



A P T U S

# APTUS HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

Stock code: 8212

## THIRD QUARTERLY REPORT 2006/2007



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

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*This report, for which the board of directors of Aptus Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange 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.*

## RESULTS

The board of directors (the “**Board**”) of Aptus Holdings Limited (the “**Company**” or “**Aptus**”) herein presents the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the three months and nine months ended 31 March 2007 together with the comparative unaudited figures for the corresponding periods in 2006 as follows:

	<i>Notes</i>	<b>(Unaudited)</b> <b>Three months ended</b> <b>31 March</b>		<b>(Unaudited)</b> <b>Nine months ended</b> <b>31 March</b>	
		<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
REVENUE	(2)	<b>13,290</b>	7,573	<b>30,721</b>	20,350
Cost of sales		<b>(12,560)</b>	(7,451)	<b>(29,619)</b>	(19,802)
Gross profit		<b>730</b>	122	<b>1,102</b>	548
Other revenue		<b>18</b>	9	<b>352</b>	72
Selling and distribution costs		<b>(90)</b>	(20)	<b>(265)</b>	(276)
Administrative expenses		<b>(19,828)</b>	(6,890)	<b>(73,502)</b>	(12,728)
Finance costs		<b>(7,978)</b>	(855)	<b>(12,068)</b>	(875)
LOSS BEFORE TAXATION		<b>(27,148)</b>	(7,634)	<b>(84,381)</b>	(13,259)
Income tax expenses	(3)	–	–	<b>(3)</b>	(19)
<b>NET LOSS FOR THE PERIOD</b>		<b>(27,148)</b>	(7,634)	<b>(84,384)</b>	(13,278)
NET LOSS ATTRIBUTABLE TO:					
Equity holders of the Company		<b>(27,157)</b>	(7,621)	<b>(84,285)</b>	(13,226)
Minority interests		<b>9</b>	(13)	<b>(99)</b>	(52)
		<b>(27,148)</b>	(7,634)	<b>(84,384)</b>	(13,278)
LOSS PER SHARE	(5)				
Basic ( <i>HK cents</i> )		<b>(1.623)</b>	(0.462)	<b>(5.047)</b>	(0.827)
Diluted ( <i>HK cents</i> )		<b>(1.533)</b>	(0.429)	<b>(4.748)</b>	(0.753)

*Notes:*

## **1. BASIS OF PREPARATION AND ACCOUNTING POLICIES**

The unaudited consolidated results have been prepared in accordance with accounting principles generally accepted in Hong Kong which include Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations 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 GEM of the Stock Exchange (the "GEM Listing Rules").

The unaudited consolidated results have been prepared under historical cost convention and the accounting policies adopted in preparing these unaudited consolidated results are consistent with those followed in the Company's annual audited consolidated financial statements for the year ended 30 June 2006.

In February 2007, the Group obtained certificates of approval for the Company's investment in Changde Huayou Gas Co. Ltd and Hunan Huayou Natural Gas Transportation & Distribution Company Limited (hereinafter collectively referred to as the "Hunan Joint Ventures") and updated business licenses of the Hunan Joint Ventures. The Hunan Joint Ventures are treated as jointly-controlled entities of the Group.

The Group's interests in its jointly-controlled entities are accounted for by proportionate consolidation from the date on which joint control over the jointly-controlled entities is established, which includes recognising in the consolidated results a proportionate share of each of the jointly-controlled entity's income and expenses with similar items on a line-by-line basis.

All significant intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full.

The acquisition of jointly-controlled entities during the nine months ended 31 March 2007 has been accounted for using the purchase method of accounting. This method involves allocating the cost of the business combinations to the fair value of the assets acquired, and liabilities and contingent liabilities assumed at the date of acquisition. The cost of the acquisition is measured at the aggregate of the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

## **2. REVENUE**

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts and sales related taxes.

Revenue from gas supply is recognised when gas is used.

Gas transportation revenue and gas connection fee income are recognised when the corresponding services are performed.

