



Galileo Capital Group Limited Listed on The Stock Exchange of Hong Kong

20

Half-Yearly Report  
2004



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

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. 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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspaper. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

*Pursuant to Chapter 36 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”), the Securities and Futures Commission (the “SFC”) regulates the Company in relation to the listing of its shares on the Stock Exchange. The SFC and the Stock Exchange take no responsibility for the contents of this report, makes no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.*

*This report, for which the directors of the Company (the “Directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this report is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

## 2

### FINANCIAL SUMMARY

- Turnover of the Group was HK\$220,000 for the six months ended 30 September 2004, representing a decrease of approximately 41% from the corresponding period in the previous fiscal year.
- For the six months ended 30 September 2004, gross profit of the Group was HK\$130,000 as compared to the gross loss of HK\$455,924 recorded in the corresponding period last year.
- Net loss of the Group for the six months ended 30 September 2004 amounted to approximately HK\$1.56 million as compared to approximately HK\$2.44 million for the corresponding period in the previous fiscal year.
- Loss per share of the Group for the six months ended 30 September 2004 is HK0.19 cents.
- The Board of the Company does not recommend the payment of an interim dividend for the six months ended 30 September 2004.

## CONSOLIDATED HALF-YEARLY RESULTS FOR 2004 (UNAUDITED)

The Board of Directors (the "Board") of Galileo Capital Group Limited (formerly known as "Galileo Capital Holdings Limited") (the "Company") would like to announce the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the three months and six months ended 30 September 2004 respectively together with the comparative unaudited figures for the corresponding periods in 2003 as follows:

### Unaudited Consolidated Profit and Loss Account

For the three months and six months ended 30 September 2004

	Notes	For the three months ended 30 September		For the six months ended 30 September	
		2004 HK\$ Unaudited	2003 HK\$ Unaudited	2004 HK\$ Unaudited	2003 HK\$ Unaudited
Turnover	2	100,000	113,333	220,000	370,522
Cost of services provided		(30,000)	(366,455)	(90,000)	(826,446)
Gross profit/(loss)		70,000	(253,122)	130,000	(455,924)
Other operating income		4,805	39,470	10,525	99,661
Administrative and general expenses		(949,522)	(927,145)	(1,669,627)	(2,029,425)
Other operating expenses		-	(7,810)	(30,213)	(7,810)
Loss from operations	4	(874,717)	(1,148,607)	(1,559,315)	(2,393,498)
Finance costs		-	(21,831)	-	(47,705)
Loss before taxation		(874,717)	(1,170,438)	(1,559,315)	(2,441,203)
Taxation	5	-	-	-	-
Net loss from ordinary activities attributable to shareholders		(874,717)	(1,170,438)	(1,559,315)	(2,441,203)
Loss per share					
Basic	6	HK(0.11 cents)	HK(0.15 cents)	HK(0.19 cents)	HK(0.31 cents)
Diluted	6	N/A	N/A	N/A	N/A

## 4 Unaudited Consolidated Balance Sheet

As at 30 September 2004

	Notes	At 30 September 2004 HK\$ Unaudited	At 31 March 2004 HK\$ Audited
<b>NON-CURRENT ASSET</b>			
Property, plant and equipment	9	837,067	926,621
<b>CURRENT ASSETS</b>			
Trade receivables	10	150,736	620,000
Prepayments, deposits and other receivables		148,639	129,743
Bank balances and cash		792,486	1,885,294
		<b>1,091,861</b>	2,635,037
<b>CURRENT LIABILITIES</b>			
Accruals and other payables		67,003	813,163
Unsecured bank overdrafts		–	5,702
		<b>67,003</b>	818,865
<b>NET CURRENT ASSETS</b>		<b>1,024,858</b>	1,816,172
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>1,861,925</b>	2,742,793
<b>NON-CURRENT LIABILITY</b>			
Amount due to a director	11	2,079,625	1,401,178
		<b>(217,700)</b>	1,341,615
<b>CAPITAL AND RESERVES</b>			
Share capital	12	16,000,000	16,000,000
Reserves		(16,217,700)	(14,658,385)
		<b>(217,700)</b>	1,341,615

**Unaudited Consolidated Statement of Changes in Equity***For the six months ended 30 September 2004*

	Share capital HK\$	Share premium HK\$	Merger deficit HK\$ (note)	Accumulated losses HK\$	Total HK\$
At 1 April 2003	16,000,000	8,095,956	(119,998)	(20,251,475)	3,724,483
Loss for the period	-	-	-	(2,441,203)	(2,441,203)
At 30 September 2003	16,000,000	8,095,956	(119,998)	(22,692,678)	1,283,280
At 1 April 2004	16,000,000	8,095,956	(119,998)	(22,634,343)	1,341,615
Loss for the period	-	-	-	(1,559,315)	(1,559,315)
At 30 September 2004	16,000,000	8,095,956	(119,998)	(24,193,658)	(217,700)

Note: The merger deficit of the Group represents the difference between the nominal value of the shares of acquired subsidiaries over the nominal value of the share capital of the Company issued in exchange therefor.

