



AKM Industrial Company Limited

安捷利實業有限公司

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

Stock Code: 8298

Third Quarterly Report **2009**

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 directors (the “Directors”) of AKM Industrial Company Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on 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.

HIGHLIGHTS

- For the nine months ended 30 September 2009, the unaudited turnover decreased to approximately HK\$189.71 million, representing a decrease of approximately 33.94% as compared to the corresponding period of last year. The profit attributable to the equity holders of the Company amounted to approximately HK\$7.19 million, while the loss was approximately HK\$13.90 million for the corresponding period of last year.
- Earnings per share of the Group was approximately HK\$1.33 cents for the nine months ended 30 September 2009.

THE FINANCIAL STATEMENTS

Quarterly Results

The board of Directors (the "Board") hereby announces the unaudited condensed consolidated operating results of the Company and its subsidiaries (collectively, the "Group") for the three months and nine months ended 30 September 2009 together with the comparative unaudited figures for the corresponding period of last year, as follows:

Condensed Consolidated Income Statement

For the nine months and three months ended 30 September 2009 and 30 September 2008

	Notes	Nine months ended 30 September		Three months ended 30 September	
		2009 HK\$ (Unaudited)	2008 HK\$ (Unaudited) (Restated)	2009 HK\$ (Unaudited)	2008 HK\$ (Unaudited) (Restated)
Turnover	2	189,711,824	287,187,984	55,698,733	112,195,720
Cost of sales		(182,645,624)	(284,035,745)	(52,652,791)	(108,159,402)
Gross profit		7,066,200	3,152,239	3,045,942	4,036,318
Other income		58,540,179	837,689	230,838	360,351
Distribution costs		(1,536,217)	(4,075,348)	820,371	(1,428,102)
Administrative expenses		(48,751,441)	(14,105,108)	875,762	(4,035,232)
Research and development expenses		(5,188,444)	(6,139,893)	(1,541,981)	(2,121,921)
Share of result of a jointly controlled entity		(3,342,351)	9,514,427	(435,442)	2,393,338
Finance costs		(427,809)	(612,398)	(316,719)	(247,941)
Profit (loss) before taxation		6,360,117	(11,428,392)	2,678,771	(1,043,189)
Taxation (charge) credit	3	(7,242)	(45,000)	(7,242)	4,500
Profit (loss) for the period		6,352,875	(11,473,392)	2,671,529	(1,038,689)
Attributable to:					
Equity holders of the parent		7,188,463	(13,904,533)	2,780,390	(1,630,620)
Minority interests		(835,588)	2,431,141	(108,861)	591,931
		6,352,875	(11,473,392)	2,671,529	(1,038,689)
Earnings (loss) per share	5				
– Basic		1.33 cents	(2.57) cents	0.51 cents	(0.30) cents

Condensed Consolidated Statement of Changes in Equity

For the nine months ended 30 September 2009 and 30 September 2008

	Attributable to equity holders of the parent							
	Share capital	Share premium	Translation reserve	Share		Total	Minority interests	Total
				options	Accumulated			
				reserve	profits			
HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	
(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
At 1 January 2009	54,000,000	53,868,328	39,691,732	3,817,770	8,504,800	159,882,630	3,928,205	163,810,835
Exchange differences from translation directly recognised in equity	-	-	118,068	-	-	118,068	-	118,068
Profit for the period	-	-	-	-	7,188,463	7,188,463	(835,588)	6,352,875
Total recognised income and expenses for the period	-	-	118,068	-	7,188,463	7,306,531	(835,588)	6,470,943
Lapse of share options	-	-	-	(338,365)	338,365	-	-	-
At 30 September 2009	54,000,000	53,868,328	39,809,800	3,479,405	16,031,628	167,189,161	3,092,617	170,281,778
At 1 January 2008	54,000,000	53,868,328	27,054,429	4,098,318	33,086,177	172,107,252	1,026,492	173,133,744
Exchange differences from translation directly recognised in equity	-	-	11,076,278	-	-	11,076,278	-	11,076,278
Loss for the period	-	-	-	-	(13,904,533)	(13,904,533)	2,431,141	(11,473,392)
Total recognised income and expenses for the period	-	-	11,076,278	-	(13,904,533)	(2,828,255)	2,431,141	(397,114)
Recognition of equity-settled share based payments	-	-	-	32,013	-	32,013	-	32,013
Lapse of share options	-	-	-	(264,542)	264,542	-	-	-
At 30 September 2008	54,000,000	53,868,328	38,130,707	3,865,789	19,446,186	169,311,010	3,457,633	172,768,643

