



Honbridge Holdings Limited
洪橋集團有限公司

Formerly known as "Jessica Publications Limited"
(Stock Code : 8137)

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This Report, for which the directors (the “Directors”) of Honbridge Holdings Limited (the “Company”) 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 (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: (i) the information contained in this Report is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this Report misleading; and (iii) 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.

UNAUDITED CONSOLIDATED QUARTERLY RESULTS

The board of directors (the “Board”) of the Company hereby announces the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the three months ended 31 March 2008, together with the comparative unaudited figures for the corresponding period in 2007, as follows:

CONSOLIDATED INCOME STATEMENT – UNAUDITED

	<i>Notes</i>	Three months ended	
		31 March	
		2008	2007
		HK\$'000	HK\$'000
Revenue	2	4,260	16,157
Direct operating expenses		(3,690)	(11,815)
Other operating income		–	35
Selling and distribution costs		(2,202)	(4,101)
Administrative expenses		(4,425)	(1,319)
Other operating expenses		–	(117)
Loss before income tax	3	(6,057)	(1,160)
Income tax expense	5	–	–
Loss for the period		(6,057)	(1,160)
Attributable to:			
Equity holders of the Company		(6,057)	(1,160)
Basic loss per share for loss attributable to the equity holders of the Company during the period	7	HK(0.18) cent	HK(0.23) cent

Notes:

1 BASIS OF PRESENTATION

The unaudited consolidated financial statements for the three months ended 31 March 2008 has not been audited by the Company's auditors but has been reviewed by the Company's audit committee.

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants, the disclosure requirements of the Hong Kong Companies Ordinance and the GEM Listing Rules.

These quarterly financial statements should be read, where relevant, in conjunction with the 2007 annual report.

The accounting policies and methods of computation used in the preparation of these financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2007.

2 REVENUE

Revenue, which is also the Group's turnover, represents the income generated from the publication of magazines.

3 LOSS BEFORE INCOME TAX

During the three months ended 31 March 2008, loss before income tax is arrived at after charging depreciation of approximately HK\$24,000 (three months ended 31 March 2007: HK\$78,000) in respect of the Group's property, plant and equipment.

4 SEGMENT INFORMATION

(a) Geographical segments

An analysis of the Group's revenue and profit (loss) by geographical location* are as follows:

	Revenue		Profit (Loss)	
	Three months ended 31 March		Three months ended 31 March	
	2008	2007	2008	2007
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Hong Kong Special Administrative Region ("Hong Kong")	4,260	14,945	(6,057)	737
Other regions of the People's Republic of China (the "PRC")	—	1,212	—	(1,897)
	<u>4,260</u>	<u>16,157</u>	<u>(6,057)</u>	<u>(1,160)</u>

* Revenue and profit (loss) by geographical location is determined on the basis of the destination of delivery of magazines and publication of advertisements.

(b) Business segments

The Group's revenue and results are substantially derived from the magazine publishing and advertising business. Accordingly, no analysis by business segment is presented.

5 INCOME TAX EXPENSE

No Hong Kong profits tax was provided as the Group had no estimated assessable profit arising in or derived from Hong Kong during the three months ended 31 March 2008 (three months ended 31 March 2007: Nil). The PRC enterprise income tax is calculated at the rates prevailing in the relevant region.

6 DIVIDEND

The Board has resolved not to declare the payment of an interim dividend for the three months ended 31 March 2008 (three months ended 31 March 2007: Nil).

7 LOSS PER SHARE

The calculation of basic loss per share for the three months ended 31 March 2008 is based on the loss attributable to the equity holders of the Company of HK\$6,057,000 (three months ended 31 March 2007: HK\$1,160,000) and on 3,412,719,716 shares in issue (three months ended 31 March 2007: 506,639,716 shares).

No diluted loss per share for the three months ended 31 March 2008 and 31 March 2007 have been presented because the outstanding share options had an anti-dilutive effect.

8 MOVEMENT OF RESERVES

There is no movement of the reserves of the Group except the loss for the period.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND STRATEGY

For the period under review, the Group's publication business recorded turnover of HK\$4.3 million which is wholly derived in Hong Kong. Loss for the period was HK\$6.1 million compared to a loss of HK\$1.2 million in the same period last year. Disregard the share based payment of share options issued to employees amounting to HK\$1.7 million recognised during the period, actual loss before share based payment for the period of the Group should be HK\$4.4 million.

The Group has disposed its loss-making PRC magazine publication business in 2006. Reduction in revenue and the increase in loss for the period as compared to last year are mainly attributable to the increasing market competitiveness in the publication business and the disposal of PRC and Hong Kong versions of 《旭茉JESSICA》 magazine.

