

## CONTENTS

Condensed Consolidated Income Statement	2
Condensed Consolidated Balance Sheet	3
Condensed Consolidated Statement of Changes in Equity	5
Condensed Consolidated Cash Flow Statement	6
Notes to the Unaudited Condensed Consolidated Interim Financial Statements	7
Management Discussion and Analysis	20
Interests of Substantial Shareholders	24
Share Option Schemes	24
Supplementary Information	26
Corporate Information	28

The directors (the "Directors") of Mitsumaru East Kit (Holdings) Limited (the "Company") are pleased to announce the unaudited results of the Company and its subsidiaries (the "Group") for the six months ended 30th June 2005 (the "Period") together with the comparative figures for the corresponding period of 2004.

## CONDENSED CONSOLIDATED INCOME STATEMENT

*For the six months ended 30th June 2005*

	Notes	Unaudited	
		Six months ended 30th June 2005	2004
		HK\$'000	HK\$'000
<b>TURNOVER - SALES OF GOODS</b>	4	<b>363,002</b>	246,309
Cost of sales		<b>(323,552)</b>	(208,626)
<b>GROSS PROFIT</b>		<b>39,450</b>	37,683
Other income	4	<b>786</b>	845
Selling and distribution expenses		<b>(4,102)</b>	(1,639)
Administrative expenses		<b>(19,091)</b>	(14,074)
Other operating expenses		<b>(1,423)</b>	—
Finance costs	5	<b>(4,831)</b>	(2,919)
<b>PROFIT BEFORE TAX</b>	6	<b>10,789</b>	19,896
Tax	7	<b>(3,630)</b>	(1,970)
<b>PROFIT FOR THE PERIOD</b>		<b>7,159</b>	17,926
<b>ATTRIBUTABLE TO:</b>			
Equity holder of the parent		<b>6,979</b>	18,116
Minority interests		<b>180</b>	(190)
		<b>7,159</b>	17,926
<b>EARNINGS PER SHARE (HK cents)</b>	8		
Basic		<b>1.74</b>	6.04
Diluted		<b>1.60</b>	6.02
<b>DIVIDEND PER SHARE</b>	9	<b>Nil</b>	Nil

**CONDENSED CONSOLIDATED BALANCE SHEET***As at 30th June 2005*

		<b>Unaudited</b>	<b>Audited</b>
		<b>30th June</b>	<b>31st December</b>
	<i>Notes</i>	<b>2005</b>	<b>2004</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	<b>85,924</b>	74,837
Prepaid premium on land lease		<b>11,222</b>	5,594
Construction in progress		<b>2,189</b>	—
Deferred tax assets		<b>22,101</b>	22,101
Restricted time deposits		<b>11,279</b>	11,064
		<b>132,715</b>	113,596
<b>CURRENT ASSETS</b>			
Inventories		<b>85,752</b>	81,821
Trade receivables	11	<b>273,760</b>	214,760
Notes receivable		<b>4,906</b>	22,345
Prepayments, deposits and other receivables		<b>52,594</b>	43,569
Short term investments		<b>367</b>	355
Tax recoverable		<b>—</b>	7,377
Pledged deposits		<b>40,758</b>	39,654
Cash and cash equivalents		<b>34,748</b>	53,343
		<b>492,885</b>	463,224
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	12	<b>314,506</b>	294,717
Tax payable		<b>1,960</b>	1,463
Other payables, accrued expenses and deposits received		<b>22,444</b>	30,515
Interest-bearing bank borrowings		<b>95,706</b>	64,951
Finance lease payables		<b>1,008</b>	96
		<b>435,624</b>	391,742
<b>NET CURRENT ASSETS</b>		<b>57,261</b>	71,482

		Unaudited 30th June 2005 HK\$'000	Audited 31st December 2004 HK\$'000
	Notes		
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>189,976</b>	185,078
<b>NON-CURRENT LIABILITIES</b>			
Finance lease payables		(889)	—
Deferred tax liabilities		(1,226)	(1,226)
		<b>(2,115)</b>	(1,226)
		<b>187,861</b>	183,852
<b>CAPITAL AND RESERVES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Issued capital	13	40,000	40,000
Other reserves	15	85,244	82,419
Retained profits	15	62,221	58,163
Proposed dividend		—	3,000
		<b>187,465</b>	183,582
<b>Minority interests</b>		<b>396</b>	270
		<b>187,861</b>	183,852

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30th June 2005

	Attributable to equity holders of the Company									
	Issued capital	Share premium account	Contributed surplus	Statutory surplus reserve	Expansion reserve	Exchange fluctuation reserve	Retained profits	Proposed final dividend	Total	Minority interests
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1st January 2004 (unaudited)	5,000	—	—	6,474	701	(314)	133,533	—	145,394	349
Issue of shares (unaudited)	10	—	—	—	—	—	—	—	10	—
Capitalisation issue (unaudited)	(5,000)	—	4,990	—	—	—	—	—	(10)	—
Profit for the period (unaudited)	—	—	—	—	—	—	18,116	—	18,116	—
Profit appropriation (unaudited)	—	—	—	5,943	—	—	(5,943)	—	—	—
Special dividend declared (unaudited)	—	—	—	—	—	—	(65,000)	—	(65,000)	—
Minority interests in share of loss (unaudited)	—	—	—	—	—	—	—	—	—	(190)
Exchange realignment (unaudited)	—	—	—	—	—	438	—	—	438	—
At 30th June 2004 (unaudited)	10	—*	4,990*	12,417*	701*	124*	80,706*	—	98,948	159
At 1st January 2005 (unaudited)	40,000	52,557	4,990	23,851	701	320	58,163	3,000	183,582	270
Profit for the Period (unaudited)	—	—	—	—	—	—	6,979	—	6,979	—
Profit appropriation (unaudited)	—	—	—	2,921	—	—	(2,921)	—	—	—
Final dividend declared (unaudited)	—	—	—	—	—	—	—	(3,000)	(3,000)	—
Minority interests in share of profit and reserves (unaudited)	—	—	—	—	—	—	—	—	—	126
Exchange realignment (unaudited)	—	—	—	—	—	(96)	—	—	(96)	—
At 30th June 2005 (unaudited)	40,000	52,557*	4,990*	26,772*	701*	224*	62,221*	—	187,465	396

\* These reserve accounts as at 30th June 2005 comprise the consolidated reserves of HK\$147,465,000 (30th June 2004: HK\$98,938,000) in the condensed consolidated balance sheet. All the reserves are retained by the Company and its subsidiaries as at 30th June 2005 and 2004.

