朗力福®

Longlife Group Holdings Limited
朗力福集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 8037

Healthy life
happy life

First Quarterly Report **2010**

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

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the 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 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 and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report for which the directors (the "Directors") of Longlife Group 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 Growth Enterprise Market of the Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquires, 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 THREE-MONTH RESULTS

The board (the "Board") of directors (the "Directors") of Longlife Group Holdings Limited (the "Company") announces the unaudited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the three months ended 31 December 2009 together with the comparative unaudited figures for the corresponding period in 2008 prepared in accordance with generally accepted accounting principles in Hong Kong, as follows. The unaudited consolidated results have not been audited by the Company's auditors but have been reviewed by the Company's audit committee.

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

		Three months ended 31 December	
		2009	2008
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	*HK$'000*
Turnover	*2*	**23,319**	53,042
Cost of sales		**(9,749)**	(20,182)
Gross profit		**13,570**	32,860
Other income		**89**	54
Administrative expenses		**(3,825)**	(7,310)
Selling and distribution expenses		**(10,295)**	(26,479)
Other expenses		**(49)**	(41)
Finance costs		**(567)**	(1,041)
Loss before tax		**(1,077)**	(1,957)
Income tax expenses	*3*	**(10)**	(241)
Loss for the period		**(1,087)**	(2,198)
Attributable to:			
Owners of the Company		**(983)**	(2,593)
Non-controlling interests		**(104)**	395
		(1,087)	(2,198)
Loss per share	*4*		
– Basic		**(0.18) cent**	(0.49) cent
– Diluted		**N/A**	N/A

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	Three months ended 31 December	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Loss for the period	**(1,087)**	(2,198)
Other comprehensive income (loss):		
Exchange difference arising on translation of foreign operations	**23**	(57)
Total comprehensive loss for the period	**(1,064)**	(2,255)
Attributable to:		
Owners of the Company	**(964)**	(2,644)
Non-controlling interests	**(100)**	389
	(1,064)	(2,255)

Notes:

1. Group Reorganisation and Basis of Preparation

The Company was incorporated and registered as an exempted company in the Cayman Islands under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 5 June 2003.

The shares of the Company were successfully listed on the GEM of the Exchange on 17 June 2004. The condensed consolidated financial statements are presented in Hong Kong dollars ("HK$"). Other than those subsidiaries established in the People's Republic of China (the "PRC") whose functional currency is Renminbi ("RMB"), the functional currency of the Company and its subsidiaries are HK$. The reason for selecting HK$ as its presentation currency is because the Company is a public company listed on the Growth Enterprise Market of The Stock Exchange, where most of the investors are located in Hong Kong.

The unaudited condensed financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with Hong Kong Financial Reporting Standards ("HKFRS"), which is a collective term of Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKAS") and Interpretations ("Int") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The accounting policies and methods of computation adopted are consistent with those followed in the preparation of the Group's audited financial statements set out in the annual report for the year ended 30 September 2009 except as follows. The unaudited condensed financial statements have been prepared under the historical cost basis, as explained in the accounting policies set out in the annual report for the year ended 30 September 2009.

In the current period, the Group has applied, for the first time, a number of new standards, amendments and interpretations ("new HKFRSs") issued by the HKICPA that are effective for accounting periods beginning on or after 1 October 2008. The adoption of these new HKFRSs has no material effect on how the results for the current or prior accounting year have been prepared and presented. Accordingly, no prior year adjustment has been required.

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective. The Group has commenced considering the potential impact of these new or revised HKFRSs but is not yet in a position to determine whether these new HKFRSs would have a significant impact on how its results of operations and financial position are prepared and presented.

