SATELLITE DEVICES CORPORATION

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8172)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2006

Characteristics of the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited ("Stock Exchange")

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investor should be aware of the potential risk of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

This announcement, for which the directors of Satellite Devices Corporation (the "Directors") collectively and individually accept responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information which regard to Satellite Devices Corporation. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief: – (1) the information contained in this announcement is accurate and complete in all material respects and that the contents are not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Results

For the year ended 31 March 2006, the Company and its subsidiaries (collectively the "Group") continued to focus on the security monitoring services and recorded an audited consolidated turnover of HK$1,359,000, which was trading at a similar level as of last year. The loss attributable to shareholders (the "Shareholders") of the Company this year of HK$17.73 million was also at a similar level as of last year. However, for the year ended 31 March 2006, staff cost was reduced by approximately HK$ 0.50 million and the successful recovery of an amount of bad debt provision, amounting to HK$ 2.50 million was also recorded. These savings were offset by the provision made against out-dated equipment and software amounting to HK$5.83 million. The market for our services has not grown since the last financial year, although the market in general remained very competitive.

Business Review

In 2005 and the first quarter of 2006, the Group continued to operate under keen competition. The Group has been exploring opportunities and additional sales channels for its 3G Skyeye Monitoring System by cooperating with other car dealers and insurance companies but the response from the insurance companies has not been encouraging. In September 2005, Mr. Tsoi resigned from the Group as Chairman of the board (the "Board") of directors, Chief Executive and Executive Director. The Group immediately sought qualified replacements. To strengthen the business prospects of the Group, additional directors were recruited to provide advice and service support. Furthermore, the Group also tried to improve its operational efficiency by reducing its administration headcounts and mitigating its overhead expenses by implementing tight operational control. For the year ended 31 March 2006, the Group was in pursuit of capital improvements, rationalizing and strategizing its operations to promote the return of profitability.

Capital Structure

The Board announced on 25 November, 2005 that the Company and Executive Talent Limited (the "Creditor") entered into a deed on 10 October, 2005 whereby the Company proposed to issue 67,585,863 shares (the "Loan Shares") at HK$ 0.10 each to the Creditor as full repayment of a loan owed by the Company to the Creditor (the "Loan Capitalisation"). The Loan Shares represent approximately 11.44% of the issued share capital of the Company prior to the completion of the Loan Capitalisation and approximately 10.26% of the enlarged share capital of the Company upon completion of the Loan Capitalisation which took place on 9 December, 2005. It was also announced that the Board intended to put forward proposals to the Shareholders in relation to the (1) proposed capital reorganisation; (2) proposed open offer; and (3) proposed acquisition. All the proposals were submitted to the Shareholders for their approval in the extraordinary general meeting of the Company (the "EGM") held on 20 April 2006. The Directors are delighted to mention that all the special resolutions proposed at the EGM were approved, the approval of which will greatly enhance the future operations of the Group. The proposed capital reorganisation of the Group became effective on 22 June 2006.

Financial Resources and Liquidity

As at 31 March 2006, the Group has total assets of approximately HK$0.5 million, which was mainly financed by current liabilities of approximately HK$1.5 million, and shareholders' deficits amounting to approximately HK$5.8 million. The ratio of total liabilities over the shareholders' fund is not applicable as at 31 March 2006 as the shareholders' fund is negative.

Current assets amounted to approximately HK$0.5 million which is mainly comprised of trade receivable and cash and bank balance of approximately HK$0.3 million and HK$0.1 million respectively. The working capital ratio is 0.30 as at 31 March 2006.

The Group had no banking facilities available or any bank loan outstanding as at 31 March 2006.

Foreign Exchange Exposure

The revenue of the Group was denominated mostly in Hong Kong Dollars. The Group has minimal exposure to foreign exchange fluctuations and seldom needs to make use of financial instruments for hedging purpose.

Charges on Group Assets and Contingent Liabilities

As at 31 March 2006, there was no charge made on the Group's assets and any material contingent liability outstanding.

Employees

As at 31 March 2006, the Group had a total of 15 employees as comparing to 20 last year, who are engaged in the following operations:

Engineering and R & D	9
Sales and Marketing (including field application engineers)	1
Finance, accounting, operation and administration	5
Total headcount	15

Employees in both Hong Kong and Mainland China are remunerated according to their performance and work experience.