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

*For the six months ended 30th June 2005*

	Unaudited	
	Six months ended 30th June	
	2005	2004
	HK\$'000	HK\$'000
Net cash inflow/(outflow) from operating activities	(25,083)	18
Net cash outflow from investing activities	(21,814)	(15,538)
Net cash inflow/(outflow) from financing activities	28,452	(12,389)
	<hr/>	<hr/>
Decrease in cash and cash equivalents	(18,445)	(27,909)
Effect of foreign exchange rate changes, net	(150)	79
Cash and cash equivalents at beginning of the period	53,343	49,185
	<hr/>	<hr/>
Cash and cash equivalents at end of the period	34,748	21,355
	<hr/>	<hr/>
Analysis of balances of cash and cash equivalents:		
Cash and bank balances	34,748	21,355
	<hr/>	<hr/>

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 1. Group reorganisation and basis of presentation

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 30th January 2004 under the Companies Law, cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

Pursuant to a reorganisation scheme (the "Reorganisation") to rationalise the structure of the Group in preparation for the listing of the Company's shares on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 15th July 2004, the Company became the holding company of the companies now comprising the Group on 22nd June 2004. Further details of the Reorganisation are set out in the Company's prospectus dated 30th June 2004.

The prior period comparative figures included in the unaudited condensed consolidated interim financial statements have been prepared using the merger basis of accounting as a result of the completion of the Reorganisation. Under this basis, the Company has been treated as the holding company of its subsidiaries prior to the dates of their acquisition pursuant to the Reorganisation on 22nd June 2004. Accordingly, the unaudited condensed consolidated interim financial statements of the Group for the period from 1st January 2004 to 30th June 2004 included the results of the Company and its subsidiaries with effect from 1st January 2004 or since their respective dates of incorporation, where this is a shorter period.

In the opinion of the Directors, the unaudited condensed consolidated interim financial statements for the period from 1st January 2004 to 30th June 2004 prepared on the above basis presents more fairly the result and the state of affairs of the Group as a whole.

### 2. Principal accounting policies

The unaudited condensed consolidated interim financial statements are prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting". The accounting policies and basis of preparation adopted in the preparation of the interim financial statements are the same as those used in the annual financial statements for the year ended 31st December 2004, except in relation to the following new and revised Hong Kong Financial Reporting Standards ("HKFRSs", which also include HKASs and Interpretations) that affect the Group and are adopted for the first time for the current period's financial statements:

HKAS 1	Presentation of Financial Statements
HKAS 17	Leases
HKFRS 2	Share-based Payment

The impact of adopting the above HKFRSs is summarised as follows:

- a. HKAS1 affects certain presentation in the condensed consolidated balance sheet, condensed consolidated income statement and condensed consolidated statement of changes in equity. Minority interests are now included in the equity section of the balance sheet.

## 2. Principal accounting policies *(Continued)*

- b. HKAS 17 requires the Group's leasehold interest in land and building should be separately disclosed as leasehold land and leasehold buildings. The Group's leasehold land is classified as an operating lease, because the title of the land is not expected to pass to the Group by the end of the lease term, and is classified from fixed assets to prepaid premium on land lease, while leasehold buildings continued to be classified as part of property, plant and equipment. This change in accounting policy has had no effect on the consolidated income statement and retained profits. The comparative amounts on the consolidated balance sheet for the year ended 31st December 2004 have been restated to reflect the reclassification of leasehold land.
- c. HKFRS 2 requires an expense to be recognised where the Group buys goods or services in exchange for shares or rights over shares, or in exchange for other assets equivalent in value to a given number of shares or rights over shares. HKFRS 2 requires the expensing of employees' and directors' share options and other share-based incentives by using an option-pricing model. The Group has taken advantage of the transitional provisions of HKFRS 2 in respect of equity-settled awards and has applied HKFRS 2 only to share options granted after 7th November 2002 that had not vested on or before 1st January 2005. The expenses so calculated are not material to the unaudited condensed consolidated financial statements for the six months ended 30th June 2005 and 2004.

## 3. Segment Information

Segment information is presented by way of two segment formats: (i) by business segment on a primary segment reporting basis; and (ii) by geographical segment on a secondary segment reporting basis.

### *(i) Business segments*

The Group has two business segments, namely design chassis of color television and trading of related components, and assembling of color television sets. Design chassis of color television and trading of related components constitutes more than 90% of the combined turnover. Moreover, the segment results and segment assets for the assembling of color television sets are less than 10% of the combined results and total assets of all segments, respectively. Therefore, no business segment analysis is presented.

### *(ii) Geographical segments*

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of customers, and assets are attributed to the segments based on the location of assets.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.



## 3. Segment Information (Continued)

## (ii) Geographical segments (Continued)

The following tables represent revenue and certain assets and capital expenditure information for the Group's geographical segments.

## (i)

	<b>Unaudited</b>	
	<b>Segment revenue</b>	
	<b>Sales to external customers</b>	
	<b>Six months ended 30th June</b>	
	<b>2005</b>	<b>2004</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
PRC	180,675	159,016
Europe	83,547	36,018
Asia (other than the PRC)	59,106	48,182
South America	38,806	—
Australia	23	3,093
Others	845	—
	<b>363,002</b>	<b>246,309</b>

## (ii)

	<b>Unaudited</b>	
	<b>Segment assets</b>	
	<b>30th June</b>	<b>31st December</b>
	<b>2005</b>	<b>2004</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Hong Kong	181,163	170,891
PRC (other than Hong Kong)	439,519	400,018
Europe	4,918	5,911
	<b>625,600</b>	<b>576,820</b>

## (iii)

	<b>Unaudited</b>	
	<b>Segment capital expenditure</b>	
	<b>30th June</b>	<b>31st December</b>
	<b>2005</b>	<b>2004</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Hong Kong	1,551	1,210
PRC (other than Hong Kong)	20,381	39,350
	<b>21,932</b>	<b>40,560</b>

#### 4. Turnover and other income

Turnover represents the net invoiced value or contracted value of goods sold upon delivery of goods, after allowances for returns and trade discounts and business/sales tax where applicable.