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

HKFRSs (Amendments)	Improvements to HKFRSs May 2008[1]
HKFRSs (Amendments)	Improvements to HKFRSs April 2009[2]
HKAS 1 (Revised)	Presentation of Financial Statements[3]
HKAS 23 (Revised)	Borrowing Costs[3]
HKAS 24 (Revised)	Related Party Disclosures[7]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[4]
HKAS 32 (Amendment)	Financial instruments: Presentation – Classification of Rights Issues[6]
HKAS 32 & HKAS 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation[3]
HKAS 39 (Amendment)	Eligible Hedged Items[4]
HKFRS 1 (Revised)	First-time Adoption of HKFRSs[4]
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters[5]
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate[3]
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations[3]
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions[5]
HKFRS 3 (Revised)	Business Combinations[4]
HKFRS 7 (Amendments)	Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments[3]
HKFRS 8	Operating Segments[3]
HKFRS 9	Financial Instruments[8]
HK(IFRIC)-INT 14 (Amendment)	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction[7]
HK(IFRIC)-INT 15	Agreements for the Construction of Real Estate[3]
HK(IFRIC)-INT 17	Distributions of Non-cash Assets to Owners[4]
HK(IFRIC)-INT 19	Extinguishing Financial Liabilities with Equity Instruments[9]

[1] Effective for annual periods beginning on or after 1 January 2009 except the amendments to HKFRS 5, effective for annual periods beginning on or after 1 July 2009
[2] Effective for annual periods beginning on or after 1 January 2009, 1 July 2009 and 1 January 2010, as appropriate
[3] Effective for annual periods beginning on or after 1 January 2009
[4] Effective for annual periods beginning on or after 1 July 2009
[5] Effective for annual periods beginning on or after 1 January 2010
[6] Effective for annual periods beginning on or after 1 February 2010
[7] Effective for annual periods beginning on or after 1 January 2011
[8] Effective for annual periods beginning on or after 1 January 2013
[9] Effective for annual periods beginning on or after 1 July 2010

The adoption of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions. The directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

2. Turnover

Turnover represents the amounts received and receivable from sales of goods less sales tax and discounts, if any, during the periods.

	Three months ended 31 December	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Manufacturing and sales of consumer cosmetics	**10,465**	34,995
Manufacturing and sales of health related products	**4,804**	9,910
Manufacturing and sales of capsules products	**7,545**	6,611
Manufacturing and sales of health supplement wine	**415**	1,269
Manufacturing and sales of dental materials and equipment	**90**	257
	23,319	53,042

3. Income Tax Expenses

	Three months ended 31 December	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
The amount comprises:		
Taxation arising in the People's Republic of China (the "PRC")		
– Current period	**10**	241

No provision for Hong Kong Profits Tax has been made in the condensed consolidated income statement as the Group's income neither arose in, nor was derived from Hong Kong for both periods.

Taxation arising in the PRC is calculated at the rates prevailing in the relevant jurisdiction.

Pursuant to the relevant law and regulations in the PRC, certain subsidiaries of the Company in the PRC are exempted from PRC Enterprise Income Tax for two years starting from the first profit making year in which profits exceed any carried forward tax losses followed by a 50% tax relief for PRC Enterprise Income Tax for the following three years.

On 16 March 2007, the PRC promulgated the Law of the PRC on Enterprise Income Tax (the "New Law") by Order No. 63 issued by the Tenth National People's Congress. On 6 December 2007, the State Council of the PRC issued Implementation Regulations of the New Law. Pursuant to the New Law and Implementation Regulations, the Enterprise Income Tax for both domestic and foreign-invested enterprises will be unified at 25% effective from 1 January 2008. There will be a transitional period for PRC subsidiaries that currently entitled to preferential tax treatments granted by the relevant tax authorities. PRC subsidiaries currently subject to an enterprise income tax rate lower than 25% will continue to enjoy the lower tax rate and be gradually transitioned to the new unified rate of 25% within five years after 1 January 2008.

