

**INTCERA**

**Intcera High Tech Group Limited**  
**大陶精密科技集團有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8041)**

*Website: <http://www.intcera.com.hk>*

**THIRD QUARTERLY RESULTS ANNOUNCEMENT**  
**For the nine months ended 30 September 2008**

**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 newspapers. 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.

*The Stock Exchange takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

*The directors (“**Directors**”) of Intcera High Tech Group Limited (“**Company**”) collectively and individually accept full responsibility for this announcement, which is given in compliance with the requirement of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (“**GEM Listing Rules**”). The Directors confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, (i) the information contained in this announcement is accurate and complete in all material aspects and not misleading; (ii) there are no other facts the omission of which would make any statement herein misleading; and (iii) opinions expressed in this announcement have been arrived at after due and careful consideration on the bases and assumptions of reasonableness and fairness.*

\* For identification purpose only

## SUMMARY (UNAUDITED)

- The Group recorded total unaudited turnover of approximately HK\$60,203,000 for the nine months ended 30 September 2008, representing approximately 56% increase over the corresponding period of 2007.
- The Group recorded unaudited loss attributable to shareholders of approximately HK\$15,200,000 for the nine months ended 30 September 2008, representing a basic loss per share of HK\$0.33 cents.
- The Board does not recommend the payment of an interim dividend for the nine months ended 30 September 2008.
- The Group has a sound financial position with cash balance of approximately HK\$31,149,000 and no bank borrowings as at 30 September 2008.

## CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)

The board of directors (the “**Board**”) of the Company announces the unaudited consolidated results of the Company and its subsidiaries (the “**Group**”) for the three months ended and nine months ended 30 September 2008 together with the comparative unaudited figures for the corresponding periods in 2007 as follows:

	<i>Notes</i>	Three months ended		Nine months ended	
		30 September	2007	30 September	2007
		2008	2007	2008	2007
		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	2	<b>23,260</b>	14,804	<b>60,203</b>	38,462
Cost of sales		<b>(13,225)</b>	(7,680)	<b>(38,664)</b>	(20,810)
Gross profit		<b>10,035</b>	7,124	<b>21,539</b>	17,652
Other revenue		<b>503</b>	145	<b>5,374</b>	439
Selling and distribution expenses		–	–	–	–
Administrative expenses		<b>(3,188)</b>	(1,296)	<b>(21,684)</b>	(3,497)
Depreciation for property, plant and equipments		<b>(2,518)</b>	(2,660)	<b>(7,598)</b>	(7,989)
Other operating expenses		<b>(2,912)</b>	(1,554)	<b>(8,469)</b>	(4,337)
Profit/(loss) from operations		<b>1,920</b>	1,759	<b>(10,838)</b>	2,268
Finance costs		<b>(62)</b>	(466)	<b>(884)</b>	(1,393)
Profit/(loss) before tax		<b>1,858</b>	1,293	<b>(11,722)</b>	875
Income tax expense	3	<b>(1,957)</b>	(1,836)	<b>(3,478)</b>	(4,418)
Loss for the period		<b>(99)</b>	(543)	<b>(15,200)</b>	(3,543)
Dividend	4	–	–	–	–
Loss per share	5	<i>HK cents</i>	<i>HK cents</i>	<i>HK cents</i>	<i>HK cents</i>
Basic		<b>(0.00)</b>	(0.08)	<b>(0.33)</b>	(0.49)
Diluted		<b>N/A</b>	N/A	<b>N/A</b>	N/A

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2008

	Share capital	Share premium	Translation reserve	Revaluation reserve	Share option reserve	Convertible bonds reserve	Accumulated losses	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2007 (audited)	7,231	61,597	117	29,700	-	3,888	(28,892)	73,641
Exchange differences arising on translation of financial statement outside Hong Kong	-	-	82	-	-	-	-	82
Reversal of deferred tax liability on convertible bonds	-	-	-	-	-	(115)	-	(115)
Deferred tax liability on revaluation of property, plant and equipment	-	-	-	1,166	-	-	-	1,166
Loss for the period	-	-	-	-	-	-	(3,543)	(3,543)
<b>At 30 September 2007 (unaudited)</b>	<b>7,231</b>	<b>61,597</b>	<b>199</b>	<b>30,866</b>	<b>-</b>	<b>3,773</b>	<b>(32,435)</b>	<b>71,231</b>
At 1 January 2008 (audited)	7,231	61,597	763	28,296	-	5,490	(28,710)	74,667
Exchange difference arising on translation of financial statement outside Hong Kong	-	-	568	-	-	-	-	568
Bonus issue	362	(362)	-	-	-	-	-	-
Placing issue	50,000	-	-	-	-	-	-	50,000
Right issue	7,231	-	-	-	-	-	-	7,231
Remuneration issue	2,238	-	-	-	-	-	-	2,238
Redemption on convertible bonds	-	-	-	-	-	(5,490)	-	(5,490)
Reserve on share option	-	-	-	-	12,809	-	-	12,809
Loss for the period	-	-	-	-	-	-	(15,200)	(15,200)
<b>At 30 September 2008 (unaudited)</b>	<b>67,062</b>	<b>61,235</b>	<b>1,331</b>	<b>28,296</b>	<b>12,809</b>	<b>-</b>	<b>(43,910)</b>	<b>126,823</b>