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

		<b>Unaudited</b>	
		<b>Six months ended 30th June</b>	
		<b>2005</b>	<b>2004</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
Turnover			
Sale of goods		<b>363,002</b>	246,309
Other income			
Bank interest income		<b>393</b>	529
Subsidy income		<b>167</b>	204
Sundry income		<b>226</b>	112
		<b>786</b>	845

#### 5. Finance costs

		<b>Unaudited</b>	
		<b>Six months ended 30th June</b>	
		<b>2005</b>	<b>2004</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
Interest on bank borrowings		<b>4,812</b>	2,917
Interest on finance lease payables		<b>19</b>	2
		<b>4,831</b>	2,919

## 6. Profit before tax

Profit before tax was determined after charging the following:

	<b>Unaudited</b>	
	<b>Six months ended 30th June</b>	
	<b>2005</b>	2004
	<b>HK\$'000</b>	HK\$'000
Cost of inventories sold	<b>309,547</b>	199,233
Depreciation	<b>2,751</b>	1,673
Amortisation of prepaid premium on land lease	<b>277</b>	77
Staff costs (including directors' remuneration)		
Wages and salaries	<b>14,992</b>	14,372
Pension scheme contributions	<b>58</b>	667
	<b>15,050</b>	15,039
Minimum lease payments under operating leases in respect of land and buildings	<b>435</b>	752
Provision for slow-moving inventories	<b>943</b>	—
Research and development ("R&D") costs	<b>1,570</b>	3,378
Exchange losses	<b>440</b>	255

## 7. Tax

The Company has no assessable profits arising in Hong Kong during the Period. Taxes on profits assessable elsewhere, if applicable, have been calculated at the rates of tax prevailing in the regions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

The subsidiaries of the Group incorporated in the PRC were granted tax concession whereby they enjoyed exemption from corporate income tax ("CIT") for two years starting from the first year in which they record assessable profits, after deducting tax losses brought forward, and entitled to a 50% exemption from CIT for the following three years.

The CIT rate for East Kit Electronic (Shanghai) Co., Ltd. ("East Kit (Shanghai)") for the Period is 27%. East Kit (Shanghai) was exempted from CIT for the year ended 31st December 2000 and 2001 and was granted a 50% exemption from CIT for each of the next three years starting from 1st January 2002. For the six months ended 30th June 2004, the CIT rate applied to East Kit (Shanghai) was 13.5%.

No CIT was provided for East Kit Electronic (China) Co., Ltd. ("East Kit (China)") as it incurred tax loss during the Period. The tax concession granted to East Kit (China) expired prior to 1st January 2001. Starting from 1st January 2002, upon obtaining an approval for additional concession, East Kit (China) was granted a 50% exemption from the national portion and a full exemption from the local portion of CIT for three years as it qualified as a "Hi-tech company" pursuant to the PRC tax regulations. For the six months ended 30th June 2004, the CIT rate applied to East Kit (China) was 12%.

The tax concession granted to Mitsumaru Electrical (Wuhu) Co., Ltd. commenced on 1st January 2004 and it was exempted from CIT during the Period (30th June 2004: Nil).

## 7. Tax (Continued)

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

	<b>Unaudited</b>	
	<b>Six months ended 30th June</b>	
	<b>2005</b>	<b>2004</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Current period provision for PRC CIT and total tax charge for the period	<b>3,630</b>	<b>1,970</b>

## 8. Earnings per share

The calculation of basic earnings per share for the Period is based on the profit attributable to equity holder of the parent for the Period of approximately HK\$6,979,000 and the 400,000,000 ordinary shares in issue during the Period.

The calculation of basic earnings per share for the six months ended 30th June 2004 was based on the profit attributable to equity holder of the parent for the period of approximately HK\$18,116,000 and the pro forma weighted average of 300,000,000 ordinary shares deemed to have been issued and issuable during the period, on the assumption that the Reorganisation and the capitalisation issue of 299,900,000 shares of the Company had been taken place on 1st January 2004.

The calculation of diluted earnings per share is based on the profit attributable to equity holder of the parent for the Period of approximately HK\$6,979,000 (for the six months ended 30th June 2004: HK\$18,116,000). The number of ordinary shares used in the calculation is 400,000,000 ordinary shares in issue during the Period (for the six months ended 30th June 2004: the pro forma weighted average of 300,000,000 ordinary shares deemed to have been issued and issuable) as used in the basic earnings per share calculation; and the 35,000,000 ordinary shares (2004: weighted average of 1,160,221 ordinary shares) assumed to have been issued at no consideration on the deemed exercise of all share options during the Period.

## 9. Dividends

The board of Directors has resolved not to declare any interim dividend for the six months ended 30th June 2005 (30th June 2004: Nil).

## 10. Property, plant and equipment

During the Period, approximately HK\$13.6 million (2004: HK\$7.8 million) was spent on acquisition of property, plant and equipment. Approximately HK\$10.3 million was spent on the construction and decoration of the office building, R&D center and warehouse in Shanghai and HK\$3.3 million was spent for the production machineries for the factory located in Wuhu City, Anhui Province, the PRC.