During the first quarter of the year, the Group has made remarkable achievement in developing new business and has entered into a Letter of Intent with an independent third party for the acquisition of 60% equity interest of a company engaged in the production and sales of highly purified silicon and research and development of solar grade silicon. The formal agreement was signed on 8 April 2008.

LIQUIDITY AND FINANCIAL RESOURCES

During the three months ended 31 March 2008, the Group's operation was mainly financed by the internal financial resources of the Group.

As at 31 March 2008, the Group had net current assets of HK\$26.9 million (31 December 2007: HK\$31.1 million). The current assets comprised bank balances and cash of HK\$32.9 million and trade and other receivables of HK\$4.4 million. The current liabilities comprised trade payables, other payables, accrued expenses and receipts in advance of HK\$9.5 million and amount due to a related company of HK\$0.9 million.

As at 31 March 2008, the gearing ratio of the Group which is measured by bank borrowings to total equity remained zero.

SUBSEQUENT EVENTS

On 8 April 2008, the Company entered into a share transfer agreement with an independent third party to acquire 20% of the existing issued share capital (10% of the enlarged issued share capital) of Divine Mission Holdings Limited (“Divine Mission”) for a consideration of US\$1,000,000 (equivalent to approximately HK\$7,780,000).

On 8 April 2008, the Company entered into a subscription agreement with Divine Mission to subscribe for 50% of the enlarged issued share capital of Divine Mission for a consideration of US\$8,000,000 (equivalent to approximately HK\$62,240,000).

The above share transfer agreement and subscription agreement are subject to the approval by the shareholders of the Company at an extraordinary general meeting to be held on 20 May 2008. Upon completion of the share transfer and share subscription, Divine Mission will become a 60% subsidiary of the Company.

Divine Mission is a company incorporated in the British Virgin Islands holding 100% equity interests of 濟寧凱倫光伏材料有限公司 (“Kailun PV (Jining)”). Kailun PV (Jining) is a sino-foreign investment enterprise established in Jining, Shandong, PRC and is engaged in the production and sales of highly purified silicon and research and development in the production of solar grade silicon.

Details of the share transfer and share subscription have been disclosed in the circular of the Company dated 2 May 2008.

PROSPECTS

In the opinion of the Board, the publication business is difficult to expand in a large scale. As such, apart from continuing our exertions on improving the existing magazine publication business, the Group is trying to seek for appropriate investment opportunities in the areas of energy and resources in order to develop and expand the scope of the Group’s business.

The Company has entered into an agreement to acquire a 60% equity interest of Kailun PV (Jining), in order to enter the renewable energy industry. The Directors believe that Kailun PV (Jining) is progressing to achieve a significant breakthrough in technology to be able to produce higher value-added products. Hence, the acquisition represents a good opportunity for the Company to invest in this industry which has good growth prospects and good return potential for the Company.

The Company has also entered into a co-operative agreement with Hunan Nonferrous Metals Holding Group Co., Ltd. to jointly invest in mines with measured resources.

The Group dedicates to enhance and strengthen its income base so as to maximise our shareholders’ wealth.

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

As at 31 March 2008, the interests and short positions of the Directors and the chief executives of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were required 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 Rule 5.46 of the GEM Listing Rules, relating to the required standards of dealing by directors of listed issuers, to be notified to the Company and the Stock Exchange were as follows:

(I) LONG POSITIONS IN THE ORDINARY SHARES OF HK\$0.001 EACH OF THE COMPANY

<u>Name of Director</u>	<u>Number of Ordinary Shares</u>			<u>Approximate Percentage of Shareholding</u>
	<u>Beneficial Owner</u>	<u>Interests of Controlled Corporation</u>	<u>Total</u>	
HE Xuechu	–	2,555,000,000 <i>(Note)</i>	2,555,000,000	74.87%

Note: The 2,555,000,000 shares were held by Hong Bridge Capital Limited ("Hong Bridge"). Hong Bridge is wholly owned by Mr. HE Xuechu.

