Golife Concepts Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8172)

RESULTS ANNOUNCEMENT
FOR THE PERIOD FROM 1 APRIL 2006 to 31 DECEMBER 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.

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The Stock Exchange takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss however arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement, for which the directors of Golife Concepts Holdings Limited (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 Golife Concepts Holdings Limited. 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 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.

RESULTS

The Board of Directors (the "Board") of Golife Concepts Holdings Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the period from 1 April 2006 to 31 December 2006 together with the comparative audited figures for the year ended 31 March 2006 as follows:

CONSOLIDATED INCOME STATEMENT

	Notes	**Period from 1/4/2006 to 31/12/2006** *HK$'000*	Year ended 31/3/2006 *HK$'000*
Turnover	*4*	**18,885**	1,359
Cost of sales		**(7,385)**	(520)
Gross profit		**11,500**	839
Other revenue and gains	*4*	**5,357**	3,130
Selling and distribution costs		**(994)**	–
Administrative expenses		**(12,240)**	(21,695)
Finance costs	*5*	**(1,799)**	–
PROFIT/(LOSS) BEFORE TAX	*6*	**1,824**	(17,726)
Tax	*7*	**(676)**	–
PROFIT/(LOSS) ATTRIBUTABLE TO SHAREHOLDERS		**1,148**	(17,726)
Dividend	*8*	**–**	–
Earnings/(loss) per share	*9*		
– basic (cents)		**0.32**	(14.49)
– diluted (cents)		**N/A**	N/A

CONSOLIDATED BALANCE SHEET

	Notes	**31/12/2006** ***HK$'000***	31/3/2006 *HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**2,955**	–
Goodwill		**75,552**	–
Intangible assets		**4,720**	–
Investments in associates		**–**	4
Total non-current assets		**83,227**	4
CURRENT ASSETS			
Inventories		**2,643**	–
Trade receivables	*10*	**2,209**	328
Deposits, prepayments and other receivables		**4,598**	10
Financial assets at fair value through profit or loss		**6,190**	–
Derivative financial instruments		**92**	–
Cash and bank balances		**3,426**	112
Total current assets		**19,158**	450
CURRENT LIABILITIES			
Trade and bills payables	*11*	**3,116**	–
Other payables and accruals		**3,212**	1,505
Interest-bearing bank and other borrowings		**12,460**	–
Tax payable		**1,076**	–
Total current liabilities		**19,864**	1,505
Net current liabilities		**(706)**	(1,055)
Total assets less current liabilities		**82,521**	(1,051)
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		**2,785**	4,775
Convertible notes		**48,188**	–
Total non-current liabilities		**50,973**	4,775
Net assets/(liabilities)		**31,548**	(5,826)
EQUITY			
Issued capital		**5,268**	65,850
Equity component of convertible notes		**11,316**	–
Reserves		**14,964**	(71,676)
Total equity		**31,548**	(5,826)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Period from 1 April 2006 to 31 December 2006

	Issued capital *HK$'000*	Share premium *HK$'000*	Equity component of convertible notes *HK$'000*	Exchange reserve *HK$'000*	Accumulated losses *HK$'000*	Total *HK$'000*
At 1 April 2005	59,092	34,698	–	(15)	(88,633)	5,142
Issue of shares upon loan capitalisation	6,758	–	–	–	–	6,758
Net loss for the year	–	–	–	–	(17,726)	(17,726)
At 31 March 2006 and 1 April 2006	65,850	34,698	–	(15)	(106,359)	(5,826)
Capital reorganisation	(64,533)	–	–	–	64,533	–
Issue of shares on open offer	3,951	21,730	–	–	–	25,681
Share issuance costs	–	(786)	–	–	–	(786)
Issue of convertible notes	–	–	11,999	–	–	11,999
Redemption of convertible notes	–	–	(683)	–	–	(683)
Reserve realized upon disposal of subsidiaries	–	–	–	15	–	15
Net profit for the period	–	–	–	–	1,148	1,148
At 31 December 2006	5,268	55,642	11,316	–	(40,678)	31,548

Notes:

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs") (which also include Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("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. They have been prepared under the historical cost convention, except for certain financial assets which have been measured at fair value.