## 6

**Unaudited Condensed Consolidated Cash Flow Statement***For the six months ended 30 September 2004*

	<b>For the six months ended</b>	
	<b>2004</b>	2003
	<i>HK\$</i>	<i>HK\$</i>
	<b>Unaudited</b>	Unaudited
Net cash used in operating activities	<b>(1,746,979)</b>	(2,122,006)
Net cash used in investing activities	<b>(18,574)</b>	(19,233)
Net cash from/(used in) financing activities	<b>678,447</b>	(313,279)
Decrease in cash and cash equivalents	<b>(1,087,106)</b>	(2,454,518)
Cash and cash equivalents at the beginning of the period	<b>1,879,592</b>	4,259,194
Cash and cash equivalents at the end of the period	<b>792,486</b>	1,804,676
Analysis of the balances of cash and cash equivalents		
Bank balances and cash	<b>792,486</b>	1,804,676

## Notes to the Unaudited Consolidated Financial Results

### 1. Basis of preparation

These financial statements have been prepared in accordance with the accounting principles generally accepted in Hong Kong and the accounting standards issued by the Hong Kong Institute of Certified Public Accountants. They have been prepared under the historical cost convention.

### 2. Turnover

Service incomes are recognized on an accrual basis when services are rendered or on success basis depending on the terms of the underlying agreements and mandates.

### 3. Segment information

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segments; and (ii) on a secondary segment reporting basis, by geographical segment.

The Group's operating businesses are structured and managed separately, according to the nature of their operations and services they provide. Each of the Group's business segments represents a strategic business unit that offers services which are subject to risks and returns that are different from those of other business segments. Summary of the business segments is as follows:

- (a) the business brokerage and fund raising services segment provides services in connection with middle market mergers and acquisitions, and fund raising activities; and
- (b) the business consultancy services segment provides services to assist clients on various business or management issues.

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.



(a) *Business segments*

The following table presents revenue and loss for the Group's business segments.

	<u>Business brokerage and fund raising services</u>		<u>Business consultancy services</u>		<u>Total</u>	
	<u>for the six months ended 30 September</u>					
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Turnover – external	–	317,000	<b>220,000</b>	53,522	<b>220,000</b>	370,522
Segment results	–	(1,945,839)	<b>(1,328,195)</b>	(328,534)	<b>(1,328,195)</b>	(2,274,373)
Other operating incomes					<b>10,525</b>	99,661
Unallocated expenses					<b>(241,645)</b>	(266,491)
Loss for the period					<b>(1,559,315)</b>	(2,441,203)

Analyses of the assets and liabilities of the business segments have not been prepared as most of the Group's assets and liabilities are unallocated. Accordingly, the directors consider that such information is not meaningful or representative for the purpose of the financial statements.

(b) *Geographical segments*

The following table presents revenue and certain asset and expenditure information for the Group's geographical segments.

	<u>Hong Kong</u>		<u>Mainland China</u>		<u>Total</u>	
	<u>for the six months ended 30 September</u>					
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Turnover – external	<b>220,000</b>	140,000	–	230,522	<b>220,000</b>	370,522
Other segment information:						
Segment assets	<b>837,067</b>	531,005	–	178,848	<b>837,067</b>	709,853
Capital expenditure	<b>22,574</b>	1,908	–	22,810	<b>22,574</b>	24,718

#### 4. Loss from operations

Loss from operations is determined after charging/(crediting) the following:

	For the three months ended		For the six months ended	
	30 September		30 September	
	2004	2003	2004	2003
	HK\$	HK\$	HK\$	HK\$
Cost of services provided	<b>30,000</b>	366,455	<b>90,000</b>	826,446
Depreciation	<b>53,009</b>	112,735	<b>106,079</b>	232,945
Operating lease rentals in respect of land and buildings	<b>172,002</b>	152,205	<b>343,993</b>	394,598
Pension contributions (excluding directors' remuneration)	<b>11,413</b>	19,444	<b>25,718</b>	42,224
Staff costs (excluding directors' remuneration)	<b>270,893</b>	525,253	<b>529,083</b>	1,107,166
Loss on disposal of property, plant and equipment	–	–	<b>2,050</b>	28,308
Exchange losses, net	–	12,811	<b>60</b>	13,525
Interest income	–	(2,247)	–	(6,496)

