



WLS Holdings Limited

滙隆控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8021)

Third Quarterly Report 2012/2013

* *For identification purpose only*

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors of the issuer collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the issuer. The directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

The Board of Directors (the “Board”) of the Company is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (together the “Group”) for the three months and the nine months ended 31 January 2013 together with the comparative unaudited figures for the corresponding periods in 2012 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months and nine months ended 31 January 2013

	Notes	Three months ended 31 January		Nine months ended 31 January	
		2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000
Turnover	3	38,870	28,226	107,562	85,178
Cost of sales		(33,027)	(23,350)	(89,699)	(69,838)
Gross profit		5,843	4,876	17,863	15,340
Other income		239	420	1,196	1,218
Increase in fair value of investment properties		–	–	3,300	–
Operating expenses		(3,393)	(3,034)	(14,619)	(10,770)
Finance costs		(480)	(502)	(1,198)	(1,458)
Profit before taxation		2,209	1,760	6,542	4,330
Taxation	4	(441)	(289)	(1,931)	(720)
Profit for the period		1,768	1,471	4,611	3,610
Other comprehensive income, net of tax		–	–	–	–
Total comprehensive income for the period		1,768	1,471	4,611	3,610
Attributable to:					
Equity holders of the Company		1,805	1,392	4,782	4,059
Non-controlling interests		(37)	79	(171)	(449)
		1,768	1,471	4,611	3,610
Dividend	5	–	–	–	–
Earnings per share – basic	6	HK0.16 cent	HK0.12 cent	HK0.43 cent	HK0.36 cent

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 31 January 2013

	Attributable to equity holders of the Company								Total
	Share capital	Share premium	Merger reserve	Share option reserve	Warrant reserve	Retained profits/(Accumulated losses)	Non-controlling interests	Total	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 May 2011 (As previously reported)	9,989	98,008	2,222	8,834	120	(2,642)	116,531	(3,043)	113,488
Change in accounting policy – Adoption of HKAS 12 amendment (See Note 2)	–	–	–	–	–	1,436	1,436	–	1,436
At 1 May 2011 (Restated)	9,989	98,008	2,222	8,834	120	(1,206)	117,967	(3,043)	114,924
Total comprehensive income for the period	–	–	–	–	–	4,059	4,059	(449)	3,610
Placing of shares	1,184	21,071	–	–	–	–	22,255	–	22,255
Exercise of share options	25	295	–	–	–	–	320	–	320
At 31 January 2012 (Unaudited)	<u>11,198</u>	<u>119,374</u>	<u>2,222</u>	<u>8,834</u>	<u>120</u>	<u>2,853</u>	<u>144,601</u>	<u>(3,492)</u>	<u>141,109</u>
At 1 May 2012 (As previously reported)	11,198	119,374	2,222	7,668	–	4,113	144,575	(6,000)	138,575
Change in accounting policy – Adoption of HKAS 12 amendment (See Note 2)	–	–	–	–	–	3,202	3,202	–	3,202
At 1 May 2012 (Restated)	11,198	119,374	2,222	7,668	–	7,315	147,777	(6,000)	141,777
Total comprehensive income for the period	–	–	–	–	–	4,782	4,782	(171)	4,611
Issue of warrants	–	–	–	–	200	–	200	–	200
At 31 January 2013 (Unaudited)	<u>11,198</u>	<u>119,374</u>	<u>2,222</u>	<u>7,668</u>	<u>200</u>	<u>12,097</u>	<u>152,759</u>	<u>(6,171)</u>	<u>146,588</u>

Notes:

1. The merger reserve of the Group represents the difference between the nominal amount of the share capital issued by the Company in exchange for the nominal value for the issued share capital of the subsidiaries acquired pursuant to the Group's reorganisation on 23 November 2001.
2. The share option reserve of the Group represents the fair value of share options granted to the directors and employees of the Company at the relevant grant dates.

1. Basis of preparation

The unaudited consolidated financial results have been prepared in accordance with Hong Kong Accounting Standards (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

2. Principal accounting policies

The unaudited consolidated financial statements have been prepared on the historical cost basis except for certain properties which are measured at fair values.

The accounting policies and method of computation used in the preparation of unaudited consolidated financial statements are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 30 April 2012, except as described below.

