



Neolink Cyber Technology (Holding) Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8116)

First Quarterly Report 2009

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

The GEM has been positioned as a market designed to accommodate companies to which a high investment risk may be attached than other companies listed on the Stock Exchange. 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 the GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on the GEM, there is a risk that securities traded on the GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on the GEM.

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This report, for which the directors of Neolink Cyber Technology (Holding) 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 of the Company, 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.

The board of directors (the “Board”) of the Company is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the three months ended 31 March 2009, together with the unaudited comparative figures for the corresponding period in 2008, are as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

For the three months ended 31 March 2009

	Notes	(Unaudited)	
		For the three months ended 31 March	
		2009	2008
		HK\$'000	HK\$'000
Turnover	2	62,941	84,818
Cost of sales and services		<u>(61,994)</u>	<u>(78,992)</u>
Gross profit		947	5,826
Other income	2	1,808	2,423
Distribution costs		(1,688)	(2,737)
Administrative expenses		(8,977)	(11,468)
Unrealized loss on financial assets held for trading		(1,902)	(9,945)
Gain on disposal of subsidiaries		<u>–</u>	<u>1,402</u>
Loss from operations		(9,812)	(14,499)
Finance costs		<u>(4,553)</u>	<u>(540)</u>
Loss before taxation		(14,365)	(15,039)
Income tax expenses	3	<u>–</u>	<u>–</u>
Loss for the period		<u>(14,365)</u>	<u>(15,039)</u>
Loss attributable to:			
Shareholders		(14,365)	(15,035)
Minority interests		<u>–</u>	<u>(4)</u>
		<u>(14,365)</u>	<u>(15,039)</u>
		HK cents	HK cents
Basic Loss per share attributable to shareholders	4	<u>(1.09)</u>	<u>(1.29)</u>

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	(Unaudited)	
	For the three months ended 31 March	
	2009	2008
	<i>HK\$'000</i>	<i>HK\$'000</i>
Loss for the period	(14,365)	(15,039)
Other comprehensive income:		
Exchange differences on translation of:		
– financial statements of overseas subsidiary	71	(363)
– financial statements of disposal group	–	(1,325)
	<u>71</u>	<u>(1,688)</u>
Total comprehensive income for the period	<u>(14,294)</u>	<u>(16,727)</u>
Total comprehensive income attributable to:		
Equity holders of the Company	(14,294)	(17,178)
Minority interest	–	451
	<u>–</u>	<u>451</u>
Total comprehensive income for the period	<u>(14,294)</u>	<u>(16,727)</u>

Notes:

1. Basis of preparation and principal accounting policies


The unaudited consolidated results have been prepared in accordance with accounting principles generally accepted in Hong Kong, Accounting Standards and Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the GEM Listing Rules. They have been prepared under the historical cost convention, as modified by the revaluation of leasehold buildings.

The accounting policies and method of computation used in preparing the unaudited consolidated results are consistent with those used in the audited financial statements for the year ended 31 December 2008 except as described below.

In the current year, the Company has applied the following new standards, amendments and interpretations (the “new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), which are or have become effective.

HKFRS 1 and HKAS 27 (Amendments)	Amendments to HKFRS 1 First-time Adoption of HKFRSs and HKAS 27 Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendments)	Vesting Conditions and Cancellations
HKFRS 8	Operating Segments
HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HK(IFRIC) – Int 13	Customer Loyalty Programmes
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation

The adoption of the new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.



The Company has not early applied the following new standards, amendments or interpretations that have been issued but are not yet effective.

HKFRS 3 (Revised)	Business Combinations ¹
HKAS 39 (Amendments)	Eligible Hedged Items ¹
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ¹
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners ¹
HK(IFRIC) – Int 18	Transfers of Assets from Customers ¹

Apart from the above, the HKICPA has also issued Improvements to HKFRSs* which sets out amendments to a number of HKFRSs. Except for the amendments to HKFRS 5, and HK(IFRIC) – Int 9, which are effective for annual periods beginning on or after 1 July 2009, other amendments are effective for annual periods beginning on or after 1 January 2009 although there are separate transitional provisions for each standard.

