



# Trasy Gold Ex Limited 卓施金網有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 08063

**2010** Third Quarterly Report

## **CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK 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 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 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 TRASY GOLD EX 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 the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this report misleading.*

## FINANCIAL REVIEW

For the nine months ended 30 September 2010, the consolidated revenue of Trasy Gold Ex Limited (the “Company”) and its subsidiaries (collectively, the “Group”) amounted to HK\$6,520,000, slightly decrease 1% compared to HK\$6,602,000 for the nine months ended 30 September 2009.

Other income for the nine months ended 30 September 2010 amounted to HK\$5,062,000 (for the nine months ended 30 September 2009: HK\$4,998,000), which mainly represented interest income from banks.

The Group recorded a loss attributable to equity holders of the Company of HK\$2,405,000 for the nine months ended 30 September 2010 (for the nine months ended 30 September 2009: HK\$4,521,000), representing basic loss per share of HK 2.01 cents (for the nine months ended 30 September 2009: HK 3.77 cents).

## OPERATIONS REVIEW AND OUTLOOK

### Precious Metals Trading

For the nine months ended 30 September 2010, turnover from trading in precious metals and precious metals contracts amounted to HK\$6,520,000 (for the nine months ended 30 September 2009: HK\$6,602,000), with a profit contribution amounted to HK\$101,000 (for the nine months ended 30 September 2009: HK\$95,000). The Group will continue to adopt prudent risk management and internal control policies to monitor and minimize the Group’s risk exposures in precious metals and precious metals contract trading.

### Securities Management

Due to the gradual recovery in the global and Hong Kong economies and the recent upturn in the financial market, for the nine months ended 30 September 2010, the Group recorded a net gain on investments held for trading of HK\$1,009,000, which was improved as compared to loss of HK\$1,053,000 in the corresponding period last year.

Looking ahead, global economic and financial uncertainties will persist. As a part of risk management philosophy, the Group will continue to adopt a prudent and vigilant attitude towards securities investments policy with a view to achieving better returns on its financial resources and maintaining a more balanced and healthy portfolio of investments.

## FUTURE PLAN AND PROSPECTS

On 17 September 2010, a direct wholly-owned subsidiary of the Company (as purchaser) and the Company (as purchaser's guarantor) entered into an agreement with an independent third party to acquire the entire issued share capital of Harvest Well International Limited ("Harvest Well") at a total cash consideration of HK\$240 million (subject to downward adjustment). Harvest Well is an investment holding company with principal asset of 100% holding in Safe2Travel Pte Ltd, which provides business travel services, inbound and outbound events management and planning services to corporate clients, as well as offers a wide range of tailor-made leisure travel products and services ranging from group tours to free and easy packages in Singapore. For details, please refer to the Company's announcement dated 22 September 2010.

Saved as disclosed above, the Group neither had any significant acquisition nor disposal of investment.

## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION



### TO THE BOARD OF DIRECTORS OF TRASY GOLD EX LIMITED

#### Introduction

We have reviewed the interim financial information set out on pages 5 to 9, which comprises the condensed consolidated statement of comprehensive income for the nine months period ended 30 September 2010 and certain explanatory notes. The interim financial information has been prepared solely for the purpose and on the basis set out in note 1 to the interim financial information. The GEM Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with the basis set out in note 1. Our responsibility is to express a conclusion on this interim financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

#### Scope of review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.



## **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with the basis of preparation as set out in note 1 to the interim financial information.

**Deloitte Touche Tohmatsu**  
*Certified Public Accountants*  
Hong Kong  
10 November 2010

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the nine months ended 30 September 2010

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2010 HK\$'000 (Unaudited)	2009 HK\$'000 (Unaudited)	2010 HK\$'000 (Unaudited)	2009 HK\$'000 (Unaudited)
Revenue		1,907	2,970	6,520	6,602
Cost of sales		(1,878)	(2,936)	(6,419)	(6,507)
Gross profit		29	34	101	95
Other income	3	1,733	1,674	5,062	4,998
Administrative expenses		(2,657)	(2,954)	(8,499)	(8,277)
Net (loss) gain on investments held for trading		(505)	(383)	1,009	(1,053)
Finance costs		(9)	(92)	(78)	(284)
Loss and total comprehensive expense for the period attributable to owners of the Company		<u>(1,409)</u>	<u>(1,721)</u>	<u>(2,405)</u>	<u>(4,521)</u>
Loss per share (HK cent) Basic and diluted	5	<u>(1.176)</u>	<u>(1.436)</u>	<u>(2.007)</u>	<u>(3.773)</u>

## NOTES TO THE INTERIM FINANCIAL INFORMATION

*For the nine months ended 30 September 2010*

### 1. BASIS OF PREPARATION

The interim financial information has been prepared in accordance with the applicable disclosure requirements of Chapter 18 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

The amounts included in this interim financial information have been computed in accordance with Hong Kong Financial Report Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) applicable to interim periods. However, it does not contain sufficient information to constitute an interim financial report as defined in HKFRS.

### 2. PRINCIPAL ACCOUNTING POLICIES

The interim financial information has been prepared under the historical cost basis, except for certain financial instruments, which are measured at fair values, as appropriate.

The accounting policies used in the computation of the amounts included in the interim financial information are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2009.

The following revised Standards, Amendments and Interpretations (“new or revised HKFRSs”) issued by the HKICPA have become effective for the Group’s financial year beginning on 1 January 2010.