## 11. Trade receivables

The ageing analysis of trade and bills receivables at the respective balance sheet dates, based on invoice dates, is as follows:

	<b>Unaudited</b>	<b>Audited</b>
	<b>As at</b>	<b>As at</b>
	<b>30th June</b>	<b>31st December</b>
	<b>2005</b>	<b>2004</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Within 90 days	<b>200,778</b>	171,090
91 days to 180 days	<b>41,930</b>	33,681
181 days to one year	<b>20,111</b>	5,083
Over one year	<b>10,941</b>	4,906
	<b>273,760</b>	214,760

A defined credit policy is maintained by the Group. The general credit term ranges from 45 days to 90 days, except for certain well-established customers with a long business relationship with the Group, where the terms are extended. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are regularly reviewed by senior management of the Group.

## 12. Trade and bills payables

The ageing analysis of trade payables at the respective balance sheet dates, based on the invoices date, is as follows:

	<b>Unaudited</b>	<b>Audited</b>
	<b>As at</b>	<b>As at</b>
	<b>30th June</b>	<b>31st December</b>
	<b>2005</b>	<b>2004</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Within 180 days	<b>276,506</b>	277,183
181 days to one year	<b>26,885</b>	7,314
One year to two years	<b>5,708</b>	4,336
Over two years	<b>5,407</b>	5,884
	<b>314,506</b>	294,717

### 13. Share capital

	<b>Unaudited</b>	Audited
	<b>As at</b>	As at
	<b>30th June</b>	31st December
	<b>2005</b>	2004
	<b>HK\$'000</b>	HK\$'000
Authorised:		
1,000,000,000 (2004: 1,000,000,000) ordinary shares of HK\$0.1 each	<u><b>100,000</b></u>	<u>100,000</u>
Issued and fully paid:		
400,000,000 (2004: 400,000,000) ordinary shares of HK\$0.1 each	<u><b>40,000</b></u>	<u>40,000</u>

#### *Share options*

Details of the Company's share option schemes and the share options issued under the Schemes are included in note 14 to the financial statements.

### 14. Share option schemes

Pursuant to an ordinary resolution passed at an extraordinary general meeting of the Company held on 22nd June 2004, the Company approved and adopted the share option scheme (the "Scheme") and the pre-IPO share option scheme (the "Pre-IPO Scheme"). The purpose of these two schemes is to provide incentive and/or reward to any directors, consultant, the advisor person including full-time and part-time employees of the Company and its subsidiaries who, in the sole discretion of the board, has contributed or will contribute to the Company, for their contribution to, and continuing efforts to promote the interests of the Company. The schemes become effective on 22nd June 2004 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

#### *The Scheme*

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the Scheme, within any 12-month period, is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.



#### 14. Share option schemes (Continued)

##### *The Scheme (Continued)*

The offer of a grant of share options may be accepted within 21 days from the date of the offer. The exercise period of granting the share options is determinable by the Directors, and commences after a certain vesting period, and ends on a date which is not later than five years from the date of the offer of the share options, or the expiry date of the Scheme if earlier.

The exercise price of the share options is determinable by the Directors, but may not be less than the higher of (i) the Stock Exchange closing price of the Company's shares on the date of the offer of the share options; and (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the offer.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

As at 30th June 2005 and up to the date of approval of these unaudited condensed consolidated interim financial statements, no share options have been granted under the Scheme.

At the date of approval of these unaudited condensed consolidated interim financial statements, the total number of shares available for issue under the Scheme is 40,000,000 shares representing 10% of the total issued share capital of the Company on that date.

##### *The Pre-IPO Scheme*

The purpose and the principal terms of the Pre-IPO Scheme, approved and adopted by the Company's shareholders on 22nd June 2004, are substantially the same as the terms of the Scheme except that:

- (i) The subscription price per share shall be the price of each share issued under the public offering, which is HK\$1.068 per share;
- (ii) The maximum number of shares which may be issued upon the exercise of all options granted under the Pre-IPO Scheme shall be 35,000,000 shares; and
- (iii) Save for the options which have been granted but have not lapsed, been cancelled or exercised in full under the Pre-IPO Scheme as set out below, no further options will be offered or granted under the Pre-IPO Scheme after the day immediately prior to the Listing.

As at the date of approval of these unaudited condensed consolidated interim financial statements, the total number of shares available for issue under the Pre-IPO Scheme is 35,000,000 shares representing 8.75% of the total existing issued share capital of the Company on that date.

At 30th June 2005, options to subscribe for 35,000,000 shares at an exercise price of HK\$1.068 have been granted by the Company under the Pre-IPO Scheme on 25th June 2004 to a total of 91 employees of the Company at a consideration of HK\$1.00 per option under the Pre-IPO Scheme.



## 14. Share option scheme (Continued)

*The Pre-IPO Scheme (Continued)*

The following share options were outstanding under the Pre-IPO Scheme during the Period:

Name or category of participant	At 1st January 2005	Exercised during the period	Cancelled/ lapsed during the period	At 30th June 2005	Date of grant of options	Exercisable period*	Exercise price of options (HK\$*)
<b>Directors</b>							
Zhang Shuyang	2,300,000	—	—	2,300,000	25th June 2004	25th June 2004- 24th June 2014	1.068
Tung Chi Wai, Terrence	1,950,000	—	—	1,950,000	25th June 2004	25th June 2004- 24th June 2014	1.068
Kazunori Watanabe	1,600,000	—	—	1,600,000	25th June 2004	25th June 2004- 24th June 2014	1.068
	<u>5,850,000</u>	<u>—</u>	<u>—</u>	<u>5,850,000</u>			
<b>Other employees</b>							
In aggregate	29,150,000	—	—	29,150,000	25th June 2004	25th June 2004- 24th June 2014	1.068
	<u>35,000,000</u>	<u>—</u>	<u>—</u>	<u>35,000,000</u>			

\* Each option has a 10-year exercise period commencing from 25th June 2004 to 24th June 2014. Within the 10-year exercise period, there is a total vesting period of four years. Commencing on the first, second, third and fourth anniversaries of the date of grant of the option, the relevant grantee may exercise up to 0%, 33%, 67% and 100% respective of the shares comprised in his or her option (less any number of shares in respect of which the option has been previously exercised).





## 15. Reserves

The amounts of the Group's reserves and the movements therein for the current and the prior period are presented in the condensed consolidated statement of changes in equity on page 5 of the unaudited condensed consolidated interim financial statements.