Notes to the Condensed Consolidated Income Statements

For the nine months ended 30 September 2009

1. BASIS OF PREPARATION

The unaudited consolidated results of the Group have been prepared under the historical cost convention and in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) and Hong Kong Accounting Standards (“HKAS”) and interpretations issued by the Hong Kong Institute of Certified Public Accountants. The accounting policies adopted are consistent with those set out in the Group’s annual financial statements for the year ended 31 December 2008.

The Quarterly Financial Statements are unaudited but have been reviewed by the audit committee of the Company.

2. TURNOVER

Turnover represents the net amounts received and receivable for goods sold by the Group to outside customers, less returns and trade discounts.

(a) Business segments

For management purposes, the Group is currently organised into two operating divisions namely manufacture and sale of flexible printed circuits (“FPC”) and sourcing and sale of components. These divisions are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

- | | |
|---------------------------------|--|
| FPC business | – the manufacture and sale of FPC |
| Sourcing and sale of components | – provision of sourcing and sale of electrical components for surface mount technology (“SMT”) service |

Segment information about these businesses is presented below.

Nine months ended 30 September

	FPC business		Sourcing and sale of components		Total	
	2009 HK\$ (Unaudited)	2008 HK\$ (Unaudited)	2009 HK\$ (Unaudited)	2008 HK\$ (Unaudited) (Restated)	2009 HK\$ (Unaudited)	2008 HK\$ (Unaudited) (Restated)
Turnover						
External sales	97,596,832	102,635,669	92,114,992	184,552,315	189,711,824	287,187,984
Result						
Segment results	176,810	(7,498,649)	164,729	435,647	341,539	(7,063,002)
Interest income					67,369	239,423
Share of result of a jointly controlled entity					(3,342,351)	9,514,427
Finance costs					(427,809)	(612,398)
Unallocated corporate income (expenses)					9,721,369	(13,506,842)
Profit (loss) before taxation					6,360,117	(11,428,392)
Taxation					(7,242)	(45,000)
Profit (loss) for the period					6,352,875	(11,473,392)

Three months ended 30 September

	FPC business		Sourcing and sale of components		Total	
	2009 HK\$ (Unaudited)	2008 HK\$ (Unaudited)	2009 HK\$ (Unaudited)	2008 HK\$ (Unaudited) (Restated)	2009 HK\$ (Unaudited)	2008 HK\$ (Unaudited) (Restated)
Turnover						
External sales	33,802,827	40,723,022	21,895,906	71,472,698	55,698,733	112,195,720
Result						
Segment results	2,252,159	374,899	72,173	111,396	2,324,332	486,295
Interest income					18,811	66,621
Share of result of a jointly controlled entity					(435,442)	2,393,338
Finance costs					(316,719)	(247,941)
Unallocated corporate income (expenses)					1,087,789	(3,741,502)
Profit (loss) before taxation					2,678,771	(1,043,189)
Taxation					(7,242)	4,500
Profit (loss) for the period					2,671,529	(1,038,689)

(b) Geographical segments

The Group's two divisions operate in two principal geographical areas – the People's Republic of China (excluding Hong Kong) (the "PRC") and Hong Kong. The following table provides an analysis of the Group's sales by geographical market, based on the geographical location of customers, irrespective of the origin of the goods manufactured:

	Turnover Nine months ended 30 September		Turnover Three months ended 30 September	
	2009 HK\$ (Unaudited)	2008 HK\$ (Unaudited) (Restated)	2009 HK\$ (Unaudited)	2008 HK\$ (Unaudited) (Restated)
PRC (other than Hong Kong)	61,617,091	57,920,285	17,368,512	24,051,878
Hong Kong	114,410,448	214,930,887	30,931,593	81,689,660
Others	13,684,285	14,336,812	7,398,628	6,454,182
	189,711,824	287,187,984	55,698,733	112,195,720

3. TAXATION (CHARGE) CREDIT

	Nine months ended 30 September		Three months ended 30 September	
	2009 HK\$ (Unaudited)	2008 HK\$ (Unaudited)	2009 HK\$ (Unaudited)	2008 HK\$ (Unaudited)
Current Tax				
Hong Kong Profits Tax	–	(45,000)	–	4,500
PRC Enterprise Income Tax	–	–	–	–
	–	(45,000)	–	4,500
Underprovision in prior year:				
Hong Kong Profits Tax	(7,242)	–	(7,242)	–
	(7,242)	(45,000)	(7,242)	4,500

On 26 June 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 and reduced corporate profit tax rate from 17.5% to 16.5% which is effective from the year of assessment 2008/2009.

No provision for Hong Kong Profits Tax was made in the period as there was no assessable profit derived. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the corresponding period last year. The income of its PRC subsidiaries neither arises in, nor is derived from, Hong Kong.

On 16 March 2007, the PRC promulgated the Law of the PRC on Enterprise Income Tax (the “New Law”) by Order No. 63 of the President of the PRC. On 6 December 2007, the State Council of the PRC issued Implementation Regulations of the New Law. The New Law and Implementation Regulations changed the tax rate to 25% from 1 January 2008.

Pursuant to the relevant laws and regulations in the PRC, AKM (Suzhou) FPC Company Limited (“AKM (Suzhou)”) is exempted from PRC income tax for two years commenced from 1 January 2008 followed by a 50% reduction for the next three years.

Pursuant to the relevant laws and regulations in the PRC, the applicable PRC Enterprise Income Tax rate for AKM Electronics Industrial (Panyu) Ltd. (“AKM Panyu”) was 24% prior to application of the New Law and Implementation Regulations as mentioned above. On 31 December 2003, AKM Panyu was awarded the Foreign Invested Advanced – technology Enterprise Certificate by Bureau of Foreign Trade and Economic Co-operation of Guangzhou City, pursuant to which AKM Panyu is entitled for an extension of 50% tax reduction in PRC Enterprise Income Tax up to 31 December 2007. On 16 December 2008, AKM Panyu was awarded the Foreign Invested Advanced – Technology Enterprise Certificate, pursuant to which AKM Panyu is entitled to a tax reduction from 25% to 15% for three years commenced from 1 January 2008.

No provision for PRC income tax was made in the period as the PRC income taxable during the period had been offset by the loss incurred in previous years being carried forward. Hence, there was no income taxable for the period accordingly.

4. DIVIDEND

The Directors do not recommend payment of an interim dividend for the nine months ended 30 September 2009 (2008: Nil).

5. EARNINGS (LOSS) PER SHARE

The calculation of the basic earnings (loss) per share attributable to equity holders of the parent is based on the following data:

	Nine months ended 30 September	
	2009 HK\$ (Unaudited)	2008 HK\$ (Unaudited)
Profit (loss) for the period attributable to equity holders of the parent	7,188,463	(13,904,533)
	Number of shares	
	2009	2008
Number of ordinary shares for the purpose of basic earnings (loss) per share	540,000,000	540,000,000

The diluted earnings per share for the period ended 30 September 2009 is not presented because the exercise price of the Company's options was higher than the average market price for shares during the period. The diluted loss per share for the period ended 30 September 2008 is not presented as the exercise of the outstanding share options would result in a decrease in loss per share.