The Group has adopted and applied, for the first time, the following new standards or interpretations issued by HKICPA that have been issued and effective for the financial year beginning 1 May 2012:

HKAS 12 Amendment	Deferred Tax: Recovery of Underlying Assets
HKFRS 1 Amendment	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
HKFRS 7 Amendment	Disclosures: Transfers of Financial Assets

Except for the impacts of the new and revised HKFRSs described below, the application of the other new and revised HKFRSs had no effect on the condensed consolidated financial information for the current or prior accounting periods.

Amendment to HKAS 12 “Income Taxes” – Deferred Tax: Recovery of Underlying Assets

The Group has applied the amendment to HKAS 12 entitled “Deferred Tax: Recovery of Underlying Assets”. Under the amendment, investment properties that are measured using the fair value model in accordance with HKAS 40 “Investment Property” are presumed to be recovered through sale for the purpose of measuring deferred taxes unless the presumption is rebutted.

In December 2010, the HKICPA amended HKAS 12, “Income Taxes”, to introduce an exception to the principle for the measurement of deferred tax assets or liabilities arising on an investment property measured at fair value. HKAS 12 requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. The amendment introduces a rebuttable presumption that an investment property measured at fair value is recovered entirely by sale. The amendment is applicable retrospectively to annual periods beginning on or after 1 January 2012 with early adoption permitted.

The Group has adopted this amendment retrospectively for the financial period ended 31 January 2013 and the effects of adoption are disclosed as follows:

The Group has investment properties measured at their fair values totalling HK\$29,340,000 as of 1 May 2012. As required by the amendment, the Group has re-measured the deferred tax relating to certain investment properties according to the tax consequence on the presumption that they are recovered entirely by sale retrospectively. The figures of the unaudited consolidated statement of changes in equity as at 1 May 2012 have been restated to reflect the change in accounting policy, as summarised below:

Effect on unaudited consolidated statement of financial position

	31 January 2013 <i>HK\$'000</i>	1 May 2012 <i>HK\$'000</i>
Decrease in deferred tax liabilities	–	3,202
Increase in retained earnings	–	3,202
	<u> </u>	<u> </u>

Effect on unaudited consolidated statement of comprehensive income

	Nine months ended 31 January	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Decrease in taxation	–	–
Increase in profit attributable to equity holders of the Company	–	–
Increase in basic earnings per share (“EPS”)	–	–
	<u> </u>	<u> </u>

The Group has not early applied the following new standards or interpretations that have been issued but are not yet effective, the Company is still not in the position to estimate the impact that may arise from the application of these new standards and interpretations.

HKAS 1 Amendment	Presentation of Items of Other Comprehensive Income
HKAS 19 (2011)	Employee Benefits
HKAS 27 (2011)	Separate Financial Statements
HKAS 28 (2011)	Investments in Associates and Joint Ventures
HKAS 32 Amendment	Presentation-Offsetting Financial Assets and Financial Liabilities
HKFRS 1 Amendment	Government Loans
HKFRS 7 Amendment	Disclosures-Offsetting Financial Assets and Financial Liabilities
HKFRS 9	Financial Instruments
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HK(IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine

The preparation of unaudited consolidated financial information in conformity with Hong Kong Financial Reporting Standards issued by HKICPA requires the use of certain critical estimates. It also requires directors to exercise judgement in the process of applying the Company’s accounting policies. The areas involving a high degree of judgement, assumptions and estimates are significant to the unaudited consolidated financial information. These unaudited consolidated financial information should be read in conjunction with the 2012 annual consolidated financial statements.

3. Turnover

	Three months ended 31 January		Nine months ended 31 January	
	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000
Contract revenue in respect of construction and building works for the provision of				
– scaffolding service	36,664	24,921	102,090	76,401
– fitting out service	23	852	1,214	2,356
Management contracting service	–	–	–	20
Gondolas, access equipment, parapet railing installation and maintenance services	2,183	2,453	4,258	6,401
	<u>38,870</u>	<u>28,226</u>	<u>107,562</u>	<u>85,178</u>

4. Taxation

Taxation comprises:

	Three months ended 31 January		Nine months ended 31 January	
	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000
Hong Kong Profits Tax				
– current period	(441)	(286)	(1,916)	(834)
Macau Complementary Tax				
– current period	–	(3)	–	114
	<u>(441)</u>	<u>(289)</u>	<u>(1,916)</u>	<u>(720)</u>
Deferred tax – current period	–	–	(15)	–
	<u>(441)</u>	<u>(289)</u>	<u>(1,931)</u>	<u>(720)</u>

Hong Kong Profits Tax was provided at the rate of 16.5% for the 9 months ended 31 January 2013 and 31 January 2012 on the estimated assessable profit arising in or derived from Hong Kong.