The income tax expenses for the period can be reconciled to the loss before tax per the condensed consolidated income statement as follows:

	Three months ended 31 December	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Loss before tax	**(1,077)**	(1,957)

	Three months ended 31 December	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Tax at respective applicable tax rates	**(228)**	(489)
Tax effect of expenses not deducible for tax purposes	**169**	7
Tax effect of income not taxable for tax purposes	**(22)**	(6)
Tax effect of tax losses not recognised	**91**	1,327
Reduction of tax to concessionary rate	**–**	(278)
Tax effect of exemption granted to PRC subsidiaries	**–**	(320)
Income tax expense for the period	**10**	241

No provision for deferred taxation has been recognised in the condensed financial statements as the amount involved is insignificant.

The income tax expense for the period is arised from profit recorded by some of the Group's subsidiaries.

4. Loss Per Share

Basic loss per share

The calculation of basic loss per share for the three months ended 31 December 2009 are based on the unaudited consolidated loss from ordinary activities attributable to owners of the Company for the period of approximately HK$983,000 on 533,400,000 ordinary shares in issue during the period.

The calculation of basic loss per share for the three months ended 31 December 2008 are based on the unaudited consolidated loss from ordinary activities attributable to owners of the Company for the period of approximately HK$2,593,000 on 533,400,000 ordinary shares in issue during the period.

Diluted loss per share

No diluted loss per share has been presented for the three months ended 31 December 2009 and 2008 as there was no dilutive potential ordinary share for both periods.

5. Share Capital and Reserves

	Number of shares	Par value per share	Amount HK$'000
A. Movement of authorised share capital			
At 31 December 2008 (unaudited) and 31 December 2009 (unaudited)	2,000,000,000	HK$0.10	200,000
B. Movement of issued share capital			
At 31 December 2008 (unaudited) and 31 December 2009 (unaudited)	533,400,000	HK$0.10	53,340

C. Movements of reserves are as follows:

	Attributable to owners of the Company									
	Share capital HK$'000	Share premium HK$'000	Special reserve HK$'000 (Note 1)	Statutory surplus reserve fund HK$'000 (Note 2)	Statutory enterprise expansion fund HK$'000 (Note 3)	Exchange reserve HK$'000	Accumulated losses HK$'000	Total HK$'000	Non-controlling interests HK$'000	Total equity HK$'000
At 1 October 2008 (Audited)	53,340	15,479	22,443	15,479	3,098	28,436	(11,127)	127,148	7,393	134,541
Loss for the period	–	–	–	–	–	–	(2,593)	(2,593)	395	(2,198)
Other comprehensive loss										
Exchange differences arising on translation	–	–	–	–	–	(51)	–	(51)	(6)	(57)
Total comprehensive loss for the three months ended 31 December 2008	–	–	–	–	–	(51)	(2,593)	(2,644)	389	(2,255)
At 31 December 2008 (Unaudited)	53,340	15,479	22,443	15,479	3,098	28,385	(13,720)	124,504	7,782	132,286
At 1 October 2009 (Audited)	53,340	15,479	22,443	15,479	3,098	27,813	(94,688)	42,964	6,214	49,178
Loss for the period	–	–	–	–	–	–	(983)	(983)	(104)	(1,087)
Other comprehensive loss										
Exchange differences arising on translation	–	–	–	–	–	19	–	19	4	23
Total comprehensive loss for the three months ended 31 December 2009	–	–	–	–	–	19	(983)	(964)	(100)	(1,064)
At 31 December 2009 (Unaudited)	53,340	15,479	22,443	15,479	3,098	27,832	(95,671)	42,000	6,114	48,114

Notes:

1. Special reserve represents the difference between the paid-up capital and share premium of the subsidiary acquired and the nominal value of the Company's shares issued for the acquisition at the time of the group reorganisation.

2. Pursuant to the Articles of Association of certain subsidiaries of the Company in PRC, those subsidiaries should transfer not less than 10% of net profit to the statutory surplus reserve fund, while the rest of the Company's PRC subsidiaries can make appropriation of net profit to the statutory surplus reserve fund on a discretionary basis.

   The statutory surplus reserve fund can be used to make up for previous year's losses, expand the existing operations or convert into additional capital of those PRC subsidiaries.