In the opinion of the directors, the revaluation reserve and convertible bonds reserve are not available for distribution to the Company's shareholders.

### 1. Basis of presentation

The unaudited consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards. In addition, the unaudited consolidated financial statements include applicable disclosure required by the Rules Governing the Listing of Securities on The Stock Exchange and by the Hong Kong Companies Ordinance. They are prepared under the historical cost convention as modified for the revaluation of certain property, plant and equipment and financial instruments.

The accounting policies adopted in preparing the unaudited consolidated results for the nine months ended 30 September 2008 are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2007.

### 2. Revenue

An analysis of the Group's turnover is as follows:

	Three months ended 30 September		Nine months ended 30 September	
	2008 <i>HK\$'000</i> (Unaudited)	2007 <i>HK\$'000</i> (Unaudited)	2008 <i>HK\$'000</i> (Unaudited)	2007 <i>HK\$'000</i> (Unaudited)
Sales of goods	<b>23,260</b>	14,804	<b>60,203</b>	38,462

### 3. Income tax expense

No provision for Hong Kong profits tax has been made as the Group has no assessable profits arising in or derived from Hong Kong during the three months ended and nine months ended 30 September 2008 (three months ended and nine months ended 30 September 2007: Nil). Taxes on profits assessable elsewhere have calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

The taxation on the Group's profit/ (loss) for the period differs from the theoretical amount that would arise using the statutory rates for the countries in which the Company and its subsidiaries are domiciled to the tax charge/(credit) at the effective tax rates are as follows:

	Three months		Nine months	
	ended 30 September		ended 30 September	
	2008	2007	2008	2007
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit/(Loss) before tax	<b>1,858</b>	(1,293)	<b>(11,722)</b>	(875)
Taxation at the notional rate	<b>912</b>	164	<b>(1,008)</b>	2,246
Tax effect of income not taxable	<b>(97)</b>	0	<b>(941)</b>	0
Tax effect of expenses not deductible for taxation purpose	<b>446</b>	(2)	<b>1,479</b>	(2)
Tax effect of estimated tax losses not recognized for the period	<b>696</b>	1,674	<b>3,948</b>	2,174
	<b>1,957</b>	1,836	<b>3,478</b>	4,418

#### 4. Dividend

The Directors do not recommend the payment of interim dividend for the nine months ended 30 September 2008 (nine months ended 30 September 2007: Nil).

#### 5. Loss per share

The calculation of the basic and diluted loss per share attributable to the equity holders of the Company is based on the following data:

	For the three months		For the nine months	
	ended 30 September		ended 30 September	
	2008	2007	2008	2007
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Loss for the period for the calculation of the basic loss per share	<b>HK\$(99,000)</b>	HK\$(543,000)	<b>HK\$(15,200,000)</b>	HK\$(3,543,000)
	<i>Number of shares</i>	<i>Number of shares</i>	<i>Number of shares</i>	<i>Number of shares</i>
Weighted average number of ordinary shares for the calculation of basic loss per share	<b>6,706,174,620</b>	723,087,310	<b>4,648,697,105</b>	723,087,310

No diluted loss per share for the nine months period ended 30 September 2007 and 2008 is presented as the exercise of the outstanding options of the Company would have an anti-dilutive effect.

## **DIVIDEND**

The Board does not recommend the payment of a dividend for the nine months ended 30 September 2008 (nine months ended 30 September 2007: Nil).

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Change of composition of the Board**

The Board announced that Mr. Chung Man Wai was appointed as an executive director of the Company with effective from 22 October 2008 and Mr. Tung Tai Yung resigned as executive director of the Company on 29 October 2008.