Sales of edible oil products are recognised when goods are delivered and title has been passed.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

### **3. INCOME TAX EXPENSES**

No Hong Kong Profits Tax has been provided for the nine months ended 31 March 2007 (nine months ended 31 March 2006: Nil) as the Group did not generate any assessable profits in Hong Kong during the period. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The potential deferred tax asset has not been recognised in the financial statements as the probability that future taxable profit will be available against which the temporary differences can be utilised in the foreseeable future is uncertain.

### **4. DIVIDEND**

The Board does not recommend the payment of any dividend for the nine months ended 31 March 2007 (nine months ended 31 March 2006: Nil).

### **5. LOSS PER SHARE**

The calculation of basic loss per share is based on the unaudited net loss attributable to equity holders for the three months and nine months ended 31 March 2007 of approximately HK\$27,157,000 and HK\$84,285,000, respectively (three months and nine months ended 31 March 2006: approximately HK\$7,621,000 and HK\$13,226,000, respectively) and the weighted average number of approximately 1,673,021,000 and 1,669,956,000 (three months and nine months ended 31 March 2006: approximately 1,648,844,000 and 1,598,399,000, respectively) ordinary shares, respectively in issue.

The calculation of the diluted loss per share is based on the unaudited net loss attributable to equity holders for the three months and nine months ended 31 March 2007 of approximately HK\$27,157,000 and HK\$84,285,000 respectively (three months and nine months ended 31 March 2006: approximately HK\$7,621,000 and HK\$13,226,000, respectively) and the weighted average number of approximately 1,771,796,000 and 1,775,146,000 (three months and nine months ended 31 March 2006: approximately 1,775,246,000 and 1,755,953,000, respectively) ordinary shares, respectively in issue.

**6. MOVEMENT OF RESERVES**

	Share premium account <i>HK\$'000</i>	Capital reserve <i>HK\$'000</i>	Equity component of convertible bonds <i>HK\$'000</i>	Share option reserve <i>HK\$'000</i>	Translation reserve <i>HK\$'000</i>	Accumulated losses <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 July 2006	88,096	15,826	-	23,207	339	(114,725)	12,743
Issue of shares	1,661	-	-	-	-	-	1,661
Issue of convertible bonds	-	-	10,712	-	-	-	10,712
Recognition of equity-settled share based payment	-	-	-	46,291	-	-	46,291
Exchange differences arising from translation of financial statements of overseas operation	-	-	-	-	2,856	-	2,856
Net loss for the period	-	-	-	-	-	(84,285)	(84,285)
At 31 March 2007	89,757	15,826	10,712	69,498	3,195	(199,010)	(10,022)
At 1 July 2005	55,408	15,826	-	-	7	(73,888)	(2,647)
Issue of shares	31,247	-	-	-	-	-	31,247
Recognition of equity-settled share based payment	-	-	-	3,755	-	-	3,755
Exchange differences arising from translation of financial statements of overseas operation	-	-	-	-	(69)	-	(69)
Net loss for the period	-	-	-	-	-	(13,226)	(13,226)
At 31 March 2006	86,655	15,826	-	3,755	(62)	(87,114)	19,060

## MANAGEMENT DISCUSSION AND ANALYSIS

Aptus Holdings Limited is engaged in the trading of edible oil and oilfield mining and is now also engaged in the natural gas business in China. In this quarter, the Group completed the investment in the Hunan Joint Ventures, the principal businesses of which are provision of a gas transportation services via the Changsha to Changde provincial level pipeline to city gas level distributors along the pipeline and the operation of a city level natural gas distribution project in Changde City, Hunan Province, the PRC. The Hunan Joint Ventures are treated as jointly controlled entities of the Group and thus the two ventures' accounts can be consolidated into our accounts on a proportional basis rather than just equity accounted.

## FINANCIAL REVIEW

For the nine months ended 31 March 2007, the Group recorded an unaudited consolidated turnover of approximately HK\$30.7 million, which represented an increase of approximately 50.5% as compared to approximately HK\$20.4 million for the nine months ended 31 March 2006. Of the HK\$10.3 million in additional turnover, the Group's sales of edible oil products increased by approximately HK\$6.3 million as compared to the previous corresponding period. The balance of the increase was due to the maiden contribution from our attributable share of turnover from the Hunan Joint Ventures in this quarter of approximately HK\$4.0 million.