3. Pursuant to the Articles of Association of certain subsidiaries of the Company in PRC, those subsidiaries can make appropriation of net profit to the statutory enterprise expansion fund on a discretionary basis.

   The statutory enterprise expansion fund can be used to expand the capital of those subsidiaries by means of capitalisation.

6. **Capital Risk Management**
The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged during the two periods ended 31 December 2009 and 2008.

The capital structure of the Group consists of debt, which includes borrowings, cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves. The directors of the Company review the capital structure on a regular basis. As a part of this review, the directors of the Company consider the cost of capital and the associated risks and take appropriate actions to adjust the Group's capital structure.

7. **Capital Commitments**

	31 December	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Capital expenditure contracted for but not provided in the condensed financial statements in respect of:		
– construction in progress	**5,420**	6,081

DIVIDENDS

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

SHARE OPTION SCHEME

During the three months ended 31 December 2009, no share option was granted, exercised, expired or lapsed under the share option scheme approved on 26 May 2004.

BUSINESS REVIEW

As at the end of 31 December 2009, the business of the Group consisted of consumer cosmetics, health related products, capsule products and health supplement wine. During this quarter, the Group implemented the distribution and dealership-oriented business model, which improved the situation of continuously high loss.

Turnover

For the three months ended 31 December 2009, the Group recorded a turnover of approximately HK$23,319,000, a decrease of HK$29,723,000 and approximately 56.0% compared to approximately HK$ 53,042,000 over the corresponding period of last year. The significant decrease in sales was due to the Group persistently streamlined inefficient sales networks and the conversion of business model.

Gross Profit

For the three months ended 31 December 2009, the Group recorded a gross profit of approximately HK$13,570,000, a decrease of HK$19,290,000 and approximately 58.7% compared to approximately HK$32,860,000 over the corresponding period of last year. The gross margin was approximately 58.2%, a decrease of 3.8 percentage points compared to 62.0% over the corresponding period of last year. The decrease in gross margin was attributed to the Group converted its business model and reduced the price to face the financial crisis.

Administrative Expenses

For the three months ended 31 December 2009, administrative expenses was approximately HK$3,825,000, a decrease of approximately HK$3,485,000 and approximately 47.7% compared to approximately HK$7,310,000 over the corresponding period of last year. The significant decrease in administrative expenses was mainly due to the Group persisted in redundancy and cost saving strategies.

Selling and Distribution Expenses

For the three months ended 31 December 2009, selling and distribution expenses was approximately HK$10,295,000, a decrease of approximately HK$16,184,000 and approximately 61.1% compared to HK$26,479,000 over the corresponding period of last year. The sharp cut in selling and distribution expenses was a result of cost control in the distribution and dealership-oriented business model.

Loss for the period

For the three months ended 31 December 2009, the Group recorded a loss of approximately HK$1,087,000, a decrease of approximately HK$1,111,000 and approximately 50.5% compared to the loss of approximately HK$2,198,000 over the corresponding period of last year. Factor attributing to the loss in this quarter was the conversion of business model in short term. But the directors believe that the Group has got out of difficult situation in traditional business model and basically completed the conversion of business model. The Group will raise the revenue and make profit by way of developing new products and searching new sales agents and dealers.

FUTURE OUTLOOK

Both Global and Chinese economy will be recovered in the year 2010. In such good economic environment, the Group will put resources in producing and distribution field of the consumer goods to develop new products and raise the revenue and finally rebuild the Group's earning ability and create the Group's value.

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

As at 31 December 2009, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meanings of Part XV of the Securities and Future Ordinance (the "SFO")) which require notification to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any such Director or chief executive is taken or deemed to have under such provision of the SFO) or which are required pursuant to section 352 of the SFO or which are required, pursuant to rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Exchange were as follows:

Long positions in the ordinary shares in the Company

Name of director	Capacity	Number of ordinary shares	Percentage of the issued share capital of the Company
Zheng Lixin (鄭立新)	Through a controlled corporation	84,150,000 *(Note)*	15.78%
Zhang San Lin (張三林)	Beneficial owner	25,000,000	4.69%
Yao Feng (姚鋒)	Beneficial owner	10,000,000	1.87%

Note: These shares are held by China Medical Device Group Limited, a company wholly-owned by Mr. Zheng Lixin.

