

**JUTAL**

巨濤海洋石油服務有限公司  
**Jutal Offshore Oil Services Limited**

*(Incorporated in the Cayman Islands with limited liability)*

*(Stock Code: 3303)*

**2007** INTERIM REPORT

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## **FINANCIAL HIGHLIGHTS**

- Turnover increased by 23.01% to RMB137,015,000
- Gross profit increased by 14.44% to RMB30,582,000
- Net profit increased by 38.91% to RMB18,121,000
- Basic earnings per share were RMB0.043

The Board of Directors (the “Board”) of Jutal Offshore Oil Services Limited (the “Company”) is pleased to present the unaudited condensed consolidated results for the six months ended 30 June 2007 of the Company and its subsidiaries (collectively referred to as the “Group”), together with the comparative figures for the corresponding period in 2006. These interim financial statements have not been audited, but have been reviewed by auditor and the audit committee of the Company (the “Audit Committee”).

**RSM Nelson Wheeler**

羅申美會計師行

Certified Public Accountants

**INDEPENDENT REVIEW REPORT**

**TO THE BOARD OF DIRECTORS OF  
JUTAL OFFSHORE OIL SERVICES LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**Introduction**

We have reviewed the interim financial information set out on pages 4 to 22 which comprises the condensed consolidated balance sheet of the Company as at 30 June 2007 and the related condensed consolidated income statement, condensed consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The 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 and Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Financial Reporting Standards. 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 Hong Kong Financial Reporting Standards.

**Certified Public Accountants**

Hong Kong

12 September 2007

**CONDENSED CONSOLIDATED INCOME STATEMENT**

*For the six months ended 30 June 2007*

	Note	Six months ended	
		30/06/2007 <i>RMB'000</i> <i>(unaudited)</i>	30/06/2006 <i>RMB'000</i> <i>(audited)</i>
<b>Turnover</b>		<b>137,015</b>	111,383
Cost of sales and service		<b>(106,433)</b>	(84,660)
<b>Gross profit</b>		<b>30,582</b>	26,723
Other income	5	<b>2,561</b>	120
Administrative expenses		<b>(11,351)</b>	(11,490)
Other operating expenses		<b>(45)</b>	(14)
<b>Profit from operations</b>		<b>21,747</b>	15,339
Finance costs		<b>(903)</b>	(709)
<b>Profit before tax</b>		<b>20,844</b>	14,630
Income tax expense	6	<b>(2,723)</b>	(1,585)
<b>Profit for the period attributable to equity holders of the Company</b>	7	<b>18,121</b>	13,045
<b>Earnings per share</b>	8		
		<i>RMB</i>	<i>RMB</i>
Basic		<b>4.3 CENTS</b>	4.3 CENTS
Diluted		<b>4.2 CENTS</b>	N/A

**CONDENSED CONSOLIDATED BALANCE SHEET**

*At 30 June 2007*

	Note	<b>30/06/2007</b> <i>RMB'000</i> <i>(unaudited)</i>	31/12/2006 <i>RMB'000</i> <i>(audited)</i>
<b>Non-current assets</b>			
Property, plant and equipment	10	<b>32,576</b>	30,521
Prepaid land lease payments		<b>1,096</b>	1,099
		<hr/> <b>33,672</b> <hr/>	<hr/> 31,620 <hr/>
<b>Current assets</b>			
Inventories		<b>8,588</b>	4,077
Trade receivables	11	<b>32,255</b>	19,990
Gross amount due from customers for contract work		<b>75,141</b>	57,064
Prepayments, deposits and other receivables		<b>34,328</b>	12,883
Due from directors	12	<b>331</b>	—
Pledged bank deposits		<b>1,656</b>	1,574
Bank and cash balances		<b>379,977</b>	213,345
		<hr/> <b>532,276</b> <hr/>	<hr/> 308,906 <hr/>
<b>Current liabilities</b>			
Trade payables	13	<b>44,064</b>	47,396
Gross amount due to customers for contract work		<b>9,672</b>	3,129
Accruals and other payables		<b>13,086</b>	20,096
Finance lease payables		—	123
Current tax liabilities		<b>1,447</b>	2,888
		<hr/> <b>68,269</b> <hr/>	<hr/> 73,632 <hr/>
<b>Net current assets</b>		<hr/> <b>464,007</b> <hr/>	<hr/> 235,274 <hr/>
<b>Total assets less current liabilities</b>		<hr/> <b>497,679</b> <hr/>	<hr/> 266,894 <hr/>

**CONDENSED CONSOLIDATED BALANCE SHEET**

*At 30 June 2007*

	Note	<b>30/06/2007</b> <i>RMB'000</i> <i>(unaudited)</i>	31/12/2006 <i>RMB'000</i> <i>(audited)</i>
<b>Non-current liabilities</b>			
Deferred tax liabilities		<u>3,550</u>	<u>2,249</u>
		<u>3,550</u>	<u>2,249</u>
<b>NET ASSETS</b>		<u><b>494,129</b></u>	<u>264,645</u>
<b>Capital and reserves</b>			
Share capital	14	<u>5,048</u>	4,239
Reserves		<u>489,081</u>	<u>260,406</u>
<b>TOTAL EQUITY</b>		<u><b>494,129</b></u>	<u>264,645</u>