No Macau Complementary Tax has been provided as the Group had no assessable profits subject to such tax for the nine months ended 31 January 2013.

Deferred tax was provided at the rate of 16.5% for the nine months ended 31 January 2013 on the tax effect arising from timing differences on accelerated tax depreciation which is expected to crystallise in the foreseeable future.

5. Dividend

The Board does not recommend the payment of an interim dividend for the nine months ended 31 January 2013 (nine months ended 31 January 2012: Nil).

6. Earnings per share

The calculation of the basic earnings per share is based on the unaudited net profit attributable to equity holders of the Group for the respective three months and nine months ended 31 January 2013 amounting to approximately HK\$1,805,000 and approximately HK\$4,782,000 respectively (unaudited net profit attributable to equity holders of the Group for the respective three months and nine months ended 31 January 2012 amounting to approximately HK\$1,392,000 and approximately HK\$4,059,000 respectively) and the weighted average number of 1,119,762,693 ordinary shares and 1,119,762,693 ordinary shares for the respective periods (three months and nine months ended 31 January 2012: 1,119,762,693 shares and 1,111,577,113 shares respectively).

No diluted earnings per share have been presented for both periods as the Company had no dilutive potential shares outstanding during both periods.

MANAGEMENT DISCUSSION AND ANALYSIS

Business review and outlook

For the nine months ended 31 January 2013, the turnover of the Group amounted to approximately HK\$107,562,000, representing an increase of about 26% as compared with that of the corresponding period in 2012. Net profit attributable to equity holders of the Company for the nine months ended 31 January 2013 was approximately HK\$4,782,000, representing an increase of approximately 18% as compared with that of the corresponding period in 2012.

During the period under review, the business operations of the scaffolding division continued to experience severe competition from competitors. Nevertheless, the scaffolding division received an increased number of invitations to tender its services for real estate development projects as well as large-scale infra-structure projects such as the Kai Tak Cruise Terminal Development and the West Kowloon Terminal (South) of the Express Rail Link. During the nine months ended 31 January 2013, the scaffolding division was awarded 6 new works contracts for the provision of scaffolding services. As for the other contracts on hand, the most notable ones are the provision of scaffolding services to Science Park (Phase 3) and to the Mass Transit Railway Ocean Park Station and Wong Chuk Hang Station together with the construction site in CDA 15, Yuen Long. Such scaffolding projects all proceeded according to plan.

In respect of the operating results of the fitting out business division, a contract for the supply and installation of aluminium ceiling and cladding to a residential development in Ha Yau Tin in Yuen Long was secured. Concurrently, the two projects in Century Gateway (Phase 2) in Tuen Mun and in The Wings, Tseung Kwan O respectively proceeded according to plan during the period under review.

In regard to the access equipment division, the contract for the supply and installation of building maintenance units to the University Station of the Mass Transit Railway Corporation proceeded according to plan during the period under review. In addition, the Group's fleet of temporary gondolas attained nearly full utilization. The management of the Group predicted the continued boom in the rental market for temporary gondolas would further boost the operating results of the access equipment division. Furthermore, the rental operations of scissor lifts also attained a satisfactory rate of utilization and constituted additional cash flow to the Group.

In respect of the international business division, the works contract for the design, supply and installation of building maintenance units to Parcels 5 and 6 of the Venetian in Macau was completed during the period under review.

During the period under review, the management of the Group is committed to vigilant cost control in all operating units. By undertaking stringent budget control and in view of the current increased number infrastructure and real estate development projects in Hong Kong, our management is of the opinion that the Group's business is in the right track and would improve steadily in the ensuing reporting periods.

Financial Review

For the three months and nine months ended 31 January 2013, the Group's revenue amounted to approximately HK\$38,870,000 and HK\$107,562,000 respectively. These represent an increase of about 38% and about 26% respectively as compared with the corresponding periods in the last financial year. This increase in revenue is largely attributable to the award of certain sizeable works contracts such as CDA 15, Yuen Long in respect of the scaffolding division.