Significant Investment and material acquisitions and disposals of subsidiaries

As reported in the circular to Shareholders dated 27 March 2006, the Group proposed to acquire the entire share interest of Hip Kin Retailing Limited. The proposed acquisition was approved by the Shareholders at the EGM of 20 April 2006. Hip Kin Retailing Limited has been the exclusive distribution of (i) London based Anya Hindmarch, a brand offering chic designer ladies' handbags, leather accessories, luggages, shoes and apparel, in Hong Kong since 1995 and in Taiwan since 2002. The whole consideration is HK$80 million, payable in cash and convertible notes upon completion.

Save as the above, the Group had no significant investments and no material acquisition or disposal of subsidiaries during the year.

Future Prospects

Leveraging on its own brand name, the Group will continue to provide services and product solutions of the location-based technology and innovations to its high-income clientele in Hong Kong. The Group's services and product solutions are still suffering from fierce competition in terms of pricing and function variety that may hamper the Group's number of subscribers in the future. In order to maintain the Group's competitiveness, the management has directed the in-house engineering team to improve the services by concentrating on certain state-of-the-art developments. We also monitor all newly introduced solutions offered by our competitors to stay ahead within the market.

In view of the positive economic growth in Hong Kong, the management will devote more effort to ensure the acquired businesses of Hip Kin Retailing Limited contribute to the future profitability of the Group. We are expecting the completion of this acquisition and the open offer made for new shares in the later part of July 2006. The successful implementation of the proposed transactions shall strengthen both the financial position and profitability of the Group substantially.

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2006

	Note	2006 HK$'000	2005 HK$'000
Revenue	3	**1,359**	1,442
Cost of location-based technology devices and applications		**(520)**	(522)
		839	920
Other income		**204**	29
Reversal of provision for doubtful debts		**2,498**	–
Reversal of write-down/(write-down) of inventories		**176**	(1,378)
Write-off of long outstanding other payables and accruals		**252**	133
Waiver of accrued salary payable to a director		**–**	248
Write-off of property, plant and equipment		**(5,827)**	–
Staff costs		**(2,188)**	(2,628)
Depreciation		**(11,194)**	(11,772)
Other operating expenses		**(2,486)**	(2,715)
Loss before taxation	4	**(17,726)**	(17,163)
Taxation	5	**–**	–
Loss attributable to shareholders		**(17,726)**	(17,163)
Basic loss per share	6	**14.49 cents**	14.52 cents

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2006

	Note	2006 HK$'000	2005 HK$'000
Non-current assets			
Property, plant and equipment		–	17,012
Investments in associates		4	4
		4	17,016
Current assets			
Inventories		–	336
Trade receivables	8	328	171
Deposits, prepayments and other receivables		10	187
Cash and cash equivalents		112	122
		450	816
Current liabilities			
Other payables and accruals		1,505	2,466
Amount due to a fellow subsidiary		–	4,108
Amount due to a director		–	6,108
Current portion of obligation under finance leases		–	8
		1,505	12,690
Net current liabilities		(1,055)	(11,874)
Total assets less current liabilities		(1,051)	5,142
Capital and reserves			
Share capital	9	65,850	59,092
Reserves		(71,676)	(53,950)
Total (deficits)/ equity attributable to equity holders of the Company		(5,826)	5,142
Non-current liabilities			
Other loan	10	4,775	–
		(1,051)	5,142

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2006

	Share capital	Share premium	Exchange reserve	Accumulated losses	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 April 2004	59,092	34,698	(13)	(71,470)	22,307
Exchange differences arising on translation of accounts of overseas subsidiaries and net losses not recognised in the consolidated profit and loss account	–	–	(2)	–	(2)
Loss for the year	–	–	–	(17,163)	(17,163)
At 31 March 2005	59,092	34,698	(15)	(88,633)	5,142
At 1 April 2005	59,092	34,698	(15)	(88,633)	5,142
Issue of shares upon loan capitalisation	6,758	–	–	–	6,758
Loss for the year	–	–	–	(17,726)	(17,726)
At 31 March 2006	65,850	34,698	(15)	(106,359)	(5,826)

Notes:

1 Basis of preparation

These financial statements have been prepared in accordance with HKFRS and HKAS issued by the HKICPA, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the financial statements comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange. The measurement basis used in the preparation of the financial statements is the historical cost basis.

2 Adoption of new and revised Hong Kong Financial Reporting Standards ("HKFRSs") and Hong Kong Accounting Standards ("HKASs")

The Hong Kong Institute of Certified Public Accountants (the "HKICPA") has issued a number of new and revised HKFRSs, HKASs and Interpretations that are generally effective for accounting periods beginning on or after 1 January 2005. The Group has adopted the following HKFRSs and HKASs issued up to 31 December 2005 which are pertinent to its operations and relevant to these financial statements.