### **Financial Review**

During the nine months ended 30 September 2008, the Group recorded unaudited consolidated turnover was approximately HK\$60,203,000 (2007: HK\$38,462,000) representing approximately 56% increase over the corresponding period of 2007. Gross profit was approximately HK\$21,539,000 when compared with that of approximately HK\$17,652,000 for the same period in 2007. The loss attributable to shareholders was approximately HK\$15,200,000 when compared with that of HK\$3,543,000 for the same period in 2007. During the period under review, there was approximately HK\$12,809,000 (2007: nil) in share option expenses charged to profit and loss.

### **Operations**

During the period under review, the Group has taken effective measures to control its operating costs. This is the objective of the Group to adopt stringent cost control and maintain a thin but effective overhead structure. The Group is optimistic in enjoying a fruitful harvest and satisfying an anticipated growth of production capacity in the foreseeable future.

The Board announced that on 30 April 2008, the Company entered into various CB Redemption Agreements with the respective Bondholders which are supplemental to the Convertible Bonds and the Bonds Supplemental Agreements respectively. Under the CB Redemption Agreements, the Company and the respective Bondholders agreed that the Company shall early redeem at the Redemption Consideration the Convertible Bonds on the date of Completion, by way of (i) cash as to HK\$15,000,000 in aggregate and (ii) issuing in favour of two Bondholders, the Promissory Notes as to HK\$12,400,000 in aggregate, on the date of Completion.

Particulars of the Convertible Bonds had been set out in the Company's announcement dated 26 June 2002, the circular dated 16 July 2002, the circular dated 29 February 2008 and the circular dated 26 May 2008.

## **Business Review and Future Outlook**

### ***Prospects***

The Company will continue to focus and deepen its main business in manufacturing and trading of ceramic ferrule, fiber optic connector, fiber optic adapter and patch code respectively. With Fibra to the home “FTTH” become popular, broadband users demand faster speed, increasing demand for broadband services, and the healthy growth of global market, we are optimistic for the future of this industry.

In the meantime, with the lead of our management team, the Company is actively searching for business opportunities in asset and fund management and e-commerce. Whenever, there are attractive investment opportunities existed, the Company will expand its arm through strategic acquisition and cooperation. We are targeting to start our asset and fund management business and/or e-commerce by the end of this year. We strongly believe both our manufacturing, asset and fund management business and e-commerce will bring fruitful returns and create additional values to our shareholders in the coming years.

### ***Fund raising***

The Company entered into of a share subscription agreement with a subscriber in September 2007 and a placing agreement with a placing agent simultaneously. In October 2007, the Company entered into a second placing agreement with the placing agent. In December 2007, the Company announced the rights issue to existing shareholders. Completion of the share subscription agreement, the placing agreements, the rights issue, the bonus share and issue of remuneration shares are conditional upon, amongst other, a proposal for the resumption of trading in shares of the Company on the Stock Exchange having been approved and accepted by the Stock Exchange to be viable. Details please refer to the announcement of the Company dated 24 September 2007, 26 October 2007, 18 December 2007, 27 February 2008 and a circular dated 29 February 2008 respectively. All ordinary resolutions approving subscription shares, placings shares, rights shares, bonus shares and issue of remuneration shares were duly passed by the shareholders, all by way of poll at the extra-ordinary general meeting held on 18 March 2008. Details please refer to the announcement of the Company dated 18 March 2008.

## **LIQUIDITY AND FINANCIAL RESOURCES**

As at 30 September 2008, the Group had net current assets of approximately HK\$55,467,000 (30 September 2007: HK\$27,747,000). The current assets comprised bank balances and cash of approximately HK\$31,149,000, trade and other receivables of approximately HK\$44,455,000. The current liabilities comprised trade and note payables, accrued charges and other payables of approximately HK\$21,544,000.

During the nine months ended 30 September 2008, the Group did not make any material acquisition and disposal of subsidiaries and affiliated companies and investment.

As at 30 September 2008, the Group had no significant exposure to fluctuations in exchange rates and any related hedges.

## DISCLOSURE OF INTERESTS

### Interest in Securities of Directors and Chief Executive

As at 30 September 2008, the interests and short positions of the Directors in the shares (“**Shares**”), underlying Shares or debentures of the Company and its associated corporations (within the meaning of part XV of the Securities and Futures Ordinance, the Laws of Hong Kong (the “**SFO**”) which are required (a) 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 are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the GEM Listing Rules of the Stock Exchange (the “**GEM Listing Rules**”) relating to securities transaction by Directors, were as follows:

#### (i) Long positions in Shares

Name of Directors	Number of Shares	Capacity	Nature of interest	Approximate percentage of issued share capital (%) (Note 3)
Mr. Lau Chi Yuen, Joseph (“Mr. Lau”)	3,542,000,000 (Note 1)	Interest of a controlled corporation	Corporate	52.82
Mr. Cheng Qing Bo (“Mr. Cheng”)	369,000,000 (Note 2)	Interest of a controlled corporation	Corporate	5.50
Mr. Tung Tai Yung (Mr. Tung)	9,757,866 (Note 4)	Interest of a controlled corporation	Corporate	0.16
Mr. Tung	11,556,883 (Note 4)	Beneficial owner	Personal	0.19

#### Notes:

1. These shares are held by JL Investment Capital Limited, which is wholly owned by Mr. Lau. Mr. Lau is therefore deemed to be interested in the shares held by JL Investment Capital Limited.
2. These shares are held by Bright Castle Investments Limited, which is wholly owned by Mr. Cheng. Mr. Cheng is therefore deemed to be interested in the shares held by Bright Castle Investments Limited.
3. The percentage of issued share capital had been arrived at on the basis of a total of 6,706,174,620 Shares in issue as at 30 September 2008.
4. These Shares are held as to (i) 11,556,883 directly by Mr. Tung personally, and (ii) 8,235,741 directly by Taiping Enterprises Company Limited (“Taiping”) and as to 1,522,125 through a wholly-owned subsidiary of Taiping namely Mamcol Taiwan Company Limited, which are attributable to Mr. Tung under the SFO since Taiping is a corporation whose board of directors is accustomed to act in accordance with Mr. Tung’s directions and instructions. Mr. Tung resigned as executive director of the Company on 29 October 2008.

Save as disclosed above, as at 30 September 2008, none of the Directors had interests in any securities of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required (a) 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 are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the GEM Listing Rules relating to securities transaction by Directors.

**(ii) Long positions in underlying Shares of equity derivatives of the Company**

<b>Name of Director</b>	<b>Types of interests</b>	<b>Description of securities</b>	<b>Number of underlying shares</b>	<b>Approximate percentage of interests</b>
Mr. Tung	Beneficial	Share Option ( <i>Note</i> )	67,060,000	1.00%

*Note:*

On 30 May 2008, Mr. Tung, an executive Director of the Company, has been granted 67,060,000 share option under the existing share option scheme adopted in compliance with Chapter 23 of the GEM Listing Rules which carry rights to subscribe for 67,060,000 new Shares at current exercise price of HK0.092 per Share. Mr. Tung resigned as executive director of the Company on 29 October 2008.

Save as disclosed above, as at 30 September 2008, none of the Directors or chief executives of the Company or their respective spouses or children under 18 years of age had any right to subscribe for the Shares or any share of its associated corporations.

**(iii) Short positions in the Shares and underlying Shares of equity derivatives of the Company**

Saved as disclosed herein, as at 30 September 2008, none of the Directors had short positions in Shares or underlying Shares of equity derivatives of the Company.

**SHARE OPTION**

On 18 March 2008, the Company terminated share option scheme adopted by the Company on 29 April 2002 and the rules of the new share option scheme (the “New Share Option Scheme”) be approved and adopted as the new share option scheme. For further details of these, please refer to the circular dated 29 February 2008.

The New Share Option Scheme is valid and effective for the period of ten years commencing on the date on which it was adopted. The purpose of the New Share Option Scheme is to provide incentives or rewards for contribution to eligible participants who have made or may make to the Group or any Invested Entity. Under the terms of the New Share Option Scheme, the Board may, at its discretion, grant options to any of the Participant. Participant means any Employees and any Directors (including executive, non-executive and independent non-executive Directors) of any member of the Group or any Invested Entity. The total number of shares which may fall to be issued upon exercise of all of the outstanding options granted and yet to be exercised under the New Share Option Scheme of the Company must not exceed 30% of the shares in issue from time to time. The New Share Option Scheme will remain in force for a period of ten years commencing the date on which the scheme becomes unconditional.

At 30 September 2008, the number of shares in respect of which options had been granted under the New Share Option Scheme was 402.36 Million (the nine months ended and the three months ended 30 September 2007: Nil), representing 6.0% (the nine months ended and the three months ended 30 September 2007: 0%) of the shares of the Company in issue. The total number of shares in respect of which options may be granted under the New Share Option Scheme is not permitted to exceed 10% of the shares of the Company in issue as at the date of approval of the New Share Option Scheme, without prior approval from the Company's shareholders. The number of shares in respect of which options may be granted to any individual in any-12 month period is not permitted to exceed 1% of the shares of the Company in issue at any point of time, without prior approval from the Company's shareholders. Options granted to a connected person (as such term defined in the GEM Listing Rules) of the Company in excess of 0.1% of the Company's share capital or with a value in excess of HK\$5 million must be approved in advance by the Company's shareholders.