The gross profit for the nine months ended 31 March 2007 increased by 101% to approximately HK\$1.1 million. HK\$0.6 million of the gross profit was generated by our gas sector operations and HK\$0.5 million was generated by our trading of edible oil products operations. Overall, gross margin increased to approximately 3.6% for the nine months ended 31 March 2007 from approximately 2.7% previously, thanks to the inclusion of the new gas operations. Gross margin for the trading of edible oil products for the nine months ended 31 March 2007 was approximately 1.9% against 2.7% previously. The lower gross margins here were due to the low-price strategy adopted by the Group in reaction to tough market conditions. This, however, was more than offset by the 15% gross profit margin being achieved by our new gas operations resulting in an overall higher gross margin for the fiscal year to date.

Net loss for the period under review increased by approximately 5.3 times to HK\$84.4 million from HK\$13.3 million previously. The bulk of the increase in net loss can be explained as follows: (i) share option expenses of approximately HK\$46.3 million; (ii) professional fee for issue of convertible bonds of approximately HK\$12 million; and (iii) imputed finance cost for convertible bonds of approximately HK\$9.6 million. During the first three quarters of the previous fiscal year, share option expenses were only approximately HK\$3.8 million and the convertible bonds were not yet issued. Factoring out the HK\$42.5 million in additional share option expenses, HK\$21.6 million in convertible bond associated expenses and imputed finance cost and the additional HK\$2.9 million in expenses associated with the proportional consolidation of the two new gas ventures, the operating and interest expenses of Aptus increased by just HK\$5.0 million for the 9 month period to 31 March 2007 to HK\$15.1 million.

Factoring out the additional share option expenses, convertible bond associated expenses and imputed finance cost and the additional HK\$2.3 million in attributable net losses from the two new gas operations, the net loss at the Aptus level would have been just HK\$14.2 million against HK\$9.5 million previously.

## **BUSINESS REVIEW**

Operationally, the results continue to predominantly reflect the trading of edible oil products since the Group's investment in the Hunan Joint Ventures for participating in gas business in the PRC were only completed in February 2007. Further, whilst drilling at the Group's Xin Jiang Oilfield has been in progress, the commercial production of crude has not yet commenced as at 31 March 2007.

The edible oil operations' revenue in the first three quarters of fiscal 2006/2007 was up significantly but gross margin decreased (as outlined in Financial Review above) due to continuing difficult business conditions.

As the Hunan Joint Ventures were only completed in February 2007, the Group's share of turnover for this quarter was just approximately HK\$4 million with gross margin 15% (as outlined in Financial Review). Further, as Hunan Huayou Natural Gas Transportation & Distribution Gas Co. Ltd., one of Hunan Joint Ventures, commenced business in late 2006, its operating scale was still minimal in this quarter. As a result, only a minimal turnover contribution from this joint venture was reflected in the Group's accounts.

On the oil side, we have been working hard with China Hua You Group Corporation ("Hua You"), a wholly-owned subsidiary of China National Petroleum Corporation, to bring onstream production at Xin Jiang Oilfield, an oilfield development project in Feng Cheng, Xin Jiang in the PRC in which Aptus has a 70% stake. At the time of writing this quarterly report, in tests crude has flowed successfully from wells. The Company's management will continue to work towards bringing on crude production soon.

## **FUTURE OUTLOOK AND PROSPECTS**

The short term objective of the Group is to bring on commercial production at Xin Jiang Oilfield and expand the operating scale of the Hunan Joint Ventures.

Commercial production at Xin Jiang Oilfield is planned to commence within this fiscal year enabling the Group to capitalize on the current strong demand and pricing environment for crude thereby enhancing our profitability and operational cash flow. As the Hunan Joint Ventures have already commenced commercial operation, it is Aptus management's target to expand the operating scale of the Hunan Joint Ventures to take advantage of fast growing industrial and residential demand in Hunan Province of the PRC.



The longer term objective of management is to develop Aptus Holdings Limited into a diversified oil and gas company with the acquisition of Xin Jiang Oilfield and the Hunan Joint Ventures representing a good start to this process. In addition to developing the assets we have on hand, we intend to explore more business opportunities in the oil and gas related industries in China and also look to continue strengthening our working relationship with Hua You and look for further opportunities in which we can cooperate.