6. SUBSEQUENT EVENTS

On 15 October 2009, Mr. Li Kung Man ("Mr. Li") resigned from his position as independent non-executive Director, a member of the audit committee and a member of remuneration committee of the Company. Further details of the resignation of Mr. Li had been disclosed in the announcement of the Company dated 15 October 2009.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

For the nine months ended 30 September 2009 (the “period”), the turnover of the Group amounted to approximately HK\$189.71 million, representing a decrease of approximately 33.94% as compared to the corresponding period of last year. During the end of the year 2008, the Directors reviewed the nature of sale and purchase transactions with Shenzhen Smart Electronics Co. Ltd. (深圳思碼特電子有限公司), a jointly controlled entity of the Group, and considered that the presentation as contracting fees is more relevant to the substance of the transactions. The decrease in turnover was mainly due to the decrease in the business of sourcing of components. The gross profit margin for the period increased to approximately 3.72%, while the gross profit margin for the corresponding period of last year was approximately 1.10%. Such increase in gross profit margin was due to the increase in the gross profit margin of flexible printed circuits (“FPC”). The profit attributable to the equity holders of the Company for the period was approximately HK\$7.19 million, while the loss was approximately HK\$13.90 million for the corresponding period of last year. The increase in profit was attributed to the relocation compensation granted from the relevant PRC government authority, which amounted to RMB51,021,508 (equivalent to approximately HK\$57,858,390 at the date of the relevant announcement), and relevant disclosure had been made in the announcement of the Company dated 7 May 2009.

The other income of the Group for the nine months ended 30 September 2009 amounted to approximately HK\$58.54 million, representing an increase of approximately HK\$57.70 million as compared to the corresponding period of last year. The increase in other income was attributed to the relocation compensation granted from the relevant PRC government authority.

The distribution costs of the Group for the nine months ended 30 September 2009 amounted to approximately HK\$1.54 million, representing a decrease of approximately 62.30% as compared to the corresponding period of last year. The decrease in distribution costs was mainly due to the recovery of certain debts which were written off in the previous years, as well as the decrease in commission expenses and salaries in line with the decrease in turnover.

The administrative expenses of the Group for the nine months ended 30 September 2009 amounted to approximately HK\$48.75 million, representing an increase of approximately 245.63% as compared to the corresponding period of last year. The increase in administrative expenses was due to the expenses incurred for the relocation of production plant during the period.

The research and development expenses of the Group for the nine months ended 30 September 2009 amounted to approximately HK\$5.19 million, representing a decrease of approximately 15.50% as compared to the corresponding period of last year.

Business Review and Prospect

Business Review

For the nine months ended 30 September 2009, the turnover of the Group amounted to approximately HK\$189.71 million, representing a decrease of approximately 33.94% as compared to the corresponding period of last year. During the period, the turnover for sales of FPC and sourcing of components for SMT service were approximately HK\$97.60 million and HK\$92.11 million respectively. The turnover of FPC and sourcing of components for SMT service during the corresponding period of last year were approximately HK\$102.64 million and HK\$184.55 million respectively. For the nine months ended 30 September 2009, the profit attributable to the equity holders of the Company amounted to approximately HK\$7.19 million, while the loss was approximately HK\$13.90 million for the corresponding period of last year. The profit is attributed to the relocation compensation granted from the relevant PRC Government authority, which amounted to RMB51,021,508. Such relocation compensation has been included in the other income.

For the nine months ended 30 September 2009, the turnover of FPC decreased approximately 4.91% as compared to the corresponding period of last year. The gross profit margin of FPC for the period increased to approximately 7.07%, while the gross profit margin for the corresponding period of last year was approximately 2.65%. As the Group was affected by the relocation of operation and production below economic scale as a result of insufficient purchase orders, the Group continued with a trend of loss in its main operating business during the period reported.