The Group's contributed surplus represents the difference between the nominal value of the shares of the subsidiaries acquired pursuant to the Group Reorganisation set out in note 1 to the unaudited consolidated interim financial statements, over the nominal value of the Company's shares issued in exchange therefor.

In accordance with the relevant regulation in Mainland China, the subsidiaries operating in Mainland China are required to transfer 10% of their profits after tax, as determined under the accounting regulations in Mainland China, to the statutory surplus reserve, until the balance of the fund reaches 50% of their respective registered capital. These reserves can be used either to offset against accumulated losses or be capitalised as paid-up capital. However, such balance of the statutory surplus reserve must be maintained at a minimum of 25% of paid-up capital for fulfillment of the above statutory requirements.

During the Period, the profit appropriation represented the appropriation of statutory surplus reserve of up to 25% of the paid-up capital for fulfillment of the above statutory requirements..

## 16. Contingent liabilities

### *Litigation*

On 28th July 2004, the Company announced that East Kit Industries Limited and East Kit Electronic Manufacturing Co. Ltd. (collectively known as the "Plaintiffs") made an application to the court for an interim injunction to restrain the Company from using the words "East Kit" and the characters "東傑" as part of its name in Hong Kong (the "Interim Injunction") while conducting business activities in Hong Kong.

A consent order (the "Consent Order") was made by the court on 30th July 2004 to the effect that until the determination of the summons as to be taken out by the Plaintiffs. With the Consent Order, restrictions previously imposed on the Company by the Interim Injunction had been released. Furthermore, the Company was allowed to file and serve any further affidavit evidence within 14 days from 30th July 2004 and contest against the Plaintiffs.

After the hearing of the Company's summons during the period from 3rd November 2004 to 5th November 2004, the Interim Injunction imposed on the Company was successfully discharged and the high court also refused to grant the Plaintiffs' application for a renewal of the Consent Order after hearing of the Plaintiffs' summon. As a result, the Company is no longer subject to any restrictions in using the words "East Kit" and the characters "東傑".

On 5th November 2004, it was ordered by the high court that there would have a speedy trial in respect of the Plaintiffs' allegation that the Company has, among other things, passed off its business as being connected with that of the Plaintiffs (the "Speedy Trial"), which will take place sometime in 2005. The actual hearing date of the Speedy Trial will be fixed by the high court. The Company intends to contest this dispute at the Speedy Trial vigorously.

**16. Contingent liabilities (Continued)***Litigation (Continued)*

During the Period, the Group incurred legal and professional fees of HK\$1.42 million (for the six months ended 30th June 2004: Nil) for this litigation and such amount was charged to the consolidated income statement for the Period as other operating expenses.

**17. Operating lease arrangements**

The Group leases its office properties under operating lease arrangements which are negotiated for terms of one to two years. At the respective balance sheet dates, the Group has total future minimum lease payments under non-cancelable operating leases falling due as follows:

	<b>Unaudited</b>	Audited
	<b>30th June</b>	31st December
	<b>2005</b>	2004
	<b>HK\$'000</b>	HK\$'000
Within one year	<b>1,107</b>	1,009
In the second to fifth years, inclusive	<b>586</b>	664
	<b>1,693</b>	1,673

**18. Commitments**

	<b>Unaudited</b>	Audited
	<b>30th June</b>	31st December
	<b>2005</b>	2004
	<b>HK\$'000</b>	HK\$'000
Capital commitment in respect of purchase of property, plant and equipment:		
- authorised, but not contracted for	<b>2,500</b>	4,245
- contracted, but not provided for	<b>2,919</b>	6,656
	<b>5,419</b>	10,901



## 19. Related party transactions

As at 30th June 2005 and 2004, a personal guarantee was given by the Directors of the Company for banking facilities from a bank. The Company is in the process of using the corporate guarantee as a replacement for the personal guarantee at the date of these unaudited condensed consolidated interim financial statements. The personal guarantee also constitutes a connected transaction as defined in Chapter 14A of Listing Rules.

Except for the transactions detailed above, the Group had no other significant related party transactions during the Period.

In the prior period, East Kit (China) entered into an agreement with Mr. Zhang Shuyang, a director of the Company, pursuant to which East Kit (China) agreed to transfer its 32% equity interest in Hangzhou Guoxin Technology Company Limited ("Hangzhou Guoxin") to Zhang Shuyang at a consideration of RMB3,200,000, which was determined by the proportionate face value of the registered capital of Hangzhou Guoxin. The transaction was completed in November 2004.

## 20. Ultimate holding company

In the opinion of the Directors, the ultimate holding company of the Company is Z-Idea, a company incorporated in the British Virgin Islands with limited liability.

## 21. Comparative amounts

Certain comparative amounts have been reclassified to conform with the current period's presentation.

## 22. Approval of interim financial report

These unaudited consolidated interim financial statements were approved and authorised for issue by the board of Directors on 28th September 2005.

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL REVIEW

For the Period, the Group recorded a turnover of HK\$363 million, compared to HK\$246.3 million last year, representing an increase of 47.5%. Gross profit increased to HK\$39.5 million from HK\$37.7 million of the same period last year while gross profit margin of 10.9% for the six months ended 30th June.

The Group's new logistic center located in Shanghai started to function in March 2005, which made the total TV chassis handling capacity of the Group enhanced to 9 million chassis sets per year comparing to 3 million chassis sets per year in 2004. In addition, during the Period, the Group has established business with new customers in the PRC, Argentina (South America) and Turkey (Europe). As the result, during the Period, the turnover of the Group increased significantly over 47% from the same period of last year.

The gross profit of the Group increased from last period's HK\$37.7 million to HK\$39.5 million while gross profit ratio decreased to 10.9%. It is mainly due to the high oil price and shortage of electronic components like PCB boards in the market during the Period. The decrease of the components costs were not in line with the general selling price decrease in the electronic products market like CRT TV. The management expects that the stabilisation of oil price in the coming six months can reduce the price pressure of the components costs in the market and stop the decrease of the gross profit ratio. In addition, during the Period, only 5% of the turnover comes from LCD TV chassis business which has generally higher gross profit margin than traditional CRT TV chassis. As the LCD business of the Group grows in the coming six months of 2005, the management expects that the overall gross profit ratio of the Group will enhance.