Approved by the Board of Directors

**Wang Lishan**

*Chairman*

**Cao Yunsheng**

*Director*

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2007

	Share capital	Share premium account	Special reserve	Foreign currency translation reserve	Share option reserve	Statutory reserve	Retained profits	Proposed final dividend	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2006 (Audited)	—	—	28,000	(151)	—	3,606	38,954	—	70,409
Translation difference	—	—	—	(51)	—	—	—	—	(51)
Net expense recognised directly in equity	—	—	—	(51)	—	—	—	—	(51)
Profit for the period	—	—	—	—	—	—	13,045	—	13,045
Total recognised income and expense for the period	—	—	—	(51)	—	—	13,045	—	12,994
Issue of share on reorganisation	103	—	(103)	—	—	—	—	—	—
Transfer to statutory reserve	—	—	—	—	—	4	(4)	—	—
	103	—	(103)	—	—	4	(4)	—	—
At 30 June 2006 (Audited)	103	—	27,897	(202)	—	3,610	51,995	—	83,403
At 1 January 2007 (Audited)	4,239	229,429	(52,040)	(2,205)	—	6,782	57,690	20,750	264,645
Share issue expenses	—	(4,824)	—	—	—	—	—	—	(4,824)
Translation difference	—	—	—	(4,905)	—	—	—	—	(4,905)
Net expense recognised directly in equity	—	(4,824)	—	(4,905)	—	—	—	—	(9,729)
Profit for the period	—	—	—	—	—	—	18,121	—	18,121
Total recognised income and expense for the period	—	(4,824)	—	(4,905)	—	—	18,121	—	8,392



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

*For the six months ended 30 June 2007*

	Share capital	Share premium account	Special reserve	Foreign currency translation reserve	Share option reserve	Statutory reserve	Retained profits	Proposed final dividend	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
2006 final dividend paid	—	—	—	—	—	—	—	(20,750)	(20,750)
Issue of shares on placement	809	240,397	—	—	—	—	—	—	241,206
Recognition of share-based payment	—	—	—	—	636	—	—	—	636
	809	240,397	—	—	636	—	—	(20,750)	221,092
At 30 June 2007 (Unaudited)	5,048	465,002	(52,040)	(7,110)	636	6,782	75,811	—	494,129

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

*For the six months ended 30 June 2007*

	<b>Six months ended</b>	
	<b>30/06/07</b>	30/06/06
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(audited)
Net cash (used in)/generated from operating activities	<b>(32,905)</b>	1,779
Net cash used in investing activities	<b>(11,770)</b>	(1,865)
Net cash generated from/(used in) financing activities	<b>215,510</b>	(710)
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents	<b>170,835</b>	(796)
Cash and cash equivalents at 1 January	<b>214,052</b>	38,961
Effect of foreign exchange rate changes	<b>(4,899)</b>	(47)
	<hr/>	<hr/>
<b>Cash and cash equivalents at 30 June, represented by</b>	<b>379,988</b>	38,118
	<hr/> <hr/>	<hr/> <hr/>
Bank balances and cash	<b>379,977</b>	37,460
Pledged bank deposits	<b>11</b>	658
	<hr/>	<hr/>
	<b>379,988</b>	38,118
	<hr/> <hr/>	<hr/> <hr/>
Pledged bank deposits can be reconciled to the condensed consolidated balance sheet as follows:		
Pledged bank deposits(mature in three months or less)	<b>11</b>	658
Pledged bank deposits(mature after three months)	<b>1,645</b>	—
	<hr/>	<hr/>
	<b>1,656</b>	658
	<hr/> <hr/>	<hr/> <hr/>

## **NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the six months ended 30 June 2007*

### **1. BASIS OF PREPARATION**

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

### **2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS**

In the current interim period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are relevant to its operations and effective for accounting periods beginning on or after 1 January 2007. HKFRSs comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRSs did not result in substantial changes to the Group’s accounting policies and amounts reported for the current interim period and prior periods.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The application of these new HKFRSs will not have material impact on the financial statements of the Group.

## **NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the six months ended 30 June 2007*

### **3. PRINCIPAL ACCOUNTING POLICIES**

The condensed consolidated financial statements have been prepared on the historical cost basis.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2006, except for the following accounting policy which has been adopted in current accounting period for share options granted to directors and employees on 16 March 2007.

#### **Share-based payments**

The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the six months ended 30 June 2007*

**4. SEGMENT INFORMATION**

**Primary reporting format - business segments**

**Six months ended 30 June 2007 (Unaudited)**

	Provision of technical support services in offshore oil and natural gas exploitation and production and sales of equipment and materials <i>RMB'000</i>	Fabrication of oil and natural gas processing skid equipment <i>RMB'000</i>	Undertaking of civil engineering projects <i>RMB'000</i>	Provision of technical support services in the shipbuilding industry <i>RMB'000</i>	Elimination <i>RMB'000</i>	Consolidation <i>RMB'000</i>
Revenue						
External sales	35,804	48,707	29,394	23,110	—	137,015
Inter-segment sales	—	—	—	—	—	—
Total	<u>35,804</u>	<u>48,707</u>	<u>29,394</u>	<u>23,110</u>	<u>—</u>	<u>137,015</u>
Segment result	<u>4,865</u>	<u>13,035</u>	<u>5,186</u>	<u>7,496</u>	<u>—</u>	<u>30,582</u>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the six months ended 30 June 2007