The Group changed its financial year end date from 31 March to 31 December. The financial statements for the current period cover 9 months from 1 April 2006 to 31 December 2006. The comparative amounts shown for the consolidated income statement, consolidated statement of changes in equity and related notes cover the year ended 31 March 2006 and therefore, are not with a comparable time period.

2. IMPACT OF NEW HONG KONG FINANCIAL REPORTING STANDARDS AND CHANGES IN ACCOUNTING POLICIES

In the current period, the Group has applied, for the first time, a number of new standards, amendments and interpretations ("new HKFRSs") issued by the HKICPA, which are either effective for accounting periods beginning on or after 1 December 2005 or 1 January 2006. The adoption of the new HKFRSs had no material effect on how the results for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

New HKFRSs issued but not yet effective are not early adopted. The directors of the Company anticipate that the application of these new HKFRSs will have no material impact on the financial statements of the Group.

3. SEGMENT INFORMATION

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

(i) Business segments

The following tables present revenue, profit/(loss) and certain asset, liability and expenditure information for the Group's business segments for the period from 1 April 2006 to 31 December 2006 and the year ended 31 March 2006.

For management purposes, the Group is currently organized into two operating divisions – design, development and sales of location-based technology devices and applications, and distribution of high-end apparel and accessories. These divisions are the basis on which the Group reports its primary segment information.

Segment information about these businesses is presented below.

	Design, development and sales of location-based technology devices and applications		Distribution of high-end apparel and accessories		Consolidated	
	Period from 1/4/2006 to 31/12/2006	Year ended 31/3/2006	**Period from 1/4/2006 to 31/12/2006**	Year ended 31/3/2006	**Period from 1/4/2006 to 31/12/2006**	Year ended 31/3/2006
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
TURNOVER						
External turnover	**543**	1,359	**18,342**	–	**18,885**	1,359
RESULTS						
Segment results	**(360)**	(16,879)	**363**	–	**3**	(16,879)
Unallocated revenue					**5,110**	204
Unallocated expenses					**(1,490)**	(1,051)
Finance costs					**(1,799)**	–
Profit/(loss) before tax					**1,824**	(17,726)
Tax					**(676)**	–
Profit/(loss) for the period/year					**1,148**	(17,726)

	31/12/2006	31/3/2006	**31/12/2006**	31/3/2006	**31/12/2006**	31/3/2006
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Assets:						
Segment assets	**1**	428	**94,395**	–	**94,396**	428
Investment in an associate	**–**	4	**–**	–	–	4
Unallocated corporate assets					**7,989**	22
Total assets					**102,385**	454
Liabilities:						
Segment liabilities	**417**	5,950	**21,547**	–	**21,964**	5,950
Unallocated corporate liabilities					**48,873**	330
Total liabilities					**70,837**	6,280

	Design, development and sales of location-based technology devices and applications		Distribution of high-end apparel and accessories		Consolidated	
	Period from 1/4/2006 to 31/12/2006	Year ended 31/3/2006	**Period from 1/4/2006 to 31/12/2006**	Year ended 31/3/2006	**Period from 1/4/2006 to 31/12/2006**	Year ended 31/3/2006
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Other segment information:						
Capital expenditure	**–**	9	**1,741**	–	**1,741**	9
Depreciation	**–**	11,194	**732**	–	**732**	11,194
Amortisation	**–**	–	**280**	–	**280**	–
Impairment loss	**4**	–	**–**	–	**4**	–

(ii) Geographical segments

During the period, the Group's turnover was derived from operations carried out in Hong Kong and Taiwan. Over 90% of the Group's assets, liabilities and capital expenditures are derived from operations carried out in Hong Kong. Accordingly, no further geographical segment information is presented in the financial statements except the followings.

	Hong Kong		Taiwan		Other		Consolidated	
	Period from 1/4/2006 to 31/12/2006	Year ended 31/3/2006	**Period from 1/4/2006 to 31/12/2006**	Year ended 31/3/2006	**Period from 1/4/2006 to 31/12/2006**	Year ended 31/3/2006	**Period from 1/4/2006 to 31/12/2006**	Year ended 31/3/2006
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
TURNOVER								
External turnover	**13,798**	1,359	**5,087**	–	**–**	–	**18,885**	1,359
RESULTS								
Segment results	**1,759**	(16,614)	**433**	–	**(368)**	(1,112)	**1,824**	(17,726)
Tax							**(676)**	–
Profit/(loss) for the period/year							**1,148**	(17,726)

4. TURNOVER, OTHER REVENUE AND GAINS

Turnover represents the net invoiced value of goods sold, after allowances for returns and trade discounts and the value of services rendered.