### Financial Position and Liquidity

	30th June 2005	31st December 2004
Current ratio	1.13	1.18
Quick ratio	0.93	0.97
Gearing ratio	15.6%	11.3%

\* Gearing ratio = Total interest-bearing borrowings over total assets

As of 30th June 2005, the Group's total cash and bank balance was approximately HK\$34.7 million (31st December 2004: HK\$53.3 million). The drop in cash and bank balance was mainly due to the construction of the new office building, R&D center and logistic center in Shanghai. The current ratio and quick ratio remained stable during the Period at 1.13 and 0.93 respectively as at 30th June 2005 (31st December 2004: 1.18 and 0.97).

The bank borrowings were HK\$95.7 million as of 30th June 2005, compared to HK\$65 million of 31st December 2004, to finance the working capital of the Group as gearing ratio increased to 15.6% as of 30th June 2005 compared with 11.3% on 31st December 2004.



In line with the significant growth in turnover of the Group during the Period, trade receivable increased to approximately HK\$273.8 million as of 30th June 2005 from HK\$214.7 million on 31st December 2004.

The Group conducts its core business transaction mainly in RMB and US dollar currencies. The majority of its cash and bank balances are either in RMB or USD dollar currencies. During the six months ended 30th June 2005 and 2004, respectively, the Group did not use any derivative instruments to hedge its foreign currency exposure as the Group considered its foreign currency exposure was insignificant.

### Capital Expenditures

Capital expenditures for the six months ended 30th June 2005 were approximately HK\$21.9 million (six months ended 30th June 2004: HK\$19.8 million) the majority of which was spent on the purchase of the factory buildings, together with the land-use-right, located in Shanghai.

### BUSINESS REVIEW

During the Period, the Group kept to its strategic “No Brand Solution” approach, and took advantage of its robust R&D and logistics capabilities, which enabled it to closely follow the ever-changing CTV market and further expand its operations.

For the six months ended 30th June 2005, the total sales in China were HK\$180.7 million, which, compared to HK\$159 million for the same period in 2004, represents an increase of 13.6%. The sales in China accounted for 49.8% (six months ended 30th June 2004: 64.6%) of the Group's total sales income.

The Group's sales in overseas markets continue to grow, with total sales reaching HK\$182.3 million for the six months ended 30th June 2005, or 108% growth over the same period in 2004. The sales overseas accounted for 50.2% (2004: 35%) of the Group's total increase sales income.

### Market Opportunities

The year 2005 sees a lot of opportunities in the CTV market, with continuous growth in both the global and domestic markets. Digital TVs will grow at an annual rate of over 40% globally, though in the coming few years production of analogue TVs will still dominate the market. In fact, analogue TVs enjoy a cost advantage that Digital TVs can hardly compete with. Moreover, with the technology of analogue TVs continuing to develop, the global demand for analogue TVs is still booming. On the other hand, the world's leading TV manufacturers are focusing their energies in developing flat and digital TVs, and the costs devoted to the design of CRT and analogue TV products can hardly meet the price demand of the market. Therefore, their demand for professional CTV design companies that have excellent development capabilities at competitive cost is getting keener. This is an opportunity that the market opens up to the Group, which not only sees more orders coming its way, but more importantly has the opportunity to lay a foundation for future co-operation with world-class corporations in the area of flat and CRT TVs. High-end TV products experienced rapid growth in the North American digital TV market last year, which will lead to the global popularization of digital TVs. Similar development is seen in the markets of Europe and Japan. The popularization of digital TVs will further boost the sales of TV chassis globally, and provide a vast space for development when the Group rapidly opens up its markets overseas.

## CRT Television Products

### (1) *Operations in China*

The CRT TV market in China remained relatively stable in the first half of the year, with most of the major manufacturers slowing down their production of CRT TVs. As there is a demand for outsourcing service in the production of traditional CRT TV products, the Group still experiences a continuous demand for its CRT TV products. The Group has a development plan for high-end, mid-range and economic products to meet the demands of different customers and regions. Many other domestic manufacturers are introducing digital HDTV products. During the Period, based on our successful experience in developing HDTVs, we introduced a number of new projects, including PHILIPS UOC3 solutions, that offer more quality products to the traditional CRT TV market. The Group continues to work with the major CTV manufacturers in China and we are also consolidating the foundation for overseas expansion.

### (2) *Overseas Operations*

Price competition is fierce in the CRT TV market. As more CRT TVs employ VLSI, products with greater functionality can be manufactured at a low cost. Presently, the penetration of the Group's chassis reaches the five continents. To make its products adaptable to the regional characteristics and the customers' different demand on functionalities, (be the hardware or software), the Group is gradually shifting its focus from producing standard chassis to making proprietary chassis for its customers. At the same time, the Group is maintaining a good working relationship with its overseas customers. Last year, the Group co-operated with the Grupo De La Electronica and Hai'er Group on a CTV project that would see the production of a second batch of one million CTV sets. The project's research and development, small batch production and various tests have been completed and mass production will begin in the second half of 2005. Russian customer's production will be exceeded over last year. The Group is actively expanding its overseas business and working with its customers on the development of technology and business cooperation in various aspects, which include, the research and development of HDTVs and large screen HDTVs.

## Flat Television Products

### (1) *Operations in China*

As the market for LCD TVs expand rapidly in China, the Group has been stepping up its R&D effort to develop LCD TV products. Moreover, the chassis designed specifically for existing customers has also been completed. To extend our share of the LCD market, we actively promote our LCD products to both new and long-time customers.