HKAS 1	Presentation of Financial Statements
HKAS 2	Inventories
HKAS 7	Cash Flow Statements
HKAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
HKAS 10	Events after the Balance Sheet Date
HKAS 12	Income Taxes
HKAS 16	Property, Plant and Equipment
HKAS 17	Leases
HKAS 18	Revenue
HKAS 19	Employee Benefits
HKAS 21	The Effects of Changes in Foreign Exchange Rates
HKAS 24	Related Party Disclosures
HKAS 27	Consolidated and Separate Financial Statements
HKAS 32	Financial Instruments: Disclosure and Presentation
HKAS 33	Earnings per Share
HKAS 36	Impairment of Assets
HKAS 37	Provisions, Contingent Liabilities and Contingent Assets
HKAS 39	Financial Instruments: Recognition and Measurement
HKAS 39 (Amendment)	Transitional and Initial Recognition of Financial Assets and Financial Liabilities
HKFRS 2	Share-based Payment

The adoption of HKASs 1, 2, 7, 8, 10, 12, 16, 17, 18, 19, 21, 27, 32, 33, 36, 37 and 39 has had no material impact on the Group's accounting policies and the methods of computation, presentation and disclosure in the Group's consolidated financial statements. The major effects on adoption of the other HKFRSs and HKASs are summaries as follows:

(a) The adoption of HKAS 24 affects the identification of related parties and the disclosure of related party transactions.

(b) The adoption of HKFRS 2 has resulted in a change in accounting policy for share options. Prior to this, no recognition and measurement of share-based payment transactions in which share options granted over shares in the Company were required until such options were exercised, at which time the share capital and share premium were credited with the proceeds received.

With effect from 1 January 2005, in order to comply with HKFRS 2, the Group has adopted a new policy for share options. Under the new policy, the Group recognises the fair value of such share options as an expense with a corresponding increase recognised in a capital reserve within equity.

There were no share options granted by the Company after 7 November 2002 but had not vested before by 1 January 2005. Accordingly, the adoption of HKFRS 2 in respect of share options granted has had no effect on these financial statements.

The Group has not early applied the following new HKFRSs that have been issued by the HKICPA but not yet effective. The Group has considered these standards and interpretations but does not expect that they will have a material effect on the results of operation and financial position of the Group.

HKAS 1 (Amendment)	Capital Disclosures[1]
HKAS 19 (Amendment)	Actuarial Gains and Losses, Group Plans and Disclosures[2]
HKAS 21 (Amendment)	The Effects of Changes in Foreign Exchange Rates – Net Investment in a Foreign Operation[2]
HKAS 39 (Amendment)	Cash Flow Hedge Accounting of Forecast Intragroup Transactions[2]
HKAS 39 (Amendment)	The Fair Value Option[2]
HKAS 39 and HKFRS 4 (Amendment)	Financial Instruments: Recognition and Measurement and Insurance Contracts – Financial Guarantee Contracts[2]
HKFRS 6	Exploration for and Evaluation of Mineral Resources[2]
HKFRS 7	Financial Instruments: Disclosures[1]
HK(IFRIC) – INT 4	Determining Whether an Arrangement Contains a Lease[2]
HK(IFRIC) – INT 5	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds[2]
HK(IFRIC) – INT 6	Liabilities Arising from Participating in a Specific Market-Waste, Electrical and Electronic Equipment[3]
HK(IFRIC) – INT 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies[4]
HK(IFRIC) – INT 8	Scope of HKFRS 2[5]
HK(IFRIC) – INT 9	Reassessment of Embedded Derivatives[6]

[1] Effective for the annual periods beginning on or after 1 January 2007
[2] Effective for the annual periods beginning on or after 1 January 2006
[3] Effective for the annual periods beginning on or after 1 December 2005
[4] Effective for the annual periods beginning on or after 1 March 2006
[5] Effective for the annual periods beginning on or after 1 May 2006
[6] Effective for the annual periods beginning on or after 1 June 2006

3 Revenue

Revenue, which is also the Group's turnover, represents net invoiced value of goods sold, less discounts and returns.

No activity analysis and geographical analysis are presented for the years ended 31 March 2006 and 2005 as substantially all the Group's turnover and contribution to results were derived from the design, development and sales of location-based technology devices and applications in Hong Kong.