Gross profit of the Group increased from approximately HK\$15,340,000 to approximately HK\$17,863,000 during the period under review. This resulted mainly from the combined factors of increased turnover and a higher profit margin due to increased use of the newly launched Pik Lik scaffolding system and lower operating expenses. Concurrently, the Group's ongoing policy of stringent cost control continued in place across all operating units.

Due to business expansion and diversification, operating expenses had increased from approximately HK\$10,770,000 to approximately HK\$14,619,000. It was due to provision for doubtful debts amounting to approximately \$3,596,000 during the period under review. Finance costs decreased from approximately HK\$1,458,000 to approximately HK\$1,198,000.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 January 2013, the interests and short positions of the Directors of the Company in shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Long positions in shares

Shares

Name of director	Number of ordinary shares held		Percentage of the issued share capital of the Company
	Personal interest	Family interest	
Dr. So Yu Shing	324,310,000	115,720,000	39.30%
Ms. Lai Yuen Mei, Rebecca	115,720,000	324,310,000	39.30%
Mr. Woo Siu Lun	20,290,000	–	1.81%
Mr. Kong Kam Wang	7,145,000	–	0.64%
Mr. So Wang Bon, Edward	5,849,901	–	0.52%

Ms. Lai Yuen Mei, Rebecca is the spouse of Dr. So Yu Shing.

Long positions in underlying shares

The following table discloses details of movements in respect of the Company's share options during the period:

Name of director	Date granted	Exercisable period (Both dates inclusive)	Exercise price <i>HK\$</i>	Outstanding at 1.5.2012	Granted during the period	Exercised during the period	Lapsed during the period	Outstanding at 31.01.2013
Dr. So Yu Shing	8 October 2007	15 April 2008 to 14 April 2014	0.60	2,800,000	–	–	–	2,800,000
	17 October 2011	1 November 2011 to 31 October 2012	0.091	2,000,000	–	–	2,000,000	–
	9 November 2012	23 November 2012 to 22 November 2014	0.061	–	8,300,000	–	–	8,300,000
Ms. Lai Yuen Mei, Rebecca	8 October 2007	15 April 2008 to 14 April 2014	0.60	2,800,000	–	–	–	2,800,000
	17 October 2011	1 November 2011 to 31 October 2012	0.091	2,000,000	–	–	2,000,000	–
	9 November 2012	23 November 2012 to 22 November 2014	0.061	–	8,300,000	–	–	8,300,000
Mr. Woo Siu Lun	8 October 2007	15 April 2008 to 14 April 2014	0.60	5,800,000	–	–	–	5,800,000
	2 May 2008	9 November 2008 to 8 November 2014	0.217	1,400,000	–	–	–	1,400,000
	17 October 2011	1 November 2011 to 31 October 2012	0.091	2,000,000	–	–	2,000,000	–
	9 November 2012	23 November 2012 to 22 November 2014	0.061	–	3,900,000	–	–	3,900,000

Name of director	Date granted	Exercisable period (Both dates inclusive)	Exercise price HK\$	Outstanding at 1.5.2012	Granted during the period	Exercised during the period	Lapsed during the period	Outstanding at 31.01.2013
Mr. Kong Kam Wang	8 October 2007	15 April 2008 to 14 April 2014	0.60	4,300,000	–	–	–	4,300,000
	2 May 2008	9 November 2008 to 8 November 2014	0.217	2,900,000	–	–	–	2,900,000
	17 October 2011	1 November 2011 to 31 October 2012	0.091	2,000,000	–	–	2,000,000	–
	9 November 2012	23 November 2012 to 22 November 2014	0.061	–	3,900,000	–	–	3,900,000
Mr. So Wang Bon, Edward	8 October 2007	15 April 2008 to 14 April 2014	0.60	5,800,000	–	–	–	5,800,000
	2 May 2008	9 November 2008 to 8 November 2014	0.217	1,400,000	–	–	–	1,400,000
	17 October 2011	1 November 2011 to 31 October 2012	0.091	2,000,000	–	–	2,000,000	–
	9 November 2012	23 November 2012 to 22 November 2014	0.061	–	3,900,000	–	–	3,900,000
Mr. Yu Yeung Hoi, Stephen	17 October 2011	1 November 2011 to 31 October 2012	0.091	2,000,000	–	–	2,000,000	–
	9 November 2012	23 November 2012 to 22 November 2014	0.061	–	2,000,000	–	–	2,000,000
Mr. Yeung Po Chin	9 November 2012	23 November 2012 to 22 November 2014	0.061	–	2,000,000	–	–	2,000,000
Mr. Lam Kwok Wing	9 November 2012	23 November 2012 to 22 November 2014	0.061	–	2,000,000	–	–	2,000,000
Dr. Fung Ka Shuen	9 November 2012	23 November 2012 to 22 November 2014	0.061	–	2,000,000	–	–	2,000,000
				39,200,000	36,300,000	–	12,000,000	63,500,000
				39,200,000	36,300,000	–	12,000,000	63,500,000