The subscription price will be determined by the Board and will be the highest of (i) the quoted closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date; (ii) the average of the closing prices of the Company's shares as stated in the Stock Exchange's daily quotations sheets on the five business days immediately preceding the Offer Date. Any options granted under the New Share Option Scheme shall end in any event not later than ten years from the Grant Date. A nominal value of HK\$10.00 is payable on acceptance of each grant of options.

Details of the share options granted by the Company pursuant to the New Share Option Scheme and the options outstanding as at 30 September 2008 were as follows:

Grantees	Date granted	Balance as at 1 January 2008 '000	Granted during the period '000	Exercised during the period	Lapsed during the period	Balance as at 30 September 2008 '000	Period during with the options are exercisable	Exercise price per share
Mr. Tung ( <i>Director</i> )	30 May 2008	–	67,060	–	–	67,060	30 May 2008 to 17 March 2017	HK\$0.092
Employees	30 May 2008	–	134,120	–	–	134,120	30 May 2008 to 17 March 2017	HK\$0.092
Consultants	30 May 2008	–	201,180	–	–	201,180	30 May 2008 to 17 March 2017	HK\$0.092
		–	402,360	–	–	402,360		
		–	402,360	–	–	402,360		

\* *Mr. Tung resigned as executive director of the Company on 29 October 2008.*

### Interests in Securities of Substantial Shareholders

As far as was known to any Director or chief executive of the Company, as at 30 September 2008, the persons or companies (not being a Director or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly deemed to be 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 any member of the Group were as follows:–

#### (i) *Long positions in Shares*

Name of Shareholders	Number of Shares	Nature of interest	Approximate percentage of issued share capital (%) (Note 3)
JL Investment Capital Limited	3,542,000,000 (Note 1)	Corporate	52.82%
Somerley Group Limited	369,519,912	Corporate	5.51%
Bright Castle Investments Limited	369,000,000 (Note 2)	Corporate	5.50%

Notes:

1. see Note 1 on page 8
2. see Note 2 on page 8
3. see Note 3 on page 8

Save as disclosed above, as at 30 September 2008, the Directors were not aware of any other person who had an interest or short positions in the Shares or underlying Shares which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or who was interested in 5% or more of the nominal value of any class of share capital, or options in respect of such capital, carrying rights to vote in all circumstances at general meetings of the Company.

***(ii) Short positions in the Shares and underlying Shares of equity derivatives of the Company***

As far as the Directors are aware, saved as disclosed herein, as at 30 September 2008, no persons have short positions in Shares or underlying Shares of equity derivatives of the Company.

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

The Company had not redeemed any of its Shares during the period. Neither the Company nor any of its subsidiaries had purchased or sold any Shares during the period.

**COMPETING INTERESTS**

The Directors are not aware of, as at 30 September 2008, any business or interest of each Director, substantial shareholder and management shareholder (as defined in the GEM Listing Rules) and their respective associates that competes or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

**AUDIT COMMITTEE**

The Company established an audit committee with written terms of reference based upon the guidelines recommended by the Hong Kong Institute of Certified Public Accountants. The primary duties of the audit committee are to review the Company's annual report and financial statements, half-yearly reports and quarterly reports and to provide advice and comments thereon to the Board. The audit committee has met regularly to review with management the accounting principles and practices adopted by the Group and to discuss auditing, internal control and financial reporting matters. The audit committee comprises three independent non-executive Directors, namely Mr. Tam Wing Kin, Dr. Lee Chung Mong, John and Mr. Fung Chan Man, Alex. The Group's third quarterly results for the nine months ended 30 September 2008 have been reviewed by the audit committee of the Company.

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Company has complied with the requirements for directors' securities transactions stated in the GEM Listing Rules. All the Directors have confirmed that they have complied with the requirements as set out in the GEM Listing Rules for the nine months ended 30 September 2008.

By Order of the Board  
**Intcera High Tech Group Limited**  
**Lau Chi Yuen, Joseph**  
*Chairman*

Hong Kong, 12 November 2008.

*As at the date of this announcement, the Company has altogether six directors comprising three executive directors namely, Mr. Lau Chi Yuen, Joseph (also the Company's chairman), Mr. Chung Man Wai and Mr. Cheng Qing Bo and and three independent non-executive directors namely, Dr. Lee Chung Mong, John, Mr. Tam Wing Kin and Mr. Fung Chan Man, Alex.*

*This announcement, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange ("GEM") 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 announcement 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 announcement misleading; and 3. all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*This announcement will remain on the "Latest Company Announcement" page of the GEM website for at least 7 days from the date of its publication.*