#### 5. Taxation

Hong Kong profits tax has not been provided for the three months and six months ended 30 September 2004 and the corresponding period in 2003 as the Group did not generate any assessable profits in Hong Kong during these periods. No provision for overseas income tax has been provided for the three months and six months ended 30 September 2004 and the corresponding periods in 2003 as the Group did not generate any assessable profits in other jurisdictions during these periods.

As at 30 September 2004, there were no significant deferred tax liabilities for which a recognition or provision would have been required (2003: Nil).

**6. Loss per share**

The calculation of basic loss per share for the three months and six months ended 30 September 2004 are based on the respective net loss attributable to shareholders of HK\$874,717 and HK\$1,559,315 respectively and the number of 800,000,000 ordinary shares of the Company in issue throughout the respective period. The basic loss per share in respect of the three months and six months ended 30 September 2003 are based on the respective net loss attributable to shareholders of HK\$1,170,438 and HK\$2,441,203 respectively and the number of 800,000,000 ordinary shares of the Company in issue during the respective period. Diluted loss per share for the three months and six months ended 30 September 2004 are not presented as the potential ordinary shares outstanding had an anti-dilutive effect on the basic loss per share for both periods.

**7. Reserves**

There was no movement in reserves, other than accumulated losses, for the three months and six months ended 30 September 2004 respectively.

**8. Interim dividend**

The directors do not recommend the payment of an interim dividend for the three months and six months ended 30 September 2004 respectively (2003: Nil).

**9. Property, plant and equipment**

During the six month period, the Group spent HK\$22,574 on and disposed of HK\$6,540 worth of property, plant and equipment.

## 10. Trade receivables

The general credit term is seven days from the date of issue of payment invoice and the Group also offers extended credit terms to certain customers with reference to their respective financial background, reputation and credit worthiness.

An analysis of the trade receivables is as follows:

	<b>As at 30 September 2004 HK\$</b>	As at 31 March 2004 HK\$
Within 90 days	<b>100,736</b>	620,000
91 - 120 days	<b>50,000</b>	–
	<b>150,736</b>	620,000

## 11. Amount due to a director

The amount due to an executive director is unsecured and carries interest at 1.5% per annum. However, interest for the six months ended 30 September 2004 is waived by the director. In the opinion of Directors, the amount will not be repayable within twelve months from the balance sheet date. Accordingly, the amount is classified as non-current liability.

## 12. Share capital

	<b>30 September 2004 and 31 March 2004</b>	
	<b>Number of shares HK\$</b>	<b>Amount HK\$</b>
Authorised:		
Ordinary shares of HK\$0.02 each	6,000,000,000	120,000,000
Issued and fully paid or credited as fully paid		
Ordinary shares of HK\$0.02 each	800,000,000	16,000,000

## 12 MANAGEMENT DISCUSSION AND ANALYSIS

### Review of Financial Performance

For the six months ended 30 September 2004, the Group recorded a turnover of HK\$220,000, representing a decrease of approximately 41% lower than what was recorded in the corresponding period in the previous year. The decrease is mainly due to a longer lead period for a number of major deals which were due for completion later in the fiscal year. As pointed out in the last quarterly report, the new management has continued its prudent policy on income recognition. In the six months under review, only a small portion of the income was reported.

Both the cost of services provided and the administrative and general expenses items continued their downward trend because of the effective cost control measures adopted by senior management earlier in the year. Overall, the Group's net loss for the six months under review was approximately HK\$1.56 million as compared to HK\$2.44 million for the corresponding period last year. The loss per share was HK0.19 cents, an improvement from the corresponding period last year of HK0.31 cents.

The Group's financial position remained comfortable with nearly HK\$800,000 in bank and cash balances and no outstanding secured borrowing, mortgage or charge as at 30 September 2004.

### Business Review

The Group has concentrated on maintaining a lean cost structure until the income stream from our business activities start picking up later on in the year. At the same time, we continued to diversify our services offered to clients in the Greater China area.

