1,860)***	*(1,736)*
Attributable to a change in tax rate	***(1,858)***	*-*
Income tax expense for the year	***6,635***	*1,219*

5. *Dividends*

	2007	2006
	US$'000	US$'000
Dividends recognised as distributions during the year:		
Interim in respect of current financial year, paid – HK6 cents (2006: HK4 cents) per ordinary share	***5,408***	*3,141*
Final in respect of the previous financial year, paid – HK3 cents (2006: HK9 cents) per ordinary share	***2,350***	*7,082*
	7,758	*10,223*

The final dividend of HK5 cents (2006: HK3 cents) per ordinary share, total of which equivalent to US$4,505,000 (2006: US$2,350,000), has been proposed by the Directors and is subject to approval by the shareholders in forthcoming general meeting.

6. *Earnings per share – Basic and Diluted*

The calculation of earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	2007	2006
	US$'000	US$'000
Earnings:		
Earnings for the purposes of calculating basic and diluted earnings per share	***33,994***	*18,096*
Number of shares:		
Weighted average number of ordinary shares for the purposes of calculating basic and diluted earnings per share	***632,579,828***	*611,228,760*

The computation of diluted earnings per share for 2007 does not assume the exercise of the Company's outstanding share options as the exercise price of those options is higher than the average market price for shares for the period from date of grant to 31st December, 2007.

No diluted earnings per share for 2006 was presented as the Company had no dilutive potential shares for 2006.

7. Movements in property, plant and equipment

During the year, the Group spent US$22,813,000 (2006: US$66,542,000) for constructing new production facilities and upgrading its existing manufacturing and logistics services facilities.

8. Inventories

	2007	2006
	US$'000	US$'000
Raw materials	**166,063**	149,674
Work in progress	**17,546**	16,286
Finished goods	**114,641**	74,915
	298,250	240,875

9. Trade receivables

A defined credit policy is maintained within the Group. The general credit terms are agreed with each of its trade customers depending on the relationship with the Group and the creditworthiness of the customers. The general credit term ranges from 30 days to 120 days.

The aged analysis of trade receivables net of allowance for doubtful debts, which is prepared based on invoice date of each transaction, at 31st December is as follows:

	2007	2006
	US$'000	US$'000
0 to 30 days	**84,555**	100,506
31 to 60 days	**36,799**	45,329
61 to 90 days	**19,741**	19,410
91 to 120 days	**8,553**	12,951
Over 120 days	**4,055**	1,688
	153,703	179,884

The Group assessed the credit quality of trade receivables based on historical default rates and the creditworthiness of the customers.

Included in the Group's receivable balance are debtors with aggregate carrying amount of US$20,993,000 (2006: US$27,061,000) which are past due at the reporting date for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances. The Group has assessed the creditworthiness and historical default rates of these customers, trade receivables that are past due but not impaired have very low historical default rates and have high credit-rating within the industry. In this regard, the directors of the Company considered that the default risk is low. Accordingly, no impairment has been provided.

The aged analysis, based on invoice date of each transaction, of trade receivables which are past due but not impaired is as follows:

	2007	2006
	US$'000	US$'000
31 to 60 days	**5,835**	9,819
61 to 90 days	**5,495**	5,063
91 to 120 days	**5,608**	10,515
Over 120 days	**4,055**	1,664
Total	**20,993**	27,061

10. Prepayments and other receivables

As at 31st December, 2007, the Group advanced US$112,284,000 (2006: US$105,595,000) to certain suppliers as deposits for raw material purchases.

11. Trade payables

The aged analysis of trade payables at 31st December, 2007 is as follows:

	2007	2006
	US$'000	US$'000
0 to 30 days	**61,002**	61,252
31 to 60 days	**27,042**	22,851
61 to 90 days	**19,499**	18,280
91 to 120 days	**15,850**	16,085
Over 120 days	**17,413**	12,320
	140,806	130,788

The average credit period on purchases of goods is 51 days. The group has financial risk management policies in place to ensure that all payables within the credit timeframe.