4 Loss before taxation

Loss before taxation is stated after charging/(crediting) the following:

	2006	2005
	HK$'000	*HK$'000*
Auditors' remuneration		
– current year	**250**	250
– under provision in prior year	**–**	80
Building management fee	**251**	201
Depreciation of fixed assets		
– owned assets	**11,194**	11,757
– assets held under finance leases	**–**	15
Exchange loss	**10**	–
Legal and professional fees	**680**	531
Operating lease rental in respect of land and buildings	**310**	499
Research and development costs*	**1,010**	1,120
Retirement benefits costs**	**(4)**	33
Telephone	**259**	374

* *Included in the research and development costs were staff costs of HK$1,008,000 (2005: HK$1,043,000) which had also been included in staff costs in the consolidated income statement.*

** *This item is included in staff costs in the consolidated income statement.*

5 Taxation

(a) No provision for Hong Kong profits tax has been made in the financial statements as the Group has no assessable profit for the years ended 31 March 2006 and 2005.

(b) No provision for overseas taxation has been made for the year as the subsidiaries operating in the PRC had no assessable income for PRC taxation purpose.

(c) The taxation for the year can be reconciled to loss before taxation per the consolidated income statement as follow:

(d) The taxation for the year can be reconciled to loss before taxation per the consolidated income statement as follow:

	2006	2005
	HK$'000	*HK$'000*
Loss before taxation	**(17,726)**	(17,163)
Tax at the domestic income tax rate of 17.5%	**(3,102)**	(3,003)
Tax effect of non-deductible expenses	**230**	252
Tax effect of non-taxable income	**–**	(115)
Effect on different tax rates of subsidiaries operating in other jurisdictions	**28**	27
Deferred tax assets not recognised	**2,844**	2,839
	–	–

6 Loss per share

The calculation of basic loss per share is based on the loss for the year of approximately HK$17,726,000 (2005: HK$17,163,000) and the weighted average number of 122,367,968 ordinary shares (2005 (restated): 118,183,200 ordinary shares) in issue during the year.

The weighted average number is stated after taking into consideration of the consolidation of shares by way of every five existing shares into one new consolidated share ("Capital Reorganisation"). The Capital Reorganisation has become effective on 22 June 2006.

Diluted loss per share is not presented for the years ended 31 March 2006 and 2005 as there were no potential dilutive shares outstanding during both years.

7 Dividends

The directors do not recommend the payment of any dividend for the year ended 31 March 2006.

8 Trade receivables

The Group has a policy of allowing its trade customers with credit period normally ranged from 30 to 90 days. The aging analysis of trade receivables is as follows:

	2006	2005
	HK$'000	*HK$'000*
0 – 30 days	**283**	98
31 – 60 days	**45**	45
61 – 90 days	**–**	8
Over 90 days	**12,719**	15,237
	13,047	15,388
Less: Provision for doubtful debts	**(12,719)**	(15,217)
	328	171

9 Share capital

	Number of shares	Amount
		HK$'000
Ordinary shares of HK$0.1 each		
Authorised:		
At 1 April 2004, 31 March 2005 and 31 March 2006	10,000,000,000	1,000,000
Issued and fully paid:		
At 1 April 2004 and 31 March 2005	590,916,000	59,092
Issue of shares upon loan capitalisation *(note)*	67,585,863	6,758
At 31 March 2006	658,501,863	65,850

Note: On 9 December 2005, 67,585,863 new ordinary shares of HK$0.1 each were issued and allotted at par to a creditor, Executive Talent Limited, pursuant to a loan capitalisation deed entered into on 10 October 2005 with the creditor. Details of the loan capitalisation were disclosed in the Company's circular dated 27 March 2006.

10 Other loan

The other loan is unsecured, interest bearing at the rate of 10% per annum and repayable by 4 quarterly instalments with the first instalment due on 30 June 2007.

11 Litigation

On 29 June 2005, a landlord issued writ against Satellite Devices Limited, a wholly owned subsidiary of the Company, to claim for the arrears of rent, rates, air-conditioning and management fee, reinstatement costs and late payment interest for a total amount of approximately HK$331,000. Full provision for this amount had been made in the financial statements.

Apart from the action against the Group disclosed above, there are no other material outstanding writs and litigations against the Group and/or the Company.

12 Post balance sheet events

On 20 April 2006, the following proposals which are detailed in the Company's circular dated 27 March 2006 (the "Circular"), were approved by the shareholders of the Company:

(i) proposed capital reorganisation ("Capital Reorganisation") – (i) every five existing issued and unissued shares of HK$0.10 each in the share capital of the Company be consolidated into one share of HK$0.50 each (the "Consolidated Share") in the capital of the Company (the "Share Consolidation"); (ii) the issued share capital of the Company be reduced (the "Capital Reduction") by cancelling paid-up capital to the extent of HK$0.49 on each Consolidated Share in the capital of the Company in issue on the date the Capital Reduction become effective (the "Effective Date") so that each issued share in the capital of the Company shall be treated as one fully-paid up share of HK$0.01 each in the capital of the Company (the "New Share"); (iii) the authorised but unissued share capital of the Company be sub-divided by subdividing each of the authorised but unissued shares of HK$0.50 each in the capital of the Company into fifty new shares of HK$0.01 each; and (iv) the credit amount arising from the Capital Reduction be applied to a distributable reserve of the Company where it may be utilised by the directors of the Company in accordance with the articles of association of the Company and all applicable laws, including to eliminate the accumulated losses of the Company as at the Effective Date;