(2) LONG POSITIONS IN THE UNDERLYING SHARES OF THE COMPANY

SHARE OPTION SCHEME

The Company's existing share option scheme (the "Scheme") was adopted on 20 December 2001 and became effective on 8 January 2002. Particulars and movements of the outstanding share options granted under the Scheme during the three months ended 31 March 2008 were as follows:-

Name or category of participant	Number of share options					Outstanding as at 31/03/2008	Date of grant of share options (Note a)	Exercise period of share options	Subscription price per share HK\$	Price per share immediately preceding the grant date of options (Note b)	Price per share immediately preceding the exercise date of options (Note c)
	Outstanding as at 01/01/2008	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period					HK\$	HK\$
Directors											
LIU Wei, William	10,000,000	-	-	-	-	10,000,000	22/11/2007	22/05/2008 - 07/01/2012	1.20	1.20	N/A
SHI Lixin	10,000,000	-	-	-	-	10,000,000	22/11/2007	22/05/2008 - 07/01/2012	1.20	1.20	N/A
Sub-total	20,000,000	-	-	-	-	20,000,000					
Employees											
	1,200,000	-	-	-	-	1,200,000	22/11/2007	22/05/2008 - 07/01/2012	1.20	1.20	N/A
Others											
	240,000	-	-	-	-	240,000	15/04/2002	15/04/2003 - 07/01/2012	0.69	0.68	N/A
Total	21,440,000	-	-	-	-	21,440,000					

Notes:

- (a) All share options granted on 15 April 2002 are subject to a vesting period and becoming exercisable in whole or in part in the following manner:

From the date of grant of share options	Exercisable Percentage
Within 12 months	Nil
13th - 24th months	33 ¹ / ₃ %
25th - 36th months	33 ¹ / ₃ %
37th - 48th months	33 ¹ / ₃ %

Share options granted on 22 November 2007 are subject to a vesting period of six months and becoming exercisable in whole after then.

- (b) The price of the Shares disclosed as immediately preceding the grant date of the share options is the Stock Exchange closing price on the trading day immediately prior to the date of the grant of the share options.
- (c) The weighted average closing price of the Shares immediately before the date on which the options were exercised.
- (d) As no share options were granted during the three months ended 31 March 2008, no consideration in respect of share options was received and the disclosure of value of options granted during the period is also not applicable.

CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

On 16 October 2007, convertible notes of HK\$14.7 million with an initial conversion price of HK\$0.007 per conversion share of the Company were issued to Hong Bridge, a company wholly owned by Mr. HE Xuechu.

During the three months ended 31 March 2008, there was no conversion of the Company's outstanding convertible notes.

Save as disclosed above, none of the Directors or chief executives of the Company had, as at 31 March 2008, any interests or short positions in the shares, underlying shares or 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 the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules.

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

So far as is known to any Director or chief executive of the Company, as at 31 March 2008, shareholders (other than Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Long positions of substantial shareholders in the ordinary shares of HK\$0.001 each of the Company

<u>Name of shareholder</u>	<u>Capacity</u>	<u>Number of ordinary shares held</u>	<u>Approximate percentage of shareholding</u>
Hong Bridge	Beneficial owner	2,555,000,000 (<i>Note</i>)	74.87%

Notes: Hong Bridge is wholly owned by Mr. HE Xuechu, the Chairman and a director of the Company.

Save as disclosed above, as at 31 March 2008, the Company had not been notified by any other persons (other than the Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

DIRECTORS' AND MANAGEMENT SHAREHOLDERS' INTERESTS IN COMPETING BUSINESS

Mr. FOK Hon, an Independent Non-Executive Director of the Company, is also the managing director of All Leaders Publication Group Limited. Since All Leaders Publication Group Limited is engaged in the publication business, Mr. FOK is regarded as interested in such competing business of the Group.

Save as disclosed above, none of the Directors or the management shareholders (as defined under the GEM Listing Rules) of the Company or their respective associates had any interest in a business which competes or may compete or had any conflicts of interest with the business of the Group for the three months ended 31 March 2008.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company complied with the Code on Corporate Governance Practices (the "CG Code") of the GEM Listing Rules throughout the three months ended 31 March 2008.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules for Directors.

All Directors have confirmed, following specific enquiry by the Company, their compliance with the required standards of dealings and its code of conduct regarding the directors' securities transaction throughout the three months ended 31 March 2008.

AUDIT COMMITTEE

The Company established an audit committee with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting and internal control procedures of the Group. The audit committee comprises three members, Mr. CHAN Chun Wai, Tony (Committee Chairman), Mr. FOK Hon and Mr. MA Gang, who are Independent Non-Executive Directors of the Company.

The Group's unaudited results for the three months ended 31 March 2008 were reviewed by the audit committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures were made.

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

During the three months ended 31 March 2008, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

As at the date of this report, the Board comprises (1) Mr. HE Xuechu, Mr. LIU Wei, William and Mr. SHI Lixin as Executive Directors; and (2) Mr. CHAN Chun Wai, Tony, Mr. FOK Hon and Mr. MA Gang as Independent Non-Executive Directors.

On behalf of the Board

HE Xuechu

Chairman

Hong Kong, 8 May 2008