## **DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION**

As at 31 March 2007, the interests of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation (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 (including interests or short positions which they have taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

### **(1) Long positions in the ordinary shares of the Company**

Name of director	Personal interest	Number of ordinary shares held		Total interest	Percentage of the Company's issued share capital
		Corporate interest	Under share option scheme		
Madam Cheung Kwai Lan	-	971,746,428	-	971,746,428	57.71
		(Note)			

*Note:* These shares are owned by Precise Result Profits Limited ("Precise"), which is an indirect wholly-owned subsidiary of China Vanguard Group Limited ("China Vanguard"). Accordingly, Madam Cheung Kwai Lan is deemed to be interested in the shares of the Company under SFO for her controlling interests in Best Frontier Investments Limited, which owns approximately 38.64% of the issued share capital of China Vanguard.

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## (2) Share option scheme

The Company currently operates a share option scheme (the “Scheme”), which is adopted on 13 May 2002, for the purpose of providing incentives and rewards to the eligible participants who, in the sole discretion of the Board, have contributed or may contribute to the Group.

Pursuant to the Scheme, the Board may, at their discretion, grant share options (the “Options”) to eligible participants who, in the sole discretion of the Board, have contributed or may contribute to the Group. The Scheme became effective on 14 May 2002 and will remain in force for ten years from that date.

As at 31 March 2007, all the Options previously granted to the Directors had been cancelled and none of the Directors had outstanding Options of the Company.

Save as disclosed above, as at 31 March 2007, none of the Directors or chief executives of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporation (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 were taken or deemed to have 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, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

## ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed in the section headed “Directors’ and chief executives’ interests in the shares, underlying shares and debentures of the Company or any associated corporation” above, at no time during the period was the Company or any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors and chief executives of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any body corporate, and none of the Directors and chief executives 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.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 31 March 2007, so far as is known to the Directors and the chief executives of the Company, the interests and short positions of the persons or corporations in the shares or underlying shares of the Company which have been disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

### Long Positions in Shares of the Company

Name of shareholders	Capacity	Number of ordinary shares held	Number of (under equity derivatives of the Company)	Aggregate long position	Percentage of shareholding
Precise (Note 1)	Directly held	971,746,428	–	971,746,428	57.71
China Success Enterprises Limited (Notes 1 and 2)	Held by controlled corporations	971,746,428	–	971,746,428	57.71
China Vanguard (Notes 1 and 3)	Held by controlled corporations	971,746,428	–	971,746,428	57.71
Best Frontier Investments Limited (Notes 1 and 4)	Held by controlled corporations	971,746,428	–	971,746,428	57.71
Cheung Kwai Lan (Notes 1 and 5)	Beneficial owner, held by controlled corporations	971,746,428	–	971,746,428	57.71
Chan Tung Mei (Notes 1 and 6)	Beneficial owner, held by controlled corporations	971,746,428	–	971,746,428	57.71
Evolution Master Fund, Ltd. SPC, Segregated Portfolio M ("Evolution M Fund") (Notes 7 and 8)	Beneficial owner	57,210,000	97,500,000	154,710,000	9.19
Evolution Capital Management, LLC (Notes 7, 8 and 9)	Investment manager	57,210,000	97,500,000	154,710,000	9.19

## Short Positions in Underlying Shares of the Company

Name of shareholders	Capacity	Number of underlying shares	Percentage of shareholding
Evolution M Fund ( <i>Note 8</i> )	Beneficial owner	48,750,000	2.90
Evolution Capital Management, LLC ( <i>Notes 8 and 9</i> )	Investment manager	48,750,000	2.90