Save as disclosed above, none of the Directors nor the chief executives of the Company had, as at 31 December 2009, any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meanings of Part XV of the SFO) which require notification to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any such director is taken or deemed to have under such provision of the SFO) or which are required pursuant to Section 352 of the SFO, or which are required pursuant to Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Exchange.

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

As at 31 December 2009, according to the register kept by the Company pursuant to section 336 of SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors, save as disclosed in the paragraph headed "DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES" in this report, the following person had an interest or short positions in the shares, underlying shares and debentures 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, was directly or indirectly interested in 5% or more of the voting power at general meetings of the Company:

Long positions in the ordinary shares in the Company

Name of shareholder	Capacity	Number of ordinary shares	Percentage of the issued share capital of the Company
Sino Katalytics Investment Corporation	Beneficial owner	107,510,000	20.16%
China Medical Device Group Limited	Beneficial owner	84,150,000 *(Note 1)*	15.78%
Au Yeung Kai Chor	Beneficial owner	35,000,000	6.56%
Eftpos Limited	Beneficial owner	35,000,000	6.56%
CITIC International Assets Management Limited	Beneficial owner	31,500,000	5.90%
CITIC International Financial Holdings Limited	Through a controlled corporation	31,500,000 *(Note 2)*	5.90%
CITIC Group	Through a controlled corporation	31,500,000 *(Note 2)*	5.90%
China CITIC Bank Corporation Limited	Through a controlled corporation	31,500,000 *(Note 2)*	5.90%

Notes:

1. These shares are held by China Medical Device Group Limited, a company wholly-owned by Mr. Zheng Lixin, an executive Director.

2. These shares are held by CITIC International Assets Management Limited, a company 40% owned by CITIC International Financial Holdings Limited, which 70.32% owned by China CITIC Bank Corporation Limited, which 67.26% owned by CITIC Group.

Save as disclosed above, the Company has not been notified of any other interests or short positions representing 5% or more of the issued share capital of the Company and recorded in the register required to be kept by the Company under section 336 of the SFO as at 31 December 2009.

RIGHTS TO ACQUIRE COMPANY'S SECURITIES

Other than as disclosed under the sections "SHARE OPTION SCHEME" and "DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES" above, at no time during the three months ended 31 December 2009 was the Company or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executives of the Company or their respective associates (as defined in the GEM Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

COMPETING INTERESTS

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

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro rata basis to exiting shareholders.

AUDIT COMMITTEE

The Company established an audit committee (the "Audit Committee") with written terms of reference in compliance with the requirements as set out in the GEM Listing Rules for the purposes of reviewing and supervising the financial reporting process and internal controls of the Group. The Audit Committee currently comprises of Mr. Yu Jie, Mr. Chong Cha Hwa, Ms. Chan Wai Yan and Mr. Sham Chi Keung William.

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Company and discussed internal controls and financial reporting matters including review of the unaudited condensed consolidated results of the Company for the three months ended 31 December 2009.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the three months ended 31 December 2009, neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities.

By Order of the Board
Longlife Group Holdings Limited
Zheng Lixin
Chairman

Hong Kong, 8 February 2010

Executive Directors as at date of this report:
Mr. Zheng Lixin (鄭立新)
Mr. Yao Feng (姚鋒)
Mr. Zhang San Lin (張三林)
Mr. Chen Zhongwei (陳中瑋)
Mr. Cheung Hung (張鴻)

Non-executive Director as at date of this report:
Mr. Lo Wing Yat, Kelvin (盧永逸)

Independent Non-executive Directors as at date of this report:
Mr. Yu Jie (俞杰)
Mr. Chong Cha Hwa (張家華)
Ms. Chan Wai Yan (陳慧殷)
Mr. Sham Chi Keung William (岑志強)