**4. SEGMENT INFORMATION (CON'D)**

**Primary reporting format - business segments (cont'd)**

**Six months ended 30 June 2006 (Audited)**

	Provision of technical support services in offshore oil and natural gas exploitation and production and sales of equipment and materials <i>RMB'000</i>	Fabrication of oil and natural gas processing skid equipment <i>RMB'000</i>	Undertaking of civil engineering projects <i>RMB'000</i>	Provision of technical support services in the shipbuilding industry <i>RMB'000</i>	Elimination <i>RMB'000</i>	Consolidation <i>RMB'000</i>
Revenue						
External sales	27,786	44,038	20,337	19,222	—	111,383
Inter-segment sales	374	—	13,604	—	(13,978)	—
	<u>28,160</u>	<u>44,038</u>	<u>33,941</u>	<u>19,222</u>	<u>(13,978)</u>	<u>111,383</u>
Total	<u>28,160</u>	<u>44,038</u>	<u>33,941</u>	<u>19,222</u>	<u>(13,978)</u>	<u>111,383</u>
Segment result	<u>8,097</u>	<u>7,589</u>	<u>5,172</u>	<u>5,865</u>	<u>—</u>	<u>26,723</u>

**5. OTHER INCOME**

	<b>Six months ended</b>	
	<b>30/6/2007</b>	<b>30/6/2006</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
	<b><i>(unaudited)</i></b>	<b><i>(audited)</i></b>
Interest income	<b>2,530</b>	118
Sundry income	<b>31</b>	2
	<u><b>2,561</b></u>	<u>120</u>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the six months ended 30 June 2007*

**6. INCOME TAX EXPENSES**

	<b>Six months ended</b>	
	<b>30/6/2007</b>	<b>30/6/2006</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(unaudited)</b>	<b>(audited)</b>
Current tax - Hong Kong Profits Tax		
Provision for the period	<b>358</b>	24
	<b>358</b>	24
Current tax - PRC Enterprise Income Tax		
Provision for the period	<b>1,013</b>	915
Under-provision in prior periods	<b>20</b>	—
	<b>1,033</b>	915
Current tax — Overseas		
Provision for the period	<b>31</b>	116
	<b>31</b>	116
Deferred tax	<b>1,301</b>	530
	<b>2,723</b>	1,585

The new PRC enterprise income tax law passed by the Tenth National People's Congress on 16 March 2007 introduces various changes which include the unification of the enterprise income tax rate for domestic and foreign enterprises at 25%. The new tax law will be effective from 1 January 2008. The impact of the new tax law on the Group's consolidated financial statements will depend on the detailed implementation rules and regulations that have not been issued as of the date of the approval of these condensed consolidated financial statements. Therefore, the Group cannot reasonably estimate the financial impact of the new tax law to the Group at this stage.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the six months ended 30 June 2007*

**7. PROFIT FOR THE PERIOD**

The Group's profit for the period is stated after charging the following:

	<b>Six months ended</b>	
	<b>30/6/2007</b>	<b>30/6/2006</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(unaudited)</b>	<b>(audited)</b>
Depreciation	<b>1,800</b>	1,655
Amortisation of prepaid land lease payment	<b>40</b>	40
Directors' emoluments		
– As directors	<b>240</b>	—
– For management	<b>968</b>	649
– Share-based payment	<b>278</b>	—
	<hr/> <b>1,486</b>	<hr/> 649
Allowance for receivables	—	91
Staff costs including directors' emoluments		
– Salaries, bonus and allowances	<b>25,911</b>	19,192
– Retirement benefits scheme contributions	<b>936</b>	457
– Share-based payment	<b>636</b>	—
	<hr/> <b>27,484</b> <hr/>	<hr/> 19,649 <hr/>



## **NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the six months ended 30 June 2007*

### **8. EARNINGS PER SHARE**

#### **Basic**

The calculation of basic earnings per share attributable to equity holders of the Company is based on the profit attributable to equity holders of the Company for the period of approximately RMB18,121,000 (2006: RMB13,045,000) and weighted average number of ordinary shares of 425,546,961 (2006: 300,000,000) in issue during the period.

#### **Diluted**

The calculation of diluted earnings per share attributable to equity holders of the Company for the period ended 30 June 2007 is based on the profit for the period attributable to equity holders of the Company approximately RMB18,121,000, the weighted average number of ordinary shares of 427,323,199, being the weighted average number of ordinary shares of 425,546,961 in issue during the period used in the basic earnings per share calculation plus the weighted average number of ordinary shares of 1,776,238 assumed to have been issued at no consideration on the deemed exercise of share options outstanding at the balance sheet date.

No diluted earnings per share are presented for the period ended 30 June 2006 as the Company did not have any dilutive potential ordinary shares during the period.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the six months ended 30 June 2007*

**8. EARNINGS PER SHARE (CONT'D)**

The calculation of basic and diluted earnings per share is based on the following:

	<b>Six months ended</b>	
	<b>30/6/2007</b>	30/6/2006
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(audited)
Earnings		
Earnings for the purpose of calculating basic and diluted earnings per share	<u>18,121</u>	<u>13,045</u>
Number of shares		
Weighted average number of ordinary shares of the purpose of calculating basic earnings per share	<b>425,546,961</b>	300,000,000
Effect of dilutive potential ordinary shares arising from share options outstanding	<u>1,776,238</u>	<u>N/A</u>
Weighted average number of ordinary shares of diluted earnings per share	<u><b>427,323,199</b></u>	<u>N/A</u>

**9. DIVIDENDS**

On 11 June 2007, a dividend of HK\$0.05 per share (2006: HK\$Nil) was paid to shareholders as the final dividend for 2006. The directors do not recommend the payment of an interim dividend for the period.

## **NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the six months ended 30 June 2007*

### **10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT**

During the period, the Group disposed of certain plant and machinery with a carrying amount of RMB112,000 for proceeds of RMB70,000, resulting in a loss on disposal of RMB42,000.

During the period, the Group acquired property, plant and equipment at a total cost of RMB3,958,000.