### Notes:

- As further detailed in note 8 below, 48,750,000 shares of the Company, which were included in 971,746,428 shares as at 31 March 2007, were lent to Evolution M Fund.
- Precise is a wholly owned subsidiary of China Success Enterprises Limited. The shares referred to herein related to the same parcel of shares held by Precise.
- China Success Enterprises Limited is a wholly owned subsidiary of China Vanguard. The shares referred to herein related to the same parcel of shares held by Precise.
- As at 31 March 2007, Best Frontier Investments Limited is interested in approximately 38.64% of the issued share capital of China Vanguard. The shares referred to herein related to the same parcel of shares held by Precise.
- Madam Cheung Kwai Lan and Mr. Chan Tung Mei have equity interests of 99.89% and 0.11%, respectively of the issued share capital of Best Frontier Investments Limited. Madam Cheung Kwai Lan is the spouse of Mr. Chan Tung Mei. Accordingly, Madam Cheung Kwai Lan is deemed to be interested in the shares under SFO. The shares referred to herein relate to the same parcel of shares held by Precise.
- Madam Cheung Kwai Lan and Mr. Chan Tung Mei have equity interests of 99.89% and 0.11%, respectively of the issued share capital of Best Frontier Investments Limited. Mr. Chan Tung Mei is the spouse of Madam Cheung Kwai Lan. Accordingly, Mr. Chan Tung Mei is deemed to be interested in the shares under SFO. The shares referred to herein relate to the same parcel of shares held by Precise.
- On 7 November 2006, Evolution M Fund entered into an agreement with the Company to subscribe convertible bonds in the aggregate principal amount of HK\$234,000,000 of the Company, which were then issued to Evolution M Fund on 22 November 2006. Assuming the convertible bonds are fully converted into the Company's shares at the initial conversion price of HK\$2.40 each, the convertible bonds will be converted into 97,500,000 shares of the Company. As at 31 March 2007, the outstanding principal amount of the convertible bonds were HK\$234,000,000.
- As a condition precedent to the issue of the convertible bonds, China Vanguard entered into a stock lending agreement with Evolution M Fund, pursuant to which China Vanguard agrees to lend to Evolution M Fund up to 48,750,000 shares of the Company (the "Borrowed Shares"). Evolution M Fund exercised its right under the stock lending agreement and China Vanguard lent 48,750,000 shares of the Company to Evolution M Fund on 7 March 2007. As at 31 March 2007, Evolution M Fund held 8,460,000 ordinary shares of the Company and 48,750,000 Borrowed Shares of the Company, totaling 57,210,000 shares of the Company.
- As the investment manager of Evolution M Fund, Evolution Capital Management, LLC is deemed to be interested in the aggregated long and short positions in the shares and underlying shares of the Company held by Evolution M Fund.

Save as disclosed above, as at 31 March 2007, so far as is known to the Directors and the chief executives of the Company, no other person has interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporation which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept by the Company under section 336 of the SFO, or, were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company.

## **COMPETING INTEREST**

As at 31 March 2007, so far as the Directors were aware, none of the Directors or employees of the Company nor their respective associates had any business or interest that competed or might compete with the business of the Group or any other conflicts of interest with the Group.

## **CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the code of conduct for securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, the Company was not aware of any non-compliance with the required standard as set out in the code of conduct regarding securities transactions by Directors.

## **PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

During the nine months ended 31 March 2007, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

## AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference based upon the guidelines published by the HKICPA and the mandatory provisions set out in the Code on Corporate Governance Practices in the Appendix 15 of the GEM Listing Rules. The primary duties of the audit committee are to review the Company's annual report and accounts, half-year reports and quarterly reports and to provide advice and comments thereon to the Board. The audit committee is also responsible for reviewing and supervising the Company's financial reporting and internal control procedures. The audit committee consisted of three independent non-executive Directors, namely Mr. Tian He Nian, Mr. Zhao Zhi Ming and Mr. To Yan Ming, Edmond. Mr. To Yan Ming, Edmond is the chairman of the audit committee. The Group's unaudited results for the three months and nine months ended 31 March 2007 have been reviewed by the audit committee which was of the opinion that the preparation of such results complied with applicable accounting standards and requirements and that adequate disclosures had been made.

By Order of the Board

**CHAN Ting**

*Director*

Hong Kong, 15 May 2007

*As at the date of this report, the board of directors of the Company comprises three executive directors, being Madam Cheung Kwai Lan, Mr. Chan Ting and Mr. Fung King Him, Daniel and three independent non-executive directors, being Mr. Tian He Nian, Mr. Zhao Zhi Ming and Mr. To Yan Ming, Edmond.*