(ii) proposed open offer ("Open Offer") – conditional upon the Capital Reorganisation having become effective and other conditions set out in the Circular being satisfied, the issue by way of open offer of 395,101,116 shares of HK$0.01 each in the share capital of the Company upon the Capital Reorganisation (the "Offer Shares") to the Qualifying Shareholders (as defined in the Circular) for subscription on the basis of three Offer Shares for every one share of HK$0.01 at a price of HK$0.065 per Offer Share; and

(iii) proposed acquisition of Hip Kin Retailing Limited – on 10 October 2005 and 24 November 2005, the Company entered into a sale and purchase agreement and supplemental agreement respectively, with Chung Chiu Limited, a company incorporated in the British Virgin Islands with its principal office in Hong Kong, (the "Vendor") for the acquisition of the entire issued share capital of Hip Kin Retailing Limited, a company incorporated in Hong Kong ("HKR") at the consideration of HK$80 million. The consideration shall be satisfied by (i) approximately HK$18.48 million in cash out of the estimated net proceeds from the proposed open offer (as detailed in note 29 below) and the issue of convertible note for the remaining balance of approximately HK$61.52 million. Further details of the proposed acquisition are set out in the Company's circular dated 27 March 2006.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Board is committed to maintaining statutory and regulatory standards and adherence to the principles of corporate governance with emphasis on transparency, independence and accountability. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of stakeholders and comply with increasingly tightened regulatory requirements.

The Code on Corporate Governance Practices ("CGP Code") issued by The Stock Exchange in the GEM Listing Rules set out two levels of corporate governance practice, i.e, mandatory code provisions that a listed company must comply with or explain its non-compliance and recommended best practices that listed companies are encouraged to comply with but need not disclose in the case of non-compliance. The Company is in compliance with all the mandatory code provisions of CGP Code, save for the non-establishment of remuneration committee and no election of Chairman and Chief Executive Officer.

Code Provision A.2.1

The resignation of Chairman and Chief Executive Officer of the Company took place in August 2005. The Company endeavors to comply with the Best Practice Code of Corporate Governance of separating the role of Chairman and Chief Executive Officer into two individuals. Due to the short period of time of the appointment of the new Directors, the Chairman and Chief Executive Officer position shall only be elected after the forthcoming annual general meeting of the Company ("AGM").

Code Provision A.4.1

The code provision A.4.1 provides that non-executive directors should be appointed for a specific term, subject to re-election.

None of the resigned or existing independent non-executive directors ("INED(s)") is appointed for a specific term. However, all INEDs are subject to the retirement by rotation and re-election at every AGM in accordance with the articles of association of the Company.

The Board received an enquiry from the Listing Division of the Stock Exchange on 15 March 2006 regarding failure to notify the Stock Exchange about certain potential breach of the GEM Listing Rules. The Board immediately investigated the possible breaches as indicated by the Stock Exchange and noted that some omissions took place when the Company was suffering from serious depletion of resources owing to substantial operating losses. Following our submission which illustrated that the Company had complied in substance in all respects, but admittedly, there might have been procedural omissions in the Company's compliance with certain formal requirements under the GEM Listing Rules, the Listing Division ruled that the Board be warned but no formal disciplinary actions have been taken in this regard. The members of the Board are of the view that the Company is in compliance in all material respects with relevant laws and regulations directly relevant to a GEM Listed Public Company.

REVIEW OF ANNUAL RESULTS

The audit committee had reviewed the Company's annual results for the year ended 31 March 2006.

By order of the Board of
Satellite Devices Corporation
Leung Tak Wah
Executive Director

23 June 2006

As at the date of this announcement, the Board comprises three executive Directors, namely Messrs. Lo Mun Lam, Raymond, Leung Tak Wah and Ms. Yu Wai Yin, Vicky; and three independent non-executive Directors, namely Messrs. Wan Kwok Pan, Sum Chun Ho, and Lum Pak Sum.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:– 1. the information contained in this announcement is accurate and complete in all material respects and the contents are not misleading; 2. there are no other matters the omission of which would make any statement in this announcement misleading; and 3. all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will be published on the GEM website on the "Latest Company Announcement" page for at least 7 days from the date of publication.