### Prospects

China's economy has been responding to the government's austerity measures on economy. It is still too early to assess their efforts as a resounding success with uncertain factors such as the rising oil prices and interest rates lurking in the horizon. However, the Group is cautiously optimistic about the medium term prospects in the business we are pursuing as there are unmistakable signs of improvement in the global economy which augur well for the region.

The Group expects to see a growing need for fund-raising and financial advisory activities emanating from Chinese state and private enterprises. With the advantage of proximity and cultural affinity, Hong Kong is poised to benefit from the rising demand for professional services to mainland companies seeking capital abroad. Since there is intense competition among financial institutions and investment banks based in the Special Administrative Zone for tapping into the PRC markets, the Group would spare no effort in positioning itself as the financial services provider of choice and would hope to deliver better return to our shareholders by the end of the fiscal year.

### **Liquidity, Charge of Group Assets and Financial Resources**

Despite the unaudited net loss of approximately HK\$1,559,000 for the six months ended 30 September 2004, the Group continued to be in a healthy liquidity position. As at 30 September 2004, the Group had approximately HK\$800,000 bank and cash balances, representing a decline from approximately HK\$1,885,000 as at 31 March 2004, primarily due to the loss incurred during the period under review. The Group does not have any borrowing except for advances from an executive director which amounted to approximately HK\$2,080,000. The Group did not have any outstanding secured borrowing, mortgage or charge as at 30 September 2004.

### **Contingent Liabilities**

The Group had no material contingent liabilities as at 30 September 2004.

### **Foreign Exchange Exposure**

Most of the trading transactions, assets and liabilities of the Group were denominated in Hong Kong dollars. As at 30 September 2004, the Group had no significant exposures under foreign exchange contracts, interest, currency swaps or other financial derivatives.

### **Employee Information**

As at 30 September 2004, the Group employed 17 full time staff. Staff costs, excluding directors' emoluments were HK\$579,083 for the six months ended 30 September 2004. The Group's remuneration policy for senior executives is basically performance-linked. Staff benefits, including medical coverage and mandatory provident funds are also provided to employees where appropriate.

## 14 Appointment of Independent Non-Executive Director and Resignation of Executive Director

During the period under review, Mr. Chow Cheuk Lap was appointed as an independent non-executive Director and a member of the audit committee of the Company with effect from 27 August 2004. Mr. Pong Wai Yan, Louis resigned as an executive Director on 1 September 2004.

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARE CAPITAL

As at 30 September 2004, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meanings of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company under section 352 of the SFO, or as required, pursuant to Rules 5.46 to 5.66 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Long positions in the shares of the Company

Name of Director	Nature of interests	Number of ordinary shares held	Capacity	Percentage of issued shares
Mr. Liu Ka Lim	Corporate (Note)	584,400,000	Interest of a controlled corporation	73.05%

Note: These ordinary shares are held by Link Wise Investments Limited, the entire issued share capital of which is registered in the name of and is beneficially owned by Huge Profit Team Limited. Mr. Liu Ka Lim is the sole beneficial owner of Huge Profit Team Limited.

## Share Options

The Company has adopted a share option scheme (the "Scheme") pursuant to which the eligible participants (including any employee and any executive director of the Company or any of its subsidiaries, who has full time employment with the Company or any such subsidiary at the time) may be granted an option to subscribe for shares of the Company. The Scheme will remain in force for a period of 10 years from 29 November 2000.

The exercise period of the share options granted is determined by the Directors, and commences after a certain vesting period and ends on a date which is not later than 10 years from the respective date when the share options are granted, subject to the provisions for early terminations thereof.

In respect of the share options to be granted after the listing of the Company's shares on the GEM of the Stock Exchange, the subscription price will be a price determined by the directors, but may not be less than the highest of the closing price of the shares on the GEM of the Stock Exchange on the date of grant of the particular option or the average of the closing prices of the shares on the GEM of the Stock Exchange for the five trading days immediately preceding the date of the offer of grant of the particular option or the nominal value of a share.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

During the year ended 31 March 2004, all share option holders agreed to cancel their outstanding options at a nominal consideration pursuant to an offer made by Link Wise Investments Limited, the current immediate holding company of the Company.

No share option was granted or exercised during the six months ended 30 September 2004 (As at 30 September 2003, there were a total of 13,000,000 of share options outstanding). As at 30 September 2004, there was no share option outstanding under the Scheme. The Company does not have any other share option scheme.

Save as disclosed above, during the six months ended 30 September 2004, none of the directors or chief executive of the Company has any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.66 of the GEM Listing Rules.