¹ *Effective for annual periods beginning on or after 1 July 2009*

* *Improvements to HKFRSs contain amendments to HKFRS 1, HKFRS 4, HKFRS 5, HKFRS 6, HKFRS 7, HKFRS 8, HKAS 2, HKAS 7, HKAS 8, HKAS 10, HKAS 12, HKAS 14, HKAS 16, HKAS 18, HKAS 19, HKAS 20, HKAS 21, HKAS 27, HKAS 28, HKAS 29, HKAS 31, HKAS 33, HKAS 34, HKAS 36, HKAS 37, HKAS 38, HKAS 39, HKAS 40 and HKAS 41, HK(IFRIC) – Int 2.*

The directors of the Company anticipate that the application of these new standard, amendment or interpretations will have no material impact on the results and the financial position of the Company.

2. Turnover and other income

The Group is principally engaged in production and sales of automobile parts and accessories in PRC, radio trunking systems integration, provision of telemedia-related and other value-added telecommunication-related technical services and mining business in PRC. Revenues recognized are as follows:

	(Unaudited)	
	For the three months	
	ended 31 March	
	2009	2008
	<i>HK\$'000</i>	<i>HK\$'000</i>
Turnover		
Sales of goods		
Radio trunking systems integration	–	175
Sales of automobile stamping and welding parts and related accessories	<u>62,941</u>	<u>84,643</u>
	<u>62,941</u>	<u>84,818</u>
Other income		
Interest income	23	634
Others	<u>1,785</u>	<u>1,789</u>
	<u>1,808</u>	<u>2,423</u>
Total revenues	<u>64,749</u>	<u>87,241</u>

Geographical segments

During the period ended 31 March 2009 and 2008, more than 90% of the Group's turnover was derived from activities conducted in the People's Republic of China (the "PRC"), no geographical segmental information is presented.

3. Income tax expenses

The amount of tax charged to the condensed consolidated income statement represents:

		(Unaudited)	
		For the three months	
		ended 31 March	
		2009	2008
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong profits tax	(i)	—	—
Overseas taxation	(ii)	—	—
		<u>—</u>	<u>—</u>

Notes:

- (i) No provision for Hong Kong profits tax is required as the Group has no assessable profit for the year (2008: HK\$Nil).
- (ii) Overseas taxation represents tax charges on the assessable profits of certain subsidiaries operating in the PRC calculated at the applicable rates.

4. Loss per share

Basic loss per share is calculated by dividing the net loss attributable to shareholders by the number of ordinary shares in issue during the period.

	2009	2008
	<i>HK\$'000</i>	<i>HK\$'000</i>
Loss attributable to shareholders	<u>(14,365)</u>	<u>(15,035)</u>

	Number of shares	
	2009	2008
Weighted average number of ordinary shares in issue during the period	<u>1,317,748,989</u>	<u>1,168,160,000</u>

No diluted loss per share has been presented because the exercise prices of the Company's options were higher than the average market price of the Shares for the period 2009 and 2008.

5. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2009

	Share capital HK\$'000	Share premium HK\$'000	Merger Reserve HK\$'000 (Note (ii))	Revaluation reserve HK\$'000	Convertible Bonds Equity Reserve HK\$'000	General Reserve HK\$'000 (Note (i))	Enterprise Expansion Fund HK\$'000 (Note (i))	Exchange reserve HK\$'000	Share-based compensation reserve HK\$'000	Accumulated Losses HK\$'000	Minority interest HK\$'000	Total HK\$'000
Three months ended												
31 March 2008												
At 1 January 2008	116,816	212,802	(46,815)	1,846	-	6,846	50	6,822	33,424	(60,329)	(451)	271,011
Elimination on disposal of subsidiaries	-	-	-	(1,846)	-	(4,994)	(50)	-	-	6,890	-	-
Total comprehensive income attributable to shareholders	-	-	-	-	-	-	-	(2,143)	-	(15,035)	451	(16,727)
At 31 March 2008	<u>116,816</u>	<u>212,802</u>	<u>(46,815)</u>	<u>-</u>	<u>-</u>	<u>1,852</u>	<u>-</u>	<u>4,679</u>	<u>33,424</u>	<u>(68,474)</u>	<u>-</u>	<u>254,284</u>
Three months ended												
31 March 2009												
At 1 January 2009	11,682	212,802	(46,815)	-	-	1,852	-	5,813	30,082	(9,253)	-	206,163
Issuing convertible bonds	-	-	-	-	52,898	-	-	-	-	-	-	52,898
Conversion of convertible bonds	8,590	25,940	-	-	(3,909)	-	-	-	-	-	-	30,621
Total comprehensive income attributable to shareholders	-	-	-	-	-	1,942	-	71	-	(16,307)	-	(14,294)
At 31 March 2009	<u>20,272</u>	<u>238,742</u>	<u>(46,815)</u>	<u>-</u>	<u>48,989</u>	<u>3,794</u>	<u>-</u>	<u>5,884</u>	<u>30,082</u>	<u>(25,560)</u>	<u>-</u>	<u>275,388</u>

Notes:

- (i) The general reserve and enterprise expansion fund are set up by subsidiaries established and operated in the People's Republic of China ("PRC") by way of appropriation from the profit after taxation in accordance with the relevant laws and regulations in the PRC. The rate of appropriation of the general reserve and enterprise expansion fund is subject to the decision of the board of directors of the PRC subsidiaries, but the minimum appropriation rate for the general reserve is 10% of the profit after taxation for each year, until when the accumulated balance reaches 50% of the total registered capital of the subsidiary. Pursuant to the relevant laws and regulations of the PRC, if approvals are obtained from the relevant government authorities, the general reserve can be used in setting off accumulated losses or to increase the capital, and the enterprise expansion fund can be used to increase the capital.
- (ii) Merger reserve represents the difference between the nominal value of the shares of subsidiaries acquired and the nominal value of the shares issued by the Company as consideration thereof pursuant to the reorganisation.

6. Dividend

The Board does not recommend the payment of an interim dividend for the three months ended 31 March 2009 (2008: Nil).



FINANCIAL REVIEW

For the three months period ended 31 March 2009, the unaudited consolidated turnover of the Group was approximately HK\$63 million and HK\$85 million for the corresponding period in 2008. The unaudited loss attributable to shareholders for the three months ended 31 March 2009 amounted to approximately HK\$14 million.


The turnover for the first quarter of 2009 amounted to approximately HK\$63 million is all contributed from the business of automobile stamping and welding and no turnover was recorded from the business of radio trunking systems software integration for the three months period ended 31 March 2009 due to the business of software was formed in the second half of the year.

For the first quarter of 2009, the Group obtained other income of approximately HK\$1.8 million. It mainly represents the sales of scrap raw materials attributable to the Group of approximately HK\$1.3 million from the business of automobile stamping and welding. During the period, approximately HK\$23 thousands interest income was recorded and decreased by 96%. The decrease in interest income is due to place excessive fund reserve to fixed deposit in bank in order to gain the bank interest income in last year.

Distribution costs of HK\$1.7 million for the first quarter of 2009 mainly represents delivery cost for production of automobiles parts business. The decrease of distribution cost amounted to HK\$1 million represents the decrease in distribution cost from radio trunking systems software integration of approximately HK\$754 thousands, the increase in distribution costs from the automobile stamping and welding business of approximately HK\$689 thousands and the decrease in distribution cost of approximately HK\$984 thousands due to save the cost from disposed business, including staff cost, entertainment expenses and promotion fee.