12. Bill payables

The aged analysis of bills payable at 31st December, 2007 is as follows:

	2007	2006
	US$'000	US$'000
0 to 30 days	**33,092**	61,407
31 to 60 days	**26,456**	38,777
61 to 90 days	**18,046**	22,180
91 to 120 days	**5,839**	4,708
Over 120 days	**424**	3,355
	83,857	130,427

13. Share capital

On 1st June, 2007, an ordinary resolution of the Company was passed to increase the authorised share capital of the Company from HK$75,000,000 to HK$100,000,000 by the creation of 250,000,000 new ordinary shares at HK$0.10 each. Such new shares shall rank pari passu in all respects with the existing shares of the Company.

On 8th October, 2007, 91,684,000 ordinary shares were issued at HK$4.24 per share in relation to a share placement. These shares rank pari passu with the existing shares in all respects. The net proceeds from the placement are largely intended to use for (a) the relocation and expansion of two dry freight container factories located in Xiamen and Shanghai; (b) the establishment of a new tank container factory in the PRC; and (c) the establishment of a new tank container cleaning facility in the PRC.

BUSINESS REVIEW

Although the year ended was a challenging one, the Group was able to achieve a consolidated revenue of US$1,546,042,000, which was 67.3% higher than last year. At the same time, consolidated net profit attributable to equity holders of the Company increased by 87.9% to reach US$33,994,000. Basic earnings per share were US5.37 cents, compared with US2.96 cents last year.

Manufacturing

As the foundation of the Group, the manufacturing business accounted for 97.8% of total revenue. Due to stronger container demand and higher average selling prices, revenue of this segment increased by 69.8% to reach US$1,511,902,000 (2006: US$890,376,000) for the year ended 31st December, 2007.

Total production output increased by 43.7% over 2006 to 838,638 twenty-foot equivalent units ("TEUs"), against the Group's maximum annual production capacity of 1,250,000 TEUs. Dry freight container remained the segment's principal product, with total output of 774,102 TEUs for the financial year.

The Group's three new factories at Hui Zhou, Ningbo and Tianjin have been operating satisfactorily at full-scale since started commercial operation in the second half of 2006.

The Group continued to seek opportunities in the specialised containers market in an effort to broaden its product mix to enhance its overall profitability. Accordingly, the Group began producing tank containers in Shunde in January 2007. During the year, the Group produced approximately 1,200 units of tank containers. While tank container production incurred start-up loss in 2007, its first year of production, we expect it to start generating profits for the Group in 2008.

Strong container demand (which was brought upon by delivery of more container vessels and increase in world trade especially exports from PRC) and higher material costs, particularly for Corten steel and floorboard, drove up average container selling prices. Average selling price for a 20-foot dry freight container increased to US$1,916, up from US$1,756 in 2006. This overall increase was achieved despite price competition which exerted pressure on the market for roughly two months in the second half of the year, during which a reduction in prices was experienced.

Logistics Services

As the PRC continued to experience vibrant trade with the rest of the world, container traffic increased in step with this trend. According to statistics from the Chinese Ministry of Communications, container throughput at the country's top ten container ports reported substantial growth in 2007, achieving a collective growth rate of 22% over 2006.

During the year, the Group's logistics operations, including container depots, terminals and mid-stream operation, handled a total of approximately 5,155,000 TEUs of containers, an increase of 4% over 2006. Consequently, this business segment generated total revenue of US$34,140,000, up by 1.5%. Profit before taxation and minority interests was US$12,811,000, up slightly from US$12,509,000 in 2006.

PROSPECTS

As container shipping capacity is set to increase by approximately 61% over the next four years and cargo throughput in the PRC forecasted to grow further, steady demand for new containers and logistics services is expected. Moreover, market estimates show that new container vessels with approximately 1.66 million TEUs of container capacity will be delivered to shipping companies in 2008. Demand for containers should be further bolstered as the trend towards replacing old containers is likely to accelerate from 2008 onwards.

Relocation of Xiamen Pacific Container Manufacturing Co., Ltd. and Shanghai Pacific International Container Co., Ltd. ("Shanghai Pacific") is underway and is expected to complete by mid-2009.

Keeping in mind the need to enhance the Group's product mix, the Group is planning to set up its second tank container factory in the Shanghai area. It intends to upgrade the dry freight container factory in Shanghai operated by Shanghai Pacific into producing tank containers at its new location. Upon completion of this new tank container factory, the Group will be able to produce over 10,000 units of the higher margin tank containers annually, up from the current 5,000 units.