(2) *Overseas Operations*

The high-end consumer markets in Europe and America have already entered into the age of digital and flat TVs. The major CTV manufacturers in China are strengthening their export of flat TVs. To enhance our competitiveness in the international market, more resources are invested into the development of high-end products that have a greater profit margin in the overseas high-end consumer markets. In fact, the Group's products have already directly or indirectly entered into the major North American and European markets. During the Period, armed with the successful experience in employing new technology and cost control, the Group has developed a range of ultra-low cost chassis. For the 15"-20" sized small screen market, the Group has completed the R&D of LM11 and LM12 series. Improved versions of the standard models are now available in European, American, Taiwan and Australian versions following defect improvement on products and product expansion in different markets. The Group has developed REALTEK chassis to cater for the large screen market; while for the 26", 32" sized major products market, the Group has completed the R&D of LM21 series and has commenced its trial production of European version. It is expected that such series will be launched gradually in the global market in the second half of the year. The Group is also actively attracting new customers and opening up new markets.

## **BUSINESS PROSPECTS**

With the Group seeing a gradual global penetration of its range of low-cost large screen products, the Directors expect more growth in the Group's business in the second half of 2005 compared to the first half. Moreover, in relation to the joint projects with each of its major customers, the Group has completed its R&D on products and has commenced its mass production and supply in the second half of the year; and the sales for the second half of the year will thus benefit as a result. On the other hand, the Group will continue to attract new customers and open up new markets around the world. It is engaging in in-depth negotiation with parties in Southeast Asia, Middle East and East Europe for co-operation; and these are the markets for analogue TVs. The Group is actively seeking co-operation with world renowned corporations so that the Group can reach a new level in its analogue CTV business in terms of quality and quantity. While steadily developing the traditional analogue CTVs, the Group also sees high-end TV products as a key development area. It will take part in the consumer electronics exhibition (IFA) in Germany in 2005. On display will be 40 sets of flat TV of 23 models, which account for 90% of the Group's total selected models for exhibition. All of them are European models, as Europe is the key market for the Group's flat TV products. The Directors believe that through participation in such an international exhibition, it will take a major step in advancing into the European flat TV market.

The Directors are cautiously optimistic about the results for the second half of the year. The Group will focus on the research and development for a more diversified portfolio of products, raising the product quality; customising the product design; taking hold of any market opportunity; closely following the market demand; and raising the quality of service. With its new production facility commencing operation, the Group will see improvement in the efficiency of its product tests and accelerated progress in its R&D process. Favourable conditions therefore have been created that will enable the Group to have better control over the quality of its products.

The Group will keep to its strategic "No Brand Solution" approach, and take advantage of its robust R&D and logistics capabilities, which will enable it to closely follow the ever-changing and fast-developing CTV market. By developing innovative products, keeping the cost down and raising the overall operation efficiency to achieve value-maximisation for the shareholders, the Directors have full confidence in the prospects of the business.

## INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As of 30th June 2005, so far as the Directors are aware, the following persons (who are not Directors) have interest or short position in the shares and underlying shares of the Company which would be required to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (the "SFO"), or who is, directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying voting rights to in all circumstances at general meetings of any of other members of the Group:

Name of substantial shareholders	Class of shares	Number of shares held	Percentage of shareholding in the total issued share capital
Z-Idea Company Limited (Note 1)	Ordinary shares	249,000,000 (L)	62.25%
Good Day International Limited (Note 2)	Ordinary shares	45,000,000 (L)	11.25%
Ms. Wu Lixia (Note 3)	Ordinary shares	45,000,000 (L)	11.25%
Mr. Chen Huanxin (陳煥新)	Ordinary shares	20,000,000 (L)	5%
Mr. Zhang Guojing (章國經)	Ordinary shares	20,000,000 (L)	5%

Notes:

1. Z-Idea Company Limited is wholly owned by Mr. Zhang Shuyang, an executive Director of the Company.
2. Good Day International Limited is owned by Ms. Wu Lixia and Mr. Zhang Xuancheng, the minority son of Mr. Zhang Shuyang, as to 95% and 5% respectively. Ms. Wu Lixia is the mother of Mr. Zhang Xuancheng.
3. The interest in 45,000,000 shares are deemed corporate interest through Good Day International Limited.
4. The letter "L" denotes a long position.

## SHARE OPTION SCHEMES

On 22nd June 2004, the pre-IPO share option scheme ("Pre-IPO Share Option Scheme") and the share option scheme ("Share Option Scheme") were approved and adopted by the shareholders of the Company, under which, the Directors of the Company may, at their sole discretion, grant to any employee of the Group (including any executive directors of the Company) options to subscribe for shares in the Company subject to the terms and conditions stipulated in the Pre-IPO Share Option Scheme and the Share Option Scheme.

As stipulated in the Pre-IPO Share Option Scheme, no further options can be granted under the Pre-IPO Share Option Scheme from 15th July 2004, being the date of the listing of the Company's shares on the Stock Exchange.



## (a) Pre-IPO Share Option Scheme

As of 30th June 2005, options to subscribe for 35,000,000 shares in aggregate at an exercise price equips to the offer price of the Share Offer (HK\$1.068) have been granted by the Company to a total of 91 employees of the Company. Particulars of the options which have been granted to (i) all directors; and (ii) continuous contract staff of the Group under the Pre-IPO Share Option Scheme are set out below:

Grantee	Date of grant	Exercise price (HK\$)	Number of shares option				Exercisable period
			At 1st January 2005	Exercised during the Period	Cancelled/ lapsed during the Period	At 30th June 2005	
(i) Directors							
Zhang Shuyang (Executive Director)	25/06/2004	1.068	2,300,000	—	—	2,300,000	25/06/2004-24/06/2014 (Note)
Tung Chi Wai, Terrence (Executive Director)	25/06/2004	1.068	1,950,000	—	—	1,950,000	25/06/2004-24/06/2014 (Note)
Kazunori Watanabe (Executive Director)	25/06/2004	1.068	1,600,000	—	—	1,600,000	25/06/2004-24/06/2014 (Note)
					Sub-total	5,850,000	
(ii) Other continuous contract employees							
Senior management staff	25/06/2004	1.068	10,600,000	—	—	10,600,000	25/06/2004-24/06/2014 (Note)
Other staff	25/06/2004	1.068	18,550,000	—	—	18,550,000	25/06/2004-24/06/2014 (Note)
					Sub-total	29,150,000	

*Note:*

Each option has a 10-year exercise period commencing from 25th June 2004 to 24th June 2014. Within the 10-year exercise period, there is a total vesting period of four years. Commencing on the first, second, third and fourth anniversaries of the date of grant of the option, the relevant grantee may exercise up to 0%, 33%, 67% and 100%, respectively of the shares comprised in his or her option (less any number of shares in respect of which the option has been previously exercised).