HKFRSs (Amendments)	Amendments to HKFRS 5 as part of Improvements to HKFRSs 2008
HKFRSs (Amendments)	Improvements to HKFRSs 2009
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 39 (Amendment)	Eligible Hedged Items
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions
HKFRS 3 (Revised)	Business Combinations
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners

The adoption of the new and revised HKFRSs has had no material effect on the results or financial position of the Group for the current or prior accounting periods.



## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

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 2010 <sup>1</sup>
HKAS 24 (Revised)	Related Party Disclosures <sup>2</sup>
HKAS 32 (Amendment)	Classification of Rights Issues <sup>3</sup>
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters <sup>4</sup>
HKFRS 7 (Amendments)	Transfers of Financial Assets <sup>6</sup>
HKFRS 9	Financial Instruments <sup>5</sup>
HK(IFRIC) – Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement <sup>2</sup>
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2011

<sup>3</sup> Effective for annual periods beginning on or after 1 February 2010

<sup>4</sup> Effective for annual periods beginning on or after 1 July 2010

<sup>5</sup> Effective for annual periods beginning on or after 1 January 2013

<sup>6</sup> Effective for annual periods beginning on or after 1 October 2010

HKFRS 9 *Financial Instruments* introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2013, with earlier application permitted. The Standard requires all recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* to be measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 might affect the classification and measurement of the Group's financial assets.

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 Group's result or financial position.

### 3. OTHER INCOME

	Three months ended 30 September		Nine months ended 30 September	
	2010 HK\$'000 (Unaudited)	2009 HK\$'000 (Unaudited)	2010 HK\$'000 (Unaudited)	2009 HK\$'000 (Unaudited)
Dividend income from investments held for trading	40	–	40	15
Interest income	1,693	1,674	5,017	4,968
Miscellaneous income	–	–	5	15
	<u>1,733</u>	<u>1,674</u>	<u>5,062</u>	<u>4,998</u>

### 4. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made for both periods as the group entities either incurred tax losses or the estimated assessable profit is wholly absorbed by tax losses brought forward from prior years.

### 5. LOSS PER SHARE

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

	Three months ended 30 September		Nine months ended 30 September	
	2010 HK\$'000 (Unaudited)	2009 HK\$'000 (Unaudited)	2010 HK\$'000 (Unaudited)	2009 HK\$'000 (Unaudited)
<b>Loss</b>				
Loss for the purpose of basic and diluted loss per share	<u>(1,409)</u>	<u>(1,721)</u>	<u>(2,405)</u>	<u>(4,521)</u>
<b>Number of shares</b>				
Number of ordinary shares for the purpose of basic and diluted loss per share (in thousand shares)	<u>119,832</u>	<u>119,832</u>	<u>119,832</u>	<u>119,832</u>

Diluted loss per share does not assume the exercise of the Company's options because the exercise price of the options was higher than the average market price of shares for all periods and the assumed exercise of the share option would result in a decrease in loss per share.

## 6. INTERIM DIVIDEND

The directors of the Company resolved not to declare the payment of an interim dividend for the nine months ended 30 September 2010 (2009: Nil).

## 7. EVENT AFTER THE REPORTING PERIOD

On 17 September 2010, Durable Gold Investments Limited, a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with a vendor to acquire a business of licensed travel agent in Singapore (“Acquisition”) at a total cash consideration of HK\$240 million (subject to downward adjustment). The Acquisition, details of which are set out in an announcement of the Company dated 22 September 2010, is not yet completed as at the date of this report.

## OTHER INFORMATION

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

As at 30 September 2010, none of the Directors or chief executives of the Company had any interest in the shares, underlying shares and debentures of the Company or any associated corporations, within the meaning of Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (the “SFO”), as recorded in the register of the Company required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rule 5.46 of the GEM Listing Rules.

### SUBSTANTIAL SHAREHOLDERS

As at 30 September 2010, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO showed that the following shareholder had notified the Company of relevant interests in the issued share capital of the Company:

#### Long positions

*Ordinary shares of HK\$0.01 each of the Company*

Name of shareholder	Capacity	Number of ordinary shares of the Company held	Percentage of the issued ordinary share capital of the Company
Mr. Tse Young Lai	Beneficial owner	23,966,460	20.00

Other than as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 30 September 2010.

## COMPETING INTERESTS

None of the Directors, the management shareholders of the Company nor their respective associates (as defined under the GEM Listing Rules) had any interest in a business which causes or may cause significant competition with the business of the Group.

## AUDIT COMMITTEE

The Audit Committee of the Company (the “Audit Committee”) currently comprises three independent non-executive Directors, namely Mr. Chung Koon Yan (as Chairman), Mr. Wong Kai Tat and Ms. Chan Ling, Eva, with written terms of reference in compliance with the GEM Listing Rules. The Audit Committee has reviewed the unaudited consolidated results of the Group for the nine months ended 30 September 2010.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

The Company has not redeemed any of its shares during the nine months ended 30 September 2010. Neither the Company nor any of its subsidiaries purchased or sold any of the Company’s listed securities during the period.

On behalf of the Board

**Tse Ke Li**

*Executive Director*

Hong Kong, 10 November 2010

*As at the date of this report, the Board comprises Mr. Tang Chi Ming and Mr. Tse Ke Li as executive Directors, and Mr. Chung Koon Yan, Mr. Wong Kai Tat and Ms. Chan Ling, Eva as independent non-executive Directors.*