At the same time, the Group is upgrading Shanghai Baoshan Pacific Container Co., Ltd. to increase its annual maximum production capacity from 170,000 TEUs to 200,000 TEUs. In view of rising demand for refrigerated containers, the Group has also increased the maximum annual production capacity of its refrigerated container factory from 20,000 TEUs to 33,000 TEUs with effect from February 2008.

Looking ahead, the Group will carefully assess potential acquisitions and strategic alliances as they arise, prudently exploring opportunities with long-term growth in mind.

In the short term, although market may be affected by U.S. sub prime issue, weak U.S. dollar, inflation and other negative factors that may slow down trade growth and affect some sector of the liner business, the Group is now better prepared in dealing with such short term market changes and fluctuation. The Group is still confident in the medium and long term prospects of its businesses especially with plans in place to expand its specialised containers.

DIVIDEND

The Directors proposed to pay a final dividend of HK5 cents per ordinary share (2006: HK3 cents) for the year ended 31st December, 2007 to members whose names appear on the register of members of the Company on Friday, 6th June, 2008. Together with the interim dividend of HK6 cents per ordinary share (2006: HK4 cents), total dividend for the year was HK11 cents per ordinary share (2006: HK7 cents). Subject to approval at the forthcoming annual general meeting, the proposed final dividend will be paid to shareholders on or before 31st July 2008.

The register of members of the Company will be closed from Tuesday, 3rd June, 2008 to Friday, 6th June, 2008, both days inclusive, during which period no transfer of shares will be effected.

In order to qualify for this final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrars, Computershare Hong Kong Investor Services Limited of 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration by not later than 4:30 p.m. on Monday, 2nd June, 2008.

SHARE PLACEMENT

A Placing Agreement and a Subscription Agreement were entered into on 8th October, 2007.

Under the terms of the Placing Agreement, a total of 91,684,000 existing shares held originally by Pacific International Lines (Private) Limited ("PIL"), the controlling and substantial shareholder of the Company, as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules"), was placed to independent placees at the price of HK$4.24 per share ("Placing Price"). Pursuant to the Subscription Agreement, PIL subscribed for 91,684,000 new shares ("New Shares") issued by the Company at HK$4.14 per share, arrived at the equivalent of the Placing Price net of expenses related to the Placing.

Immediately after the completion of the Placing and Subscription, the issued share capital of the Company was enlarged by the allotment of the New Shares. As a result, PIL's shareholding interest in the Company at that time was diluted from approximately 49.95% to 43.44% of the issued share capital.

The net proceeds from the completion of the Placing and Subscription were approximately HK$379.1 million (or equivalent to approximately US$48.8 million). It is the intention of the Directors to use the net proceeds largely for (a) the relocation and expansion of two dry freight container factories located in Xiamen and Shanghai; (b) the establishment of a new tank container factory in the PRC; and (c) the establishment of a new tank container cleaning facility in the PRC.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including a review of the annual financial statements for the year ended 31st December, 2007 ("Annual Report"). During the year under review, the Committee met three times.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company's listed securities during the year.

TRANSFER TO RESERVES

Pursuant to the legal requirements in the PRC and the appropriation agreed in the subsidiaries, associates and jointly controlled entities, aggregate amounts of US$3,154,000 and US$298,000 have been transferred to general reserve and development reserve of the Group, respectively during the year.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERANCE PRACTICES

During the financial year under review, the Company has fully complied with all the applicable principles of the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules. Having made specific enquiry of the Directors, all of the Directors have complied with, for any part of the accounting period covered by this Annual Report, the required standard set out in the Model Code and its code of conduct regarding directors' securities transaction.

On Behalf of the Board
Chang Yun Chung
Chairman

Hong Kong, 8th April, 2008

The Directors as at the date of this announcement are Mr. Chang Yun Chung (also known as Mr. Teo Woon Tiong), Mr. Teo Siong Seng, Mr. Hsueh Chao En, Mr. Jin Xu Chu and Mr. Teo Tiou Seng as executive Directors, Mr. Kuan Kim Kin as non-executive Director and Mr. Ngan Man Kit, Alexander, Mr. Ong Ka Thai and Mr. Soh Kim Soon as independent non-executive Directors.