An analysis of the Group's turnover, other revenue and gains is as follows:

	Period from 1/4/2006 to 31/12/2006	Year ended 31/3/2006
	HK$'000	*HK$'000*
TURNOVER		
Design, development and sales of location-based technology devices and applications	**543**	1,359
Distribution of high-end apparel and accessories	**18,342**	–
	18,885	1,359
OTHER REVENUE AND GAINS		
Bank interest income	**9**	–
Consultancy fee income	**72**	–
Fair value gain on financial assets at fair value through profit or loss	**2,014**	–
Fair value gain on derivative financial instruments	**92**	–
Gain on disposal of financial assets at fair value through profit or loss	**398**	–
Gain on disposal of subsidiaries	**1,698**	–
Reversal of provision for doubtful debts	**3**	2,498
Reversal of write-down of inventories	**–**	176
Waiver of other loan	**1,000**	–
Write-off of long outstanding other payables and accruals	**–**	252
Sundry income	**71**	204
	5,357	3,130

5. FINANCE COSTS

	Period from 1/4/2006 to 31/12/2006 *HK$'000*	Year ended 31/3/2006 *HK$'000*
Interest on convertible notes	**1,484**	–
Interest on bank loans and overdrafts wholly repayable within five years	**289**	–
Interest on finance leases	**26**	–
	1,799	–

6. PROFIT/(LOSS) BEFORE TAX

Profit/(loss) before tax is arrived at after charging:

	Period from 1/4/2006 to 31/12/2006 *HK$'000*	Year ended 31/3/2006 *HK$'000*
Cost of inventories sold	**7,323**	–
Cost of services rendered	**62**	520
Auditors' remuneration	**295**	250
Amortisation of intangible assets	**280**	–
Depreciation of property, plant and equipment	**732**	11,194
Exchange losses, net	**76**	10
Minimum lease payments under operating leases on land and buildings	**3,962**	310
Provision for impairment on investment in an associate	**4**	–
Write-off of property, plant and equipment	**–**	5,827
Staff costs (excluding directors' remuneration)		
Salaries and allowances	**3,119**	1,687
Pension scheme contributions	**128**	(16)
	3,247	1,671

7. TAX

Hong Kong profits tax has been provided at the rate of 17.5% on the estimated assessable profits arising in Hong Kong during the period. In prior year, no provision for Hong Kong profits tax had been made as the Group did not generate any assessable profits arising in Hong Kong.

Taxation on overseas profits has been calculated on the estimated assessable profit for the period at the rates of tax prevailing in the countries in which the Group operates.

	Period from 1/4/2006 to 31/12/2006	Year ended 31/3/2006
	HK$'000	*HK$'000*
Current provision:		
– Hong Kong	**575**	–
– Overseas	**101**	–
	676	–

A reconciliation of the tax expense applicable to profit/(loss) before tax using the statutory rate for the countries in which the Company and its subsidiaries are domiciled to the tax expense at the effective tax rates, and a reconciliation of the applicable rates (i.e., the statutory tax rates) to the effective tax rate, are as follows:

	Period from 1/4/2006 to 31/12/2006		Year ended 31/3/2006	
	HK$'000	*%*	*HK$'000*	*%*
Profit/(loss) before tax	**1,824**		(17,726)	
Tax at the domestic income tax rate	**319**	**17.5**	(3,102)	(17.5)
Effect of different tax rates in other jurisdictions	**(24)**	**(1.3)**	28	0.9
Income not subject to tax	**(471)**	**(25.8)**	–	–
Expenses not deductible for tax	**336**	**18.4**	230	7.4
Tax losses not recognized	**516**	**28.3**	2,844	9.2
Tax charge at effective rate	**676**	**37.1**	–	–

8. DIVIDEND

The directors of the Company do not recommend the payment of a dividend for the period.

9. EARNINGS/(LOSS) PER SHARE

The calculation of basic earnings per share is based on the net profit for the period from 1 April 2006 to 31 December 2006 of approximately HK$1,148,000 (year ended 31 March 2006: loss of HK$ 17,726,000) and the weighted average number of 361,577,386 ordinary shares (year ended 31 March 2006: 122,367,968 ordinary shares being adjusted retrospectively for the share consolidation) in issue during the period.

