



## **THE STOCK EXCHANGE OF HONG KONG LIMITED**

(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

11 July 2006

**The GEM Listing Committee of The Stock Exchange of Hong Kong Limited (the “GEM Listing Committee”) censures Asian Information Resources (Holdings) Limited (the “Company”) for breaching the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”).**

**Further, the GEM Listing Committee criticises the following parties for breaching the GEM Listing Rules:**

- 1. Mr Xie Xuan, an executive director of the Company (“Mr Xie”); and**
- 2. Mr Ho Wing Yiu, an executive director of the Company (“Mr Ho”).**

On 25 April 2006, the GEM Listing Committee conducted a hearing into the conduct of the Company, Mr Xie and Mr Ho (collectively, the “Directors”) in respect of the obligations under Rules 18.03, 18.48A, 18.49, 18.53, 18.66, 18.78 and 18.79 of the GEM Listing Rules and the Undertaking given by each of the Directors to the Exchange in the form set out in Appendix 6A to the GEM Listing Rules (the “Director’s Undertaking”).

### **Relevant Provisions of the GEM Listing Rules:**

The Company is required under:

- Rules 18.03, 18.48A and 18.49 of the GEM Listing Rules to publish its annual results and annual report and despatch its annual report within three months of its financial year end;
- Rules 18.53 and 18.78 of the GEM Listing Rules to publish its interim results and interim report within 45 days of the end of its first six month period of each financial year; and
- Rules 18.66 and 18.79 of the GEM Listing Rules to publish its quarterly results and quarterly report within 45 days after the end of its first three and nine month periods of each financial year.

**Facts:**

The annual results and the annual report of the Company for the year ended 31 December 2004 should have been published and despatched on or before 31 March 2005. However, the annual results were not published until 23 December 2005.

The quarterly results and the quarterly report for the three months ended 31 March 2005 should have been published on or before 15 May 2005. However, the quarterly results were not published until 1 March 2006.

The interim results and the interim report for the six months ended 30 June 2005 should have been published on or before 14 August 2005. However, the interim results were not published until 1 March 2006.

The quarterly results and the quarterly report for the three months ended 30 September 2005 should have been published on or before 14 November 2005. However, the quarterly results were not published until 1 March 2006.

The Listing Division alleged that the Company breached Rules 18.03, 18.48A, 18.49, 18.53, 18.66, 18.78 and 18.79 of the GEM Listing Rules. The Company admitted breaching the said provisions of the GEM Listing Rules.

**Decision:**

The GEM Listing Committee concluded that:

1. The Company breached Rules 18.03, 18.48A, 18.49, 18.53, 18.66, 18.78 and 18.79 of the GEM Listing Rules; and
2. Each of the Directors breached his obligations under the Director's Undertaking to use his best endeavours to procure the Company's compliance with the GEM Listing Rules.

The GEM Listing Committee decided to impose the following sanctions on the parties:

- a public censure on the Company for the said breaches; and
- a public statement which involves criticism on each of the Directors for their respective breaches of the Director's Undertaking.

Head of Listing, Richard Williams said, "The rules relating to the timing of publication of interim and annual financial statements are clear and unambiguous. They have also been the subject of a large number of disciplinary actions resulting in public sanctions being imposed on listed issuers and their management. This case again demonstrates the importance attached by the Stock Exchange to the preparation and timely publication of the financial statements of issuers.

The substantial delay in the publication of the 2004 audited annual accounts resulted in the further delays to the publication of the subsequent three sets of results which fell due during the course of 2005. The breach is serious in that shareholders have been deprived of timely receipt of financial results of the listed issuer for a considerable period. The extended delay also necessitated suspension of trading of the shares of the issuer for a prolonged period whilst the results remained outstanding.

The Stock Exchange has consistently taken and will continue to take disciplinary action against listed issuers and directors for failure to comply with this basic disclosure obligation.”