Administrative expenses of HK\$8.9 million for the first quarterly of 2009, except for amount of HK\$2.3 million was attributed from disposed subsidiaries in the first quarterly in 2008, including depreciation charge on property, plant and equipment, staff cost, social insurance for the staff and labour of disposed subsidiaries and other operation expenses, are remains steady and recorded slightly decreased by approximately HK\$124 thousands.

Unrealized loss on financial assets at fair value through profit or loss was decreased by approximately HK\$8 million to approximately HK\$2 million as compared to corresponding period in last year. The decrease is due to reduction on market value of financial asset at fair value through profit or loss.



No disposal of subsidiaries for the first quarter of 2009. The gain on disposal of subsidiaries was HK\$1.4 million in the first quarter of 2008. Principal business of the disposed subsidiaries was radio trunking system integration.

Finance costs of approximately HK\$4.5 million for the first quarter of 2009 mainly represents imputed interest on convertible bonds amounted to HK\$3.6 million, bank loan interest and interest from financial institution. The increase in finance costs of approximately HK\$4 million are mainly attributed to the imputed interest on convertible bonds, bank loan interest attributed to disposed subsidiaries and radio trucking systems software integration business of approximately HK\$3.6 million, HK\$114 thousands and HK\$410 thousands respectively.

As a result, the loss attributable to shareholder of HK\$14 million for the period decreased by approximately HK\$1 million in losses as compared to corresponding in last year.


BUSINESS REVIEW AND OUTLOOK

Automobile stamping and welding

The JV Company was duly established in September 2007. Its principal business consists of developing, producing and selling products of stamping and welding parts for automobiles and other auxiliary products, designing, manufacturing and selling of grips and moulds.

During the first quarter of 2009 and 2008, the JV Company has sold 134 thousands and 136 thousands ancillary stamping and welding parts for automobiles respectively, and recorded sales of approximately HK\$128 million and HK\$173 million respectively. The Group has accounted for the sales on proportion and recorded turnover of HK\$63 million for the period in 2009. Its customers include ChangAn Auto Co Ltd, ChangAn Ford Mazda, ChangAn Suzuki Auto Corp, JiangLing Co Ltd and ChangAn Ford Nanjing Corp etc.

The JV company considered that the current global economy downturn will have a negative impact on automobile business. The JV company decided to suspend further investment towards the third and fourth phases plants expansion projects. The broad believes that upgrading of current plants and machinery is more appropriate to maintain business in current economy situation. The management will focus on consolidating plant and machinery to achieve the best efficiency of production.



The Group is reviewing the business of the JV Company and undergoing a negotiation of the business progress with the joint partner Chongqing Changan Jinling Automobile Parts Company Limited so as to underpin the growth development of the JV Company, as well as to bring drives for the growth of results in the long run.

Radio Trunking System Integration

For the first quarter of 2009, the radio trunking business has not recorded any revenue and it represents a decrease of approximately HK\$175 thousands as compared to the turnover in 2008. The decrease in turnover of the business was mainly due to the delay for purchasing orders from customers, as there is still yet to finalised the terms of software services and the business is expected to recover during the year.


Last year, the Group disposed Hardware business of radio trunking system in the year 2008 would allow the Group to dispose of a losing operation and improve its financial performance. The results of the disposal recorded a HK\$1.4 million gain in the year 2008.

Since last year, the Group increased the effect in mobile terminal software. We kept on launching products and made use of the good customer resources to increase market share. With our aim to open up market practically in public safety and marine products, we paved a good way for software businesses to develop. It was a good stepping stone for stabilizing and raising the Group's results in the future years.

The group has actively promoted its own digital trunking communication system based on the software technology FDMA system. This deepened the understanding of new, existing and potential users towards the features of this technical product, as well as prepared for future market development.