The weighted average number of ordinary shares for the purpose of calculating basic loss per share for the year ended 31 March 2006 has been retrospectively adjusted for the effect of the share consolidation completed during the period.

Diluted earnings/(loss) per share is not presented as the convertible notes had anti-dilutive effects on the basic earnings/(loss) per share.

10. TRADE RECEIVABLES

An aged analysis of the trade receivables as at the balance sheet date, based on the invoice date and net of provisions, is as follows:

	31/12/2006	31/3/2006
	HK$'000	*HK$'000*
0 – 30 days	**1,710**	283
31 – 60 days	**499**	45
61 – 90 days	**–**	–
Over 90 days	**–**	12,719
	2,209	13,047
Less: provision for doubtful debts	**–**	(12,719)
	2,209	328

11. TRADE AND BILLS PAYABLES

An aged analysis of the trade and bills payables as at the balance sheet date, based on the invoice date, is as follows:

	31/12/2006	31/3/2006
	HK$'000	*HK$'000*
0 – 30 days	**2,433**	–
31 – 60 days	**367**	–
61 – 90 days	**16**	–
Over 90 days	**300**	–
	3,116	–

12. ACQUISITION OF A SUBSIDIARY

On 31 July 2006, the Company acquired 100% equity interest in Golife (Hong Kong) Limited (formerly known as "Hip Kin Retailing Limited"). This transaction has been accounted for by the purchase method.

The net assets acquired, being the fair value, in the transaction, and goodwill on acquisition, are as follows:

	Carrying amount of the acquiree	**Fair value adjustment**	**Fair value of the acquiree**
	HK$'000	*HK$'000*	*HK$'000*
Net assets acquired comprised:			
Property, plant and equipment	1,946	–	1,946
Intangible assets	–	5,000	5,000
Inventories	5,480	–	5,480
Trade receivables	1,469	–	1,469
Deposit, prepayments and other receivables	10,265	–	10,265
Cash and bank balances	474	–	474
Trade payables	(1,774)	–	(1,774)
Other payables and accruals	(3,820)	–	(3,820)
Tax payable	(3,165)	–	(3,165)
Bank overdrafts	(2,176)	–	(2,176)
Bank loans	(2,151)	–	(2,151)
Trust receipts loans	(5,920)	–	(5,920)
Net assets acquired	628	5,000	5,628
Goodwill arising on acquisition			75,552
			81,180
Satisfied by:			
Cash consideration			19,660
Convertible notes			61,520
			81,180

13. DISPOSAL OF SUBSIDIARIES

	Period from 1/4/2006 to 31/12/2006 *HK$'000*	Year ended 31/3/2006 *HK$'000*
Net liabilities disposal of:		
Amounts due to group companies	**(3,193)**	–
	(3,193)	–
Realisation of reserves	**15**	–
Gain on disposal of subsidiaries	**1,698**	–
Amounts waived by group companies	**1,480**	–
	–	–
Satisfied by:		
Cash	**–**	–

14. POST BALANCE SHEET EVENTS

The following events have occurred subsequent to 31 December 2006:

(a) On 21 February 2007, Profit First Investments Limited ("Profit First"), a wholly owned subsidiary of the Company, has entered into an agreement with Zion Worldwide Limited ("Zion Worldwide") to establish LOC Limited ("LOC") which will be principally engaged in the wholesale, design, sourcing, merchandise planning and marketing of lifestyle consumer products including but not limited to jewellery and accessories under the Trademarks (the "Business"). LOC are owned by Profit First and Zion Worldwide in equal shares. Profit First has agreed to pay an earn-out payment to Zion Worldwide while Zion Worldwide has agreed to transfer and assign to LOC the Trademarks and all the Intellectual Property of "Business" at a consideration of HK$1. Further details of the transaction are also set out in a circular and an announcement of the Company dated 16 March 2007 and 23 February 2007, respectively.

(b) On 19 January 2007 the Company redeemed convertible notes with principal amount of HK$1,000,000.

(c) On 13 March 2007, convertible notes with principal amount of HK$37,100,000 converted into 371,000,000 ordinary shares at the conversion price of HK$0.10 per share. After