Outlook

As influenced by the recovery of the PRC economy and the rebound in the volume of customers' orders, the FPC industry has been gradually recovering from the economic recession while the Group's order volume has increased from this quarter. The Directors believe that, with the introduction of advanced technology and equipment, the internal core competence of the new factory in Nansha will be highly improved, the term of order delivery is expected to be further shortened while the order volume is expected to increase, and the economy of scale will be achieved eventually. Therefore, the Group's goal to make profit from its main operating business will be more promising.

DISCLOSURE OF INTERESTS

(a) Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures

Save as disclosed below, as at 30 September 2009, none of the Directors and the chief executive of the Company and their respective associates had or was deemed to have any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO"), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Rules 5.46 to 5.68 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange ("GEM Listing Rules"):

(l) The Company

(i) Interest in shares of the Company

Name of Director	Class and number of shares of which interested (other than under equity derivatives)	Capacity	Long/Short position	Approximate percentage of total issued share capital in the Company
Mr. Xiong Zheng Feng	2,190,000 ordinary shares	Beneficial owner	Long	0.41

(ii) Interest in the underlying shares of the Company through equity derivatives

Name of Director	Class and number of underlying shares held under physically settled equity derivatives	Notes	Capacity	Long/Short position	Approximate percentage of total issued share capital in the Company
Mr. Xiong Zheng Feng	2,000,000 ordinary shares	1	Beneficial owner	Long	0.37
	2,000,000 ordinary shares	2	Beneficial owner	Long	0.37
Mr. Chai Zhi Qiang	2,800,000 ordinary shares	1	Beneficial owner	Long	0.52
	2,000,000 ordinary shares	2	Beneficial owner	Long	0.37
Ms. Li Ying Hong	600,000 ordinary shares	1	Beneficial owner	Long	0.11
	2,000,000 ordinary shares	2	Beneficial owner	Long	0.37
Mr. Han Li Gang	1,600,000 ordinary shares	2	Beneficial owner	Long	0.30
Mr. Li Kung Man	800,000 ordinary shares	2	Beneficial owner	Long	0.15
Mr. Liang Zhi Li	800,000 ordinary shares	2	Beneficial owner	Long	0.15
Mr. Wang Heng Yi	800,000 ordinary shares	2	Beneficial owner	Long	0.15

Notes:

1. The interest of each of Mr. Xiong Zheng Feng, Ms. Li Ying Hong and Mr. Chai Zhi Qiang in the underlying ordinary shares of the Company reflects the share options to subscribe for shares in the Company at a subscription price of HK\$0.40 per share granted to him/her under a Pre-IPO share option scheme adopted on 6 August 2004, which position remains unchanged since the date of grant on 6 August 2004.
2. The interest of each of Mr. Xiong Zheng Feng, Ms. Li Ying Hong, Mr. Chai Zhi Qiang, Mr. Han Li Gang, Mr. Li Kung Man, Mr. Liang Zhi Li and Mr. Wang Heng Yi in the underlying ordinary shares of the Company reflects the share options to subscribe for shares in the Company at a subscription price of HK\$0.36 per share granted to him/her under a share option scheme adopted on 6 August 2004, which position remains unchanged since the date of grant on 9 July 2007.
3. Mr. Xiong Zheng Feng is, in aggregate, interested in approximately 1.15% of the total issued share capital in the Company, such interest comprises his interests in 2,190,000 issued shares of the Company and 4,000,000 underlying shares held under equity derivatives.
4. None of Ms. Li Ying Hong, Mr. Chai Zhi Qiang, Mr. Han Li Gang, Mr. Li Kung Man, Mr. Liang Zhi Li nor Mr. Wang Heng Yi is interested in any securities of the Company other than under underlying shares held under equity derivatives.