Mining Business

On September 2008, the group entered into final agreement to acquire a mining business in Jiangxi at the consideration of HK\$550 million which was satisfied as to HK\$85 million by cash and as to HK\$465 million by the issue of the Convertible Bonds by the Company to the Vendors. The mine is located in Lichuan county, Jiangxi Province, PRC with a mining area of approximately 0.5175 km². The mineral reserves of the mine consist of Zinc, Lead, Copper, Tungsten and Silver.



The acquisition was approved by shareholders on 10 November 2008. The transaction was completed on 8 January 2009 and the HK\$465 million zero coupon convertible bonds due 2014 was duly issued to the Vendors on 8 January 2009. Pursuant the agreement, the conversion price of the Convertible Bonds has been reset to HK\$0.04 on 23 January 2009. Holders of the HK\$465 million Convertible Bonds is entitled to convert into 11,625 million shares of the Company.

The other investment in production and sales ferro-silicon and ferro alloys business was finalized on 17 February 2009, the Group entered into subscription agreement to invest 10% of enlarged issued shares capital of Norwell Limited, which is holding PRC subsidiaries engaging in the production and sales ferro-silicon and ferro alloys.

The mining business had not started contributing revenues during the period under review.

Save as disclosed herein, the Group did not have any details of future plan for material investments or capital assets as at 31 March 2009.

Group development

The Group will develop into a diversify enterprise, with a view to maintain stable growth. As such, the Group will keep looking for and identifying suitable investment opportunities and projects, and continue to bring the largest return to the shareholders.

In 2009, The Group continues to stick with its operation strategy to integrate its resources and make adjustment to its business, the non-performing business will be gradually split out through disposal or other methods, so as to optimize the Group's asset and allocate the limited resources to explore business with brighter prospect, thus pursuit the rapid development and healthy growth of the Group's business.

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

As at 31 March 2009, the interests of the Directors and the Chief Executive 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 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 are taken or deemed to have under such provisions of the SFO) and required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors, were as follows:

Long positions in the ordinary shares of HK\$0.01 each of the Company

Name	Type of interest	Number of shares	Approximate percentage of issued share capital
Mr. Lu Chunming (<i>Note 1</i>)	Beneficial	830,000	0.04%

Notes:

1. Mr. Lu Chunming, an Executive Director of the Company, has interest in the Company directly.

Save as disclosed above, as at 31 March 2009, none of the Directors or Chief Executives of the Company or their respective associates had any interests or short positions in the shares, underlying shares and debentures of the Company or its associates corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and 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 are required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange.


SUBSTANTIAL SHAREHOLDERS OF THE COMPANY

As at 31 March 2009, so far as is known to the Directors of the Company, the following persons (other than a Director and the Chief Executive of the Company) had an interest or a short position in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

Name of the Shareholders	Type of interest	Number of shares	Number of underlying shares (Note 5)	Total	
				Number of shares and underlying shares	Approximate percentage of issued share capital
Wide Treasure Investment Limited ("Wide Treasure") (Note 1)	Beneficial	83,000,000	5,199,500,000	5,282,500,000	260.6%
Absolute Power International Limited ("Absolute Power") (Note 2)	Beneficial	83,000,000	4,362,000,000	4,445,000,000	219.3%
Spendid Trade Limited ("Spendid Trade") (Note 3)	Beneficial	83,000,000	929,500,000	1,012,500,000	49.9%
Mr. Sit Bun	Beneficial	250,000,000	–	250,000,000	12.3%
Mr. Lee Hin Cheong	Beneficial	250,000,000	275,000,000	525,000,000	25.9%
Mr. Cai Zuping (Note 4)	Corporate	192,742,145	–	192,742,145	9.5%
Infonet Group Co., Ltd ("Infonet") (Note 4)	Beneficial	192,742,145	–	192,742,145	9.5%

Notes:

- Wide Treasure is wholly owned by She Zhangshu who is deemed to be interested in the shares.
- Absolute Power is wholly owned by Hu Chao who is deemed to be interested in the shares.
- Spendid Trade is wholly owned by Liang Weihong who is deemed to be interested in the shares.
- Mr. Cai Zuping, holds his deemed interest in the Company through his shareholding of 45.65% in Infonet which holds 9.5% of the total issued share capital of the Company.
- The underlying shares are in respect of the convertible bonds issued by the Company in 9 January 2009.