### **11. TRADE RECEIVABLES**

The Group's trading terms with other customers are mainly on credit. The credit terms other than retentions receivable generally range from 30 to 60 days. The credit terms for retentions receivable generally range from 12 to 18 months after the completion of the contracts. Application for progress payment of contract works is made on a regular basis. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management.

The ageing analysis of trade receivables, based on the invoice date, and net of allowance, is as follows:

	<b>30/6/2007</b>	31/12/2006
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(audited)
0 to 30 days	<b>4,165</b>	12,363
31 to 90 days	<b>17,125</b>	2,084
91 to 365 days	<b>6,233</b>	3,273
Over 365 days	<b>4,732</b>	2,270
	<b>32,255</b>	19,990

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the six months ended 30 June 2007*

**12. DUE FROM DIRECTORS**

Amounts due from directors disclosed pursuant to section 161B of the Hong Kong Companies Ordinance are as follows:

Name	Terms of loan	Balance at	Balance at	Maximum
		30 June	31 December	amount
		2007	2006	outstanding
		<i>RMB'000</i>	<i>RMB'000</i>	during
		<i>(unaudited)</i>	<i>(audited)</i>	the period
				<i>RMB'000</i>
				<i>(audited)</i>
Wang Lishan	Unsecured, no fixed repayment terms and interest-free	293	—	422
Jiang Dong	Unsecured, no fixed repayment terms and interest-free	38	—	39
		<u>331</u>	<u>—</u>	<u>461</u>

**13. TRADE PAYABLES**

The ageing analysis of trade payables, based on the date of receipt of goods and services, is as follows:

	30/6/2007	31/12/2006
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(unaudited)</i>	<i>(audited)</i>
0 to 30 days	13,553	28,926
31 to 90 days	14,446	10,939
91 to 365 days	13,807	6,308
Over 365 days	2,258	1,223
	<u>44,064</u>	<u>47,396</u>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the six months ended 30 June 2007*

**14. SHARE CAPITAL**

	Number of shares	Share capital <i>HK\$'000</i>	Share capital <i>RMB'000</i>
At 31 December 2006 <i>(audited)</i>	415,000,000	4,150	4,239
Issue of shares on placement	83,000,000	830	809
	<u>498,000,000</u>	<u>4,980</u>	<u>5,048</u>
At 30 June 2007 <i>(unaudited)</i>	<u>498,000,000</u>	<u>4,980</u>	<u>5,048</u>

**15. SHARE OPTION SCHEME**

The Company has a share option scheme for eligible employees of the Group. Details of the share options outstanding during the current period are as follows:

	Number of share options
Outstanding at the beginning of the period	—
Granted during the period	11,460,000
Forfeited during the period	—
Exercised during the period	—
Expired during the period	—
	<u>11,460,000</u>
Outstanding at the end of the period	<u>11,460,000</u>

The closing price of the Company's shares immediately before 16 March 2007, the date of grant of the options, was HK\$1.63.

In the current period, share options were granted on 16 March 2007. The fair value of the options determined at the dates of grant using the Black-Scholes option pricing model was HK\$2,863,073.

## **NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the six months ended 30 June 2007*

### **15. SHARE OPTION SCHEME (CON'D)**

The following assumptions were used to calculate the fair values of share options:

	<b>16 March 2007</b>
Grant date share price	HK\$1.65
Exercise price	HK\$1.68
Expected life	1-2 years*
Expected volatility	26.52%-29.51%
Dividend yield	—
Risk-free interest rate	3.912%-3.928%

The Black-Scholes option pricing model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

At each balance sheet date, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in the income statement, with a corresponding adjustment to the share options reserve.

\* Although the options are exercisable up to 15 March 2017, the directors have considered the trend of increase in market prices of the shares of the Company, which gives an incentive to the holders of share options to exercise the options earlier (i.e. immediately after the vesting period of 1 to 2 years), therefore the directors make an assumption that the expected lives of the options are 1 to 2 years.

### **16. CAPITAL COMMITMENTS**

At 30 June 2007, the Group had total capital commitments of RMB44,546,000, principally for the construction and purchases of property, plant and equipment.

## **NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the six months*

### **17. EVENTS AFTER THE BALANCE SHEET DATE**

On 20 July 2007, the Group entered into an agreement with a related company, Prospering Investments Limited, in which the Group agreed to acquire 100% interest in Stand Success Limited for a consideration of HK\$338,000,000. The consideration will be satisfied by cash of HK\$270,000,000 and convertible bond of the Company of HK\$68,000,000. The transaction was approved by the shareholders in an extraordinary general meeting held on 29 August 2007.

### **18. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved and authorised for issue by the Board of Directors on 12 September 2007.

# MANAGEMENT DISCUSSION AND ANALYSYS

## I. BUSINESS REVIEW

In the first half of 2007, the Group restructured the management structure of the company to put more focus on the overseas and domestic offshore oil fabrication and service markets and to enhance internal technological management. By taking advantage of the positive attributes of every business unit of the company, we are able to better accomplish our operating objectives set at the start of the year. Compared with the same period of last year, all the main business achieved growth.

### Oil & Gas Business

In the offshore oil and gas services business, while providing customers with the daily offshore maintenance services, the Group completed the Panyu 4-2/5-1 upgrading project, carried on the Fujian LNG shore pipeline laying operations and undertook HZ 19-2/25-4 platform upgrading project, providing drilling upgrading, production transformation, and structural manufacturing services.

In the oil and gas fabrication business, the Group completed a drilling module construction for PEMEX project in Gult of Mexico. We have further strengthened cooperation with foreign partners in the oil and gas processing skid equipment fabrication business. With completion and utilization of the Zhuhai new fabrication site in the second half year, the oil and gas fabrication business is expected greater development.