(II) *The associated corporation*

As at 30 September 2009, to the best knowledge of the Directors, none of the Directors nor chief executive of the Company had or was deemed to have any interests or short positions in the shares or the underlying shares or debentures of any associated corporations of the Company (within the meaning of Part XV of the SFO) that was required to be recorded pursuant to section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO and Rules 5.46 to 5.68 of the GEM Listing Rules.

(b) Substantial Shareholders

Save as disclosed below, as at 30 September 2009, no person other than certain Directors or chief executive of the Company had any interests or short positions in the shares and underlying shares of the Company as recorded in the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO, or which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who 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 any members of the Group:

Name of substantial shareholder	Capacity	Class and number of securities in which interested (other than under equity derivatives) (Note 3)	Long/Short position	Approximate percentage of total issued share capital in the Company
Alpha Luck Industrial Ltd. ("Alpha Luck")	Beneficial owner	360,000,000 ordinary shares	Long	66.67
Silver City International (Holdings) Ltd. ("Silver City") (Note 1)	Interest in controlled corporation	360,000,000 ordinary shares	Long	66.67
China North Industries Corporation 中國北方工業公司 ("CNIC") (Note 2)	Interest in controlled corporation	360,000,000 ordinary shares	Long	66.67
Dalmary International Corporation ("Dalmary") (Note 3)	Beneficial owner	40,000,000 ordinary shares	Long	7.41

Notes:

1. This represents the same block of shares of the Company shown against the name of Alpha Luck. Since Alpha Luck is wholly and beneficially owned by Silver City, Silver City is deemed to be interested in the same number of shares of the Company held by Alpha Luck under Part XV of the SFO.

2. As Silver City is wholly and beneficially owned by CNIC, CNIC is deemed to be interested in the same number of shares of the Company which Silver City is deemed to be interested under Part XV of the SFO.
3. Dalmaty is beneficially owned by 29 shareholders which consist of various Directors, members of the senior management and employees of the Group. Mr. Xiong Zheng Feng, Mr. Chai Zhi Qiang and Ms. Li Ying Hong are interested in 30%, 28.75% and 6.75% respectively in the issued share capital of Dalmaty.
4. None of Alpha Luck, Silver City, CNIC nor Dalmaty is interested in any securities of the Company under equity derivatives.

COMPETING INTERESTS

None of the Directors, the management shareholders of the Company and their respective associates (as defined under the GEM Listing Rules) had any conflict of interest with any member of the Group or any interest in a business which competes or may compete with the business of any member of the Group during the period.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with Rules 5.28 and 5.33 of the GEM Listing Rules. The primary duties of the audit committee of the Company are to review and supervise the financial reporting process and internal control procedures of the Company and provide advice and comments to the Directors.

As at 30 September 2009, the audit committee of the Company comprised of three members which were all independent non-executive Directors, namely, Mr. Li Kung Man (the chairman of the audit committee), Mr. Liang Zhi Li and Mr. Wang Heng Yi. Following the resignation of Mr. Li Kung Man from his position as independent non-executive Director, a member of the audit committee and a member of remuneration committee of the Company on 15 October 2009, the audit committee of the Company comprises of two independent non-executive Directors, namely Mr. Liang Zhi Li and Mr. Wang Heng Yi up to the date of this report.

As the number of audit committee members falls below the minimum number required under Rule 5.28 of the GEM Listing Rules, the Company is in the course of identifying a suitable candidate to fill the vacancy arising from the resignation of Mr. Li Kung Man, and will, as soon as possible and in any event within three months from 15 October 2009, appoint an appropriate person to fill the vacancy pursuant to Rule 5.06 of the GEM Listing Rules for the purpose of complying with Rule 5.28 of the GEM Listing Rules.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares during the nine months ended 30 September 2009.

By Order of the Board
AKM Industrial Company Limited
Xiong Zheng Feng
Chairman

10 November 2009, Hong Kong