## 16 DIRECTORS' RIGHT TO ACQUIRE SHARES

At no time during the period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company or other body corporate granted to any directors or their respective associates, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries a party to any arrangement to enable the directors, their respective associates to acquire such rights in any other body corporate.

## SUBSTANTIAL SHAREHOLDERS AND DISCLOSURE UNDER THE SFO

So far as is known to any directors or chief executives of the Company, as at 30 September 2004, the following person or corporations had equity interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of Part XV of the SFO and/or were directly or indirectly interested in 5% or more of the issued share capital carrying rights to vote in all circumstances at general meetings of the Company:

### *Long positions in the shares of the Company*

<b>Name of Shareholders</b>	<b>Nature of interests</b>	<b>Number of ordinary shares held</b>	<b>Capacity</b>	<b>Percentage of issued shares</b>
Liu Ka Lim ( <i>Note 1</i> )	Corporate	584,400,000	Interest of a controlled corporation	73.05%
Huge Profit Team Limited ( <i>Note 2</i> )	Corporate	584,400,000	Interest of a controlled corporation	73.05%
Link Wise Investments Limited ( <i>Note 3</i> )	Corporate	584,400,000	Beneficial owner	73.05%

*Notes:*

1. Mr. Liu Ka Lim is deemed, by virtue of the SFO, to be interested in these shares as the entire issued share capital of Huge Profit Team Limited is registered in the name of and is beneficially owned by Mr. Liu Ka Lim.
2. Huge Profit Team Limited is deemed, by virtue of the SFO, to be interested in these shares as the entire issued share capital of Link Wise Investments Limited is registered in the name of and is beneficially owned by Huge Profit Team Limited.
3. These shares are held by Link Wise Investments Limited, the entire issued share capital of which is registered in the name of and is beneficially owned by Huge Profit Team Limited.

Saved as disclosed above, as at 30 September 2004, the Company had not been notified of any other relevant interests or short positions in the shares or underlying shares in the Company as recorded in the register required to be kept by the Company under section 336 of Part XV of the SFO.

## **COMPETITION AND CONFLICT OF INTERESTS**

None of the directors, the management shareholders or the substantial shareholders of the Company, or any of their respective associates (as defined in the GEM Listing Rules), has engaged in any business that competes or may compete with the business of the Group or has any other conflict of interests with the Group.

## **AUDIT COMMITTEE**

The Company set up an audit committee (the "Committee") on 29 November 2000 with written terms of reference in compliance with the GEM Listing Rules for the purpose of reviewing and providing supervision over the financial reporting process and internal controls of the Group. During the period under review, the Committee comprised three members, Mr. Shum Kai Wing, Mr. Wong Yuk Man Edmand, and Mr. Chow Cheuk Lap, the independent non-executive Directors and Mr. Shum Kai Wing was appointed the chairman of the Committee. The results for the six months ended 30 September 2004 had been reviewed by the Committee.

## **BOARD PRACTICES AND PROCEDURES**

The Company had complied with the board practices and procedures as set out in Rules 5.34 to 5.45 of the GEM Listing Rules during the period under review.

## 18 CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

During the interim period, the Company continued to adopt a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company had also made specific enquiry of all Directors and the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by the Directors.

### **PURCHASE, REDEMPTION OR SALE OF SHARES**

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's shares during the period under review.

### **CHANGE OF COMPANY NAME**

At the Annual General Meeting of the Company held on 23 July 2004, the special resolution in respect of the change of the Company's name from "Galileo Capital Holdings Limited 嘉利盈融資控股有限公司" to "Galileo Capital Group Limited 嘉利盈融資集團有限公司" was duly approved by the shareholders of the Company. In this connection, the Registrar of Companies in the Cayman Islands issued a Certificate of Incorporation on Change of Name dated 5 August 2004 and the Registrar of Companies in Hong Kong issued a Certificate of Registration on Change of Name of Oversea Company dated 8 September 2004.

### **DIRECTORS OF THE COMPANY**

As at the date of this report, the three executive Directors of the Company are Mr. Liu Ka Lim, Mr. Kan Siu Lun and Mr. Sun Wai Tat, Victor; and three independent non-executive Directors of the Company are Mr. Shum Kai Wing, Mr. Wong Yuk Man, Edmand and Mr. Chow Cheuk Lap.

By order of the Board  
**Galileo Capital Group Limited**  
**Liu Ka Lim**  
*Chairman*

Hong Kong, 8 November 2004