### Shipbuilding Services

Compared to the same period in 2006, the Group's shipbuilding services achieved a satisfactory growth.

Our Dalian branch made production arrangements following the client's overall plan with ensured quality, strict cost controlling and focused safety management. The Dalian branch created the best records of Dalian Shipbuilding Industry Co., Ltd. ("DSIC") in some tank coating projects and some electrical installation and commissioning projects. Furthermore, the Dalian branch well completed the most difficult and highest-value business of the rack and crack repair welding business of DSIC in their offshore engineering projects.

### Civil Engineering

The Group continued to maintain steady development of civil engineering business in Hong Kong and Macau, and has further expanded the Middle East market. With the recovery of the Hong Kong market, the prosperity of Macau market and the continuation of the Middle East market exploration, this business achieved good results in the first half of 2007.



**II. FINANCIAL REVIEW**

**Turnover**

For the half year ended 30 June 2007, the Group's turnover was RMB137,015,000, an increase of RMB25,632,000, or 23.01% over RMB111,383,000 in the corresponding period in 2006. Growth were recorded in all the Group's four business segments, of which the offshore oil and gas services business grew 28.86%, oil and gas fabrication business grew 10.60%, shipbuilding services business grew 20.23%, civil engineering business grew 44.53%. The rapid growth in the Group's business is attributable to market expansion, expansion of the business segment of the Group's technical services as well as the sound development of the industry. In the first half year, restricted by the site and other production facilities over the production capacity, although there were enhancements in the design capabilities and project management capabilities in oil and gas fabrication business, growth in revenues were relatively slow. In the second half year, with the new construction contract of overseas living modules and the completion of the Zhuhai site which will be put into operation in September, the Company believes the growth in such business segment will be promising.

The following shows the breakdown of turnover either by product or by service during the six months periods ended 30 June 2005, 2006 and 2007:

Product/service	For the six months ended 30 June					
	2005		2006		2007	
	RMB'000	%	RMB'000	%	RMB'000	%
1. Offshore oil & gas services business	45,522	61	27,786	25	35,804	26
2. Oil and gas fabrication business	7,258	10	44,038	40	48,707	36
3. Shipbuilding services business	12,662	17	19,222	17	23,110	17
4. Civil engineering business	9,112	12	20,337	18	29,394	21
Total	74,554	100	111,383	100	137,015	100

### Cost of sale

For the six months ended 30 June 2007, the Group's cost of sales was RMB106,433,000, an increase of RMB21,773,000, or 25.72%, over RMB84,660,000 in the corresponding period in 2006. Cost of sales comprised direct and overhead costs. The direct cost in the first half of 2007 amounted to RMB91,502,000, accounted for 85.97% of the cost of sales, while the direct cost in the corresponding period in 2006 was RMB71,905,000, accounted for 84.94% of the cost of sales. The Group calculates cost of sales on an order-by-order basis, and cost elements of each project differs from one another, therefore the cost of sales and service varies from project to project. In the overall, the increase in the ratio of cost of sales to sales have been due to the substantial increase in sub-contracting expenses in 2007. In the first half year of 2007, sub-contracting expenses increased by 140.63% as compared with the corresponding period of last year. Direct cost mainly consists of cost of materials, sub-contracting charges and wages. In the first half year of 2007, the cost of these three elements were RMB25,791,000, RMB38,930,000 and RMB15,014,000 respectively, which accounted for 28.19%, 42.55% and 16.41% of the direct cost respectively. Comparing with the data for the corresponding period in 2006 (cost of materials RMB36,278,000, sub-contracting charges RMB16,178,000 and wages RMB10,378,000), cost of materials dropped by 28.91%, while sub-contracting charges increased by 140.64%, and wages increased by 44.67%. Of these, the significant increase in sub-contracting cost mainly derived from the Group's offshore oil & gas services business and civil engineering business. The rapid increase in the sub-contracting cost of offshore oil & gas services business was mainly due to the sub-contracting cost of certain large contracts in the first half year, such as sub-contracting cost of RMB5,327,000 incurred in the sea-bed gas pipe laying project of Fujian LNG project, which accounted for over 85% of the cost of the project. In the first half year, incomes of the civil engineering business increased rapidly, and the ratio of sub-contracting cost to cost of sales increased from 45% to 84%, which was mainly due to the two projects in the first half year which were in the final installation stages, and therefore incurring the major sub-contracting expenses. In the first half of 2007, the overhead cost amounted to RMB13,349,000, an increase of RMB594,000, or 4.66%, over RMB12,755,000 in the corresponding period in 2006.

### Gross profit

In the first half of 2007, the Group's gross profit amounted to RMB30,582,000, an increase of 14.44% over RMB26,723,000 in the corresponding period of 2006. Gross profit margin decreased from 23.99% in the first half of 2006 to 22.32%. Of the Group's four business segments, gross profit margin of oil and gas fabrication business increased from 17.23% in the corresponding period of last year to 26.77% this year, gross profit margin of shipbuilding services business increased from 30.52% in the corresponding period of last year to 32.43%, while the gross profit margin of civil engineering business and offshore oil & gas services business decreased from 25.43% and 29.14% in the corresponding period of last year to 17.64% and 13.59% respectively. As the gross profits of orders or contracts undertaken by the Company differ depending on the contents of the business, the gross profit margin fluctuated during the period.

The following shows the breakdown of gross profit by products or services during the six months ended 30 June 2005, 2006 and 2007.