Save as disclosed above, as at 31 March 2009, the Company had not been notified of any other person or company (other than a director or chief executive of the Company) who had registered an interest or short positions in the Shares and underlying Shares of the Company that was required to be recorded under section 336 of the SFO.

SHARE OPTION SCHEME

The Company adopted a new share option scheme on 30 July 2007 (“the Scheme”), which became effective for a period of 10 years commencing on 10 August 2007. Under the Scheme, the Directors of the Company may at their discretion grant options to any eligible person to subscribe for the shares of the Company (“Share”) at the higher of: (i) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet on the date of grant; (ii) the average closing price of the Share as stated in the Stock Exchange’s daily quotations sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of a Share. The offer of a grant of option shall remain open for acceptance within 21 days from the date of offer. A nominal consideration of HK\$1 is payable on acceptance of the grant of the option. The exercise period of the option must not be more than 10 years from the date of grant of the option.

The Company operates the Scheme for the purpose of advancing the interests of the Company and its shareholders by enabling the Company to grant options to attract, retain and reward any eligible persons which include any director of the Group, any employee of a Group, any consultant, adviser, agent, supplier, customer, business partner or shareholder of the Group for their contribution or potential contribution to the Group.

The total number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes in force from time to time must not in aggregate exceed 30% of the Shares in issue from time to time.

The total number of Shares which may be issued upon exercise of all options to be granted under the Scheme shall not in aggregate exceed 10% of the total number of Shares in issue as at the date of the passing of the relevant resolution adoption the Scheme.

Pursuant to the Scheme, as at 31 March 2009, the employees and consultants were granted share options to subscribe for shares of the Company, details of which were as follows:

Name of Category of participant	As at 1 January 2009	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period	As at 31 March 2009	Date of granted of share options	Exercise period of share options	Exercise price of share options
Employees	29,220,000	-	-	-	-	29,220,000	10 August 2007	10 August 2007 – 9 August 2012	HK\$0.38
Consultants	58,439,900	-	-	-	-	58,439,900	10 August 2007	10 August 2007 – 9 August 2012	HK\$0.38
Total	87,659,900	-	-	-	-	87,659,900			

The total number of Shares available for issue under the Scheme as at the date thereof was 87,659,900 representing approximately 4.3% of the issued share capital of the Company.

COMPETING INTERESTS

The directors of the Company are not aware of, as at 31 March 2009, any business or interests of each directors of the Company, management shareholders and the respective associates (as defined in the GEM Listing Rules) of each that competes or may compete with the business of the Group and any other conflicts of interests which any such person has or may have with the Group.

AUDIT COMMITTEE

The audit committee has been established since July 2000 with defined terms of reference, which are of no less exacting terms than those set out in the Code on Corporate Governance Practices of the GEM Listing Rules, to review the Group's financial reporting, internal controls, and corporate governance and risk management matters and to make relevant recommendations to the Board.

The audit committee comprises three Independent Non-executive Directors of the Company, namely Mr. Lee Chi Hwa, Joshua (Chairman), Mr. Tso Hon Sai, Bosco and Mr. Chang Jun. The Group's unaudited results for the three months ended 31 March 2009 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 have been made.



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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the three months ended 31 March 2009.

On behalf of the Board
Neolink Cyber Technology (Holding) Limited
Stephen William Frostick
Chairman

Hong Kong, 14 May 2009

As at the date hereof, the Board of directors of the Company comprises two executive directors, being Mr. Stephen William Frostick and Mr. Lu Chunming; and three independent non-executive directors being, Mr. Chang Jun, Mr. Tso Han Sai, Bosco and Mr. Lee Chi Hwa, Joshua.