**(b) Share Option Scheme**

As of 30th June 2005, no options have been granted under the Share Option Scheme.

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

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the six months ended 30th June 2005.

**RESERVES**

Details of movements in the reserves of the Company and the Group during the period are set out in note 30(b) to the financial statements and in the consolidated statement of changes in equity, respectively.

**DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES**

As of 30th June 2005, the interests and short positions of the Directors in the share capital and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

Long positions in ordinary shares of the Company:

Name of director	Capacity	Number of shares held through corporation	Percentage of
			the Company's issued capital
Mr. Zhang Shuyang ( <i>Note (a)</i> )	Beneficial owner	249,000,000	62.25%
Mr. Tung Chi Wai, Terrence ( <i>Note (b)</i> )	Beneficial owner	6,000,000	1.50%

The interests of the Directors in the share options of the Company are separately disclosed in note 29 to the financial statements.

*Notes:*

- (a) The interest in 249,000,000 shares are deemed corporate interest through Z-Idea Company Limited which is wholly owned by Mr. Zhang Shuyang.
- (b) The interest in 6,000,000 shares are deemed corporate interest through T-Square Company Limited which is wholly owned by Mr. Tung Chi Wai, Terrence.



Long positions in shares and underlying shares of an associated corporation (within the meaning of Part XV of the SFO):

Name of director	Name of associated corporation	Nature of interest	Numbers of shares directly and indirectly held in associated corporation	Percentage of the associated corporation's issued share capital
Mr. Zhang Shuyang	Z-Idea Company Limited	Corporate	38,000,000	100%

Save as disclosed above, as of 30th June 2005, none of the Directors had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations 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 the Model Code for Securities Transactions by Directors of Listed Issuers.

## DIRECTORS' COMPLIANCE WITH THE CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code"). Specific enquires have been made to all Directors, who have confirmed that they complied with required standard set out in the Model Code.

## COMPLIANCE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the Directors, the Company complied with the Code on Corporate Governance Practices (the "Code Provisions") as set out in Appendix 14 of the Listing Rules which remained effective as at 30th June 2005, except for the following deviations:

Code Provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. The Company does not maintain the position of chief executive officer. However, the chairman of the Company, Mr. Zhang Shuyang, is responsible for the day-to-day management of the Group. The Company considers that the combination of the roles is more efficient in planning and execution of the Group's long-term strategies and policies. The Company considers that through the supervision of the Board and its independent non-executive Directors, the interests of the shareholders as a whole are adequately and fairly represented.

Code Provision B.1.1 stipulates that a remuneration committee should be established. The Company has not yet established a remuneration committee with specific terms of reference during the Period. The Company is in the process of establishing a remuneration committee with appropriate composition and terms of reference.

## AUDIT COMMITTEE

The Company has an audit committee, which was established on 22nd June 2004 in compliance with Rule 3.21 of the Listing Rules, for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal control system and providing advice and comments to the board of Directors. The audit committee comprises the three independent non-executive directors of the Company.

The audit committee of the Company has reviewed the interim results of the Group for the six months ended 30th June 2005.

On Behalf of the Board  
**Mitsumaru East Kit (Holdings) Limited**  
**Zhang Shuyang**  
*Chairman*

Hong Kong, 28th September 2005

## CORPORATE INFORMATION

### Registered Office

Century Yard  
Cricket Square  
Hutchins Drive  
P.O. Box 2681 GT  
George Town  
Grand Cayman  
British West Indies

### Head office and principal place of business in Hong Kong

Unit 606  
6th Floor  
Regent Centre  
Tower B  
63 Wo Yi Hop Road  
Kwai Chung  
New Territories  
Hong Kong

### Company secretary

Mr. Pun Wai *ACCA, AHKSA*

### Qualified accountant

Mr. Pun Wai *ACCA, AHKSA*

### Authorised representatives

Mr. Kazunori Watanabe  
Mr. Tung Chi Wai, Terrence

### Authorised representative

(to accept service of process and notices under  
Part XI of the Companies Ordinance)

Mr. Tung Chi Wai, Terrence  
Mr. Pun Wai

### Auditors

Ernst & Young  
Certified Public Accountants  
18th Floor  
Two International Finance Centre  
8 Finance Street, Central,  
Hong Kong

### Audit committee

Mr. Ede Hao Xi, Ronald  
Mr. Ts'o Shun, Roy  
Mr. Li Yueh Chen

### Principal share registrar and transfer office

Bank of Butterfield International (Cayman) Limited  
P.O. Box 705  
Butterfield House  
68 Fort Street  
George Town  
Grand Cayman  
Cayman Islands  
British West Indies

### Hong Kong branch share registrar and transfer office

Computershare Hong Kong Investor Services Limited  
46th Floor  
Hopewell Centre  
183 Queen's Road East  
Hong Kong

### Principal bankers

Hang Seng Bank Ltd.  
83 Des Voeux Road Central  
Hong Kong

The Bank of East Asia, Limited  
24th Floor Bank of East Asia  
Harbour View Centre  
56 Gloucester Road  
Hong Kong

Bank of China (HK) Ltd.  
1 Garden Road  
Hong Kong

DBS Bank (HK) Ltd.  
Units 1209-18 Miramar Tower  
132-134 Nathan Road  
TST Kowloon  
Hong Kong

Standard Chartered Bank (HK) Ltd.  
10th Floor Standard Chartered Bank Building  
4-4A Des Voeux Road Central  
Hong Kong

Jian Sing Bank Limited  
41st Floor Tower 1, Lippo Centre  
89 Queensway  
Hong Kong