Product/service	For the six months ended 30 June					
	2005		2006		2007	
	RMB'000	%	RMB'000	%	RMB'000	%
1. Offshore oil & gas services business	13,316	67	8,097	30	<b>4,865</b>	<b>16</b>
2. Oil and gas fabrication business	1,859	9	7,589	28	<b>13,035</b>	<b>43</b>
3. Shipbuilding services business	3,240	16	5,865	22	<b>7,496</b>	<b>24</b>
4. Civil engineering business	1,567	8	5,172	20	<b>5,186</b>	<b>17</b>
Total	<u>19,982</u>	<u>100</u>	<u>26,723</u>	<u>100</u>	<u><b>30,582</b></u>	<u><b>100</b></u>

### Other income

Other income amounted to RMB2,561,000, which mainly comprised interest income of RMB2,530,000, while other income in the first half of 2006 was RMB120,000.

### **Administrative expenses**

Administrative expenses in the first half of 2007 amounted to RMB11,351,000, a slight decrease of 1.21% from RMB11,490,000 in the corresponding period of 2006. Administrative expenses mainly comprised wages, entertainment expenses, travelling expenses, depreciation, professional intermediary expenses such as expenses involved in the granting of options as well as lawyers fees. Of these, wages amounted to RMB3,245,000, accounted for 28.59% of the total administrative expenses, an increase of 26.76% over the corresponding period of last year. Expenses relating to the granting of options to the staff on 16 March 2007 amounted to RMB636,000.

### **Finance cost**

Finance cost amounted to RMB903,000, an increase of 27.36% over RMB709,000 in the first half year 2006. Finance cost in the first half of 2007 was mainly exchange loss of RMB798,000 and bank charges of RMB104,000.

### **Net profit**

In the first half of 2007, the Group recorded a net profit of RMB18,121,000, an increase of 38.91% over RMB13,045,000 in the corresponding period of 2006. Net profit margin increased from 11.71% in the first half of 2006 to 13.23%.

### **Liquidity and financial resources**

As at 30 June 2007, the Group's balance of fund amounted to approximately RMB379,977,000, an increase of RMB166,632,000 over RMB213,345,000 as at 31 December 2006. The increased portion was mainly derived from the net proceeds from the Company's placing of shares amounting approximately RMB235,727,000 during the reporting period. As at 30 June 2007, balance of the Group's net current assets (current assets less current liabilities) amounted to RMB464,007,000. As at 30 June 2007, the Group has obtained bank facilities of RMB33,467,000, of which RMB4,966,000 has been drawn down, and unutilised amount was RMB28,501,000, which can be applied in liquidity loans, letters of credit and letters of guarantee.

### **Capital structure**

As at 30 June 2007, the Company's share capital comprised of ordinary shares.

As at 30 June 2007, the Group's net assets amounted to approximately RMB494,129,000 (31 December 2006: RMB264,645,000), including non-current assets of approximately RMB33,672,000 (31 December 2006: RMB31,620,000), net current assets of approximately RMB464,007,000 (31 December 2006: RMB235,274,000), and non-current liabilities of approximately RMB3,550,000 (31 December 2006: RMB2,249,000). As at 30 June 2007, the Group's gearing ratio (total liabilities divided by total shareholders' equity) was 0.145.

### **Material acquisitions and disposals**

As approved at the EGM held on 29 August 2007, the Company wholly-owned subsidiary, Jutal Investments Limited, acquired 100% shareholding in Stand Success Limited, which holds 30% equity interest of Penglai Jutal Offshore Engineering Heavy Industries Co, Ltd., at a total consideration of HK\$338 million. Upon completion, the consideration has been satisfied as to (i) of HK\$270 million in cash; and (ii) HK\$68 million by issue of the Convertible Bond. The acquisition has been completed on 7 September 2007.

### **Material investment**

The Group has commenced construction of the new manufacturing site in Zhuhai and purchase of equipment. As at 30 June 2007, contracted amount amounted to RMB54,683,000, of which RMB11,826,000 has been paid. Amount of capital commitments in the investment in Zhuhai Site was approximately RMB42,857,000.

During the period, the Group has not acquired any companies or projects.

### **Plans for significant investment**

In accordance with our future development plans, besides the construction of Zhuhai manufacturing site - an investment project with specific budgets, the Group is also identifying for suitable companies in the industry as acquisition objects, but has yet not identified any specific target nor investment amount.

### **Use of proceeds from the Share Offer**

The Group has raised a total proceeds of HK\$158,700,000 through the public offering and placing of 115,000,000 Shares in September 2006, which was equivalent to approximately RMB162,270,000 at the prevailing market rates. Total expenses incurred in the public offering and placing was approximately RMB16,640,000 equivalent, and net proceeds raised was approximately RMB145,630,000.

In June 2007, the Group issued 83,000,000 new Shares by way of placing, with total proceeds of HK\$247,340,000, which was equivalent to approximately RMB241,206,000 at the prevailing market rates (RMB0.9752: HK\$1). Total expenses incurred in the Public Offering and Placing was approximately RMB5,497,000, and net proceeds raised was approximately RMB235,727,000.

According to the use of proceeds as disclosed in the prospectus, the Group has applied part of the proceeds for the purchase of production and service facilities, the recruiting of employees and sales and marketing staff and for the addition of necessary equipment and software. The Group has commenced construction of a new manufacturing site in Zhuhai, so as to expand the Group's capacity in the fabrication of oil and natural gas processing skid equipment business, which is currently still under construction.

The proceeds raised in June 2007 has been used for the acquisition of 100% interest in Stand Success Limited.

For the proceeds raised and not yet used, the Group has placed it in banks as deposits for the time being, which will be used to fund business as the business required.