Save as disclosed above, as at 31 January 2013, none of the Directors or their associates (including the chief executive) of the Company had any interests or short positions in shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they have taken or deemed to have taken under such provisions of the SFO), or which were required pursuant to Section 352 of the SFO to be entered in the register referred to therein, or which were required by the GEM Listing Rules to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 January 2013, the persons who have interests and short positions in shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO or have otherwise notified to the Company were as follows:

Long positions in shares

Name of substantial shareholders	Number of ordinary shares held
Dr. So Yu Shing	324,310,000
Ms. Lai Yuen Mei, Rebecca	115,720,000
China Mineral United Holdings Limited (<i>Note 1</i>)	35,080,000
Ms. Zhang Hailan (<i>Note 2</i>)	48,130,000

Note:

1. China Mineral United Holdings Limited, a company incorporated in the British Virgin Islands, is 100% beneficially owned by Mr. Zheng Zhi. As such, Mr. Zheng Zhi is also deemed to be the beneficial owner of 35,080,000 ordinary shares of the Company. Together with the 48,130,000 ordinary shares of the Company held by Ms. Zhang Hailan, the spouse of Mr. Zheng Zhi, Mr. Zheng Zhi is deemed to have interest in a total of 83,210,000 ordinary shares of the Company and hence a substantial shareholder of the Company.
2. 48,130,000 ordinary shares of the Company are held by Ms. Zhang Hailan. Together with the 35,080,000 ordinary shares of the Company held by Mr. Zheng Zhi, the spouse of Ms. Zhang Hailan, via China Mineral United Holdings Limited, Ms. Zhang Hailan is deemed to have interests in a total of 83,210,000 ordinary shares of the Company and hence a substantial shareholder of the Company.

Save as disclosed above, as at 31 January 2013, the Company has not been notified of any other person (other than a Director of the Company) having an interest or short position in shares and underlying shares of the Company representing 5% or more of the issued share capital of the Company.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed above, at no time during the period was the Company or its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the directors or their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the period.

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

During the nine months ended 31 January 2013, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE

During the period, the Company has applied the principles of the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 15 of the GEM Listing Rules. A report on the principal corporate governance practices adopted by the Company is set out in 2012 annual report of the Company.

COMPETING INTERESTS

None of the directors or the management shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) had any business which competed or might compete with the business of the Group.

AUDIT COMMITTEE

The Company has established an audit committee on 9 November 2001 with written terms of reference in compliance with the GEM Listing Rules. The audit committee has three members, namely Mr. Yeung Po Chin, Mr. Lam Kwok Wing and Dr. Fung Ka Shuen, all being independent non-executive directors. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Group and to review the Company's annual reports and accounts, and half yearly and quarterly reports.

The Group's unaudited consolidated results for the nine months ended 31 January 2013 have been reviewed by the audit committee which was of the opinion that the results complied with applicable accounting standards, the GEM Listing Rules and legal requirements and that adequate disclosure had been made.

As at the date of this report, the Board comprises Dr. So Yu Shing (Chairman and Executive Director), Mr. Kong Kam Wang (Executive Director and Chief Executive Officer), Ms. Lai Yuen Mei, Rebecca (Executive Director), Mr. Woo Siu Lun (Executive Director), Mr. So Wang Bon, Edward (Executive Director), Mr. Yu Yeung Hoi, Stephen (Executive Director), Mr. Yeung Po Chin (Independent Non-executive Director), Mr. Lam Kwok Wing (Independent Non-executive Director) and Dr. Fung Ka Shuen (Independent Non-executive Director).

By order of the Board
So Yu Shing
Chairman

Hong Kong, 11 March 2013