### **Risk of foreign exchange**

As the Group's principal business is located in the PRC, and a substantial part of the Group's operations are denominated in Renminbi. Given the trend of appreciation of Renminbi against the US dollars, and in line with the development plans, the Group has avoided some of the exchange risks by diverting part of the funds to Mainland China and through other approach, and will further consider to make reasonable arrangements for assets outside China denominated in foreign currencies.

The Group obtains customers' orders mainly by tender, and before the bid are issued, the Group will determine the price with reference to the rate of foreign exchange.

### **Assets pledge by the Group**

As at 30 June 2007, other than the bank deposit of RMB1,656,000 pledged as security for the performance bonds and other facilities, there are no other pledged assets.

### **Contingent liabilities**

As at 30 June 2007, the Group has no material contingent liabilities.

### **Employees information and remuneration policy**

As at 30 June 2007, the total number of employees of the Group was 1,622, of which 289 were management and technical staff, and 1,333 were technicians.

The Group determines the remuneration and incentive of its staff based on position, with reference to industrial standards, responsibilities and performance. The Group maintains social insurance such as pension, medical, unemployment and personal injury insurance for its workers in the PRC, and contributes the mandatory provident fund for its employees in Hong Kong pursuant to the requirements.

The Group places emphasis on staff development and encourages the continued learning of staff. The Group works out an annual training programme for its staff.

### **Prospect**

In the second half, the Group's new fabrication site in Zhuhai will be completed and put into production. The site will be used as the Group's oil and gas processing skid equipment manufacturing, and is expected in the next few years brought a steady growth in the benefits. In order to achieve growth targets, the Group established the international business strategy, particularly in the oil & gas fabrication business, and actively explores the international market. Besides the development of its own business, the Group will also expand its production chain and improve the Group's overall fabrication and service capacity in offshore oil and gas industry through acquisitions. The Group will continue to improve project management, safety management, introduce international professionals and strengthen personnel training for the future operation and management achievements.

## **DIRECTORS REPORT AND CORPORATE GOVERNANCE**

### **PLACEMENT**

In June 2007, the Company placed 83,000,000 new shares at a price of HK\$2.98 per share and raised totally HK\$247 million. The net proceeds amounted to about HK\$242 million and will be applied to the Company's oil & gas business.

### **INTERIM DIVIDEND**

The Board does not recommend payment of any interim dividend for the six months ended 30 June 2007.

### **SHARE OPTION**

The Company's share option scheme ("Share Option Scheme") was adopted on 28 August 2006 by the way of passing resolutions by all of the then shareholders of the Company with a valid period of 10 years commencing on the date on which the shares of the Company commenced trading on the main board of The Stock Exchange of Hong Kong Limited. The Share Option Scheme enables the Company to grant options to eligible participants as incentives and rewards for their contribution to the Group. Eligible participants include all full time employee, Directors (including independent non-executive Directors) and part-time employees with weekly working hours of 10 hours and above, of the Group, Substantial Shareholders of each member of the Group, associates of the Directors and Substantial Shareholders of any member of the Group, trustee of any trust pre-approved by the Board; and any advisor (professional or otherwise), consultant, distributor, supplier, agent, customer, joint venture partner, service provider to the Group whom the Board considers, in its sole discretion, has contributed or contributes to the Group.

The total number of shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme must not, in aggregate, exceed 40,000,000 shares, representing 10% of the issued share capital (400,000,000 shares) at the date of adoption of the Share Option Scheme. The total number of shares issued and to be issued upon exercise of the Options granted to each participant (including both exercised and outstanding Options) in any 12-month period must not exceed 1% of the relevant class of the shares in issue from time to time.

Each participant should take up option at HK\$1.00 consideration to subscribe for shares. An option may be exercised in accordance with the terms of the Share Option Scheme at any time during the Option Period but may not be exercised after the expiry of ten years from the commencement date.



On 16 March 2007, the Board approved to grant and the Company granted 11,460,000 options to Directors of the Company and other employees of the Group. As at 30th June 2007, details of the outstanding options are as follows:

Name of Grantee	Date of Grant	Exercise Price (HK\$)	Number of underlying shares for the Options	Shareholding percentage of the underlying Options in the share capital of the Company
Wang Lishan	16/03/2007	1.68	2,000,000	0.4%
Jiang Dong	16/03/2007	1.68	1,000,000	0.2%
Cao Yunsheng	16/03/2007	1.68	1,000,000	0.2%
Chen Guocai	16/03/2007	1.68	1,000,000	0.2%
Employees	16/03/2007	1.68	6,460,000	1.3%
Total			<u>11,460,000</u>	<u>2.3%</u>

The Options are not exercisable within first one or two years from the date of grant depending on the terms and conditions of the relevant Options and are then exercisable at HK\$1.68 within a period of ten years. Each option gives the holders the right to subscribe for one ordinary share of the Company. While the options have a duration of 10 years from the date of grant, no Option can be exercised within the first 12 months from the date of grant and no more than 50% of the Options can be exercised within the next 12 months thereafter.

The price for grant of the Options is HK\$1. The exercise price under the Options is HK\$1.68 per shares, which was determined by the Board and not less than the highest of:

- (i) the closing price of the shares as stated in the daily quotation sheet issued by the Stock Exchange on the date of grant;
- (ii) the average closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange for the five Business Days immediately preceding the date of grant; and
- (iii) the nominal value of a Share at the time of exercise of an Option.

**INTERESTS AND SHORT POSITION OF DIRECTORS IN THE SHARE CAPITAL OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS**

At 30th June 2007, the interests of the directors and their associates in the equity shares, underlying shares or debenture of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or will be required pursuant to the “Model Code for Securities Transactions by Directors of Listed Issuers” in the Listing Rules to be notified to the Company and the Stock Exchange, were as follows:

(i) **Directors**

<b>Name of Directors</b>	<b>Capacity</b>	<b>Number of Shares</b>	<b>Approximate percentage of interest</b>
Wang Lishan	Interest of a controlled corporation ( <i>Note 2</i> )	260,000,000 (L) ( <i>Note 1</i> )	52.21%
	Share options	2,000,000(L)	0.4%
Jiang Dong	Interest of a controlled corporation ( <i>Note 3</i> )	18,000,000 (L)	3.61%
	Share options	1,000,000(L)	0.2%
Chen Guocai	Interest of a controlled corporation ( <i>Note 4</i> )	10,000,000(L)	2.01%
	Share options	1,000,000(L)	0.2%
Cao Yunsheng	Interest of a controlled corporation ( <i>Note 5</i> )	12,000,000 (L)	2.41
	Share options	1,000,000(L)	0.2%

### (ii) Associated Corporation

<b>Name of Director</b>	<b>Name of associated corporation</b>	<b>Capacity</b>	<b>Percentage of shares holding</b>
Wang Lishan	Cheung Hing Investments limited	Beneficial owner	100%
Jiang Dong	Right East Investments Limited	Beneficial owner	100%
Chen Guocai	Sino Bright Management Limited	Beneficial owner	100%
Cao Yunsheng	Sino Joint International Limited	Beneficial owner	100%

#### *Notes:*

1. The letters "L" denote a long position in the Shares.
2. The 260,000,000 shares are held by Cheung Hing Investments Limited, which is wholly owned by Wang Lishan.
3. The 18,000,000 shares are held by Right East Investments Limited, which is wholly owned by Jiang Dong.
4. The 10,000,000 shares are held by Sino Bright Management Limited, which is wholly owned by Chen Guocai.
5. The 12,000,000 shares are held by Sino Joint International Limited, which is wholly owned by Cao Yunsheng.

Save as disclosed above, none of the Directors or chief executive of the Company aware of any other Director or chief executive of the Company who has any interests or short positions in any shares and underlying shares in, and debentures of, the Company or any associated corporation as at 30th June 2007.

### SUBSTANTIAL SHAREHOLDERS

As at 30th June 2007, the following equity have an interest or short position in the Shares or underlying shares which will have to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO:

Name of Director	Capacity	Number of shares	Percentage of shares holding
Cheung Hing Investments Limited	Beneficial Owner (Note 2)	260,000,000 (L) (Note 1)	52.21%

Notes:

1. The letters "L" denote a long position in the Shares respectively.
2. The 260,000,000 Shares are held by Cheung Hing Investments Limited, which is wholly owned by Wang Lishan.

Save for the disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company which will have to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO as at 30th June 2007.

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURE

Save as disclosed in the section "Share Option", at no time during the report period was the Company, or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire by means of acquisition of shares in, or debt securities, including debentures, of the Company or any other body corporate.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30th June 2007.

### CORPORATE GOVERNANCE

The Company had adopted the Code on Corporate Governance Practices (the "Code Provisions") introduced in Appendix 14 of the Listing Rules by HKEx to maintain a high standards of corporate governance so as to improve the corporate transparency and protect the interests of the Company's shareholders. The Company has complied with the Code Provisions in the reporting period.

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix 10 of the Listing Rules as its own code of conduct regarding Directors' securities transactions.

Having made specific enquiry of all Directors, the Directors of the Company have complied with the required standard set out in the Model Code regarding Directors' Securities Transactions in the reporting period.

## **COMPLIANCE ADVISER**

Sun Hung Kai International Limited was appointed the Company's Compliance Adviser after listing.

## **AUDIT COMMITTEE**

The Company has established an audit committee in compliance with the Rule 3.21 of the Listing Rules. The Company's audit committee comprises four independent non-executive directors. The primary duties of the audit committee (inter alia) are to review the financial reporting process and internal control system of the Group, and to make proposals to the Board of Directors as to appointment, renewal and resignation of the Company's external auditor and the related remuneration and appointment terms. The audit committee has reviewed and approved the unaudited financial reports of the Group for the period ended 30th June 2007 and is of the opinion that such statements comply with the applicable accounting standards, and the Listing Rules and legal requirements, and that adequate disclosures have been made.

## **OTHER COMPLIANCE**

The Company has complied with Rules 3.10(1) and 3.10(2) of the Listing Rules and appointed four independent non-executive Directors including one with financial management expertise, details of their biographies were set out in the 2006 Annual Report of the Company.

By Order of the Board

**Jutal Offshore Oil Services Limited**

**Wang Lishan**

*Chairman*

Hong Kong, 12 September 2007

*As at the date of this report, the executive Directors are Mr. Wang Lishan (Chairman), Mr. Jiang Dong, Mr. Chen Guocai and Mr. Cao Yunsheng; and the independent non-executive Directors are Mr. Su Yang, Mr. Mai Boliang, Mr. Xiang Bing and Mr. Wang Yu.*

## **CORPORATE INFORMATION**

### **SHARE INFORMATION**

Listing place : Main Board of the Hong Kong Stock Exchange Company Limited  
Stock code : 3303  
Listing date : 21 September 2006  
Stock name : Jutal Offshore Oil Services

### **REGISTERED OFFICE**

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### **AUDITOR**

**RSM Nelson Wheeler**  
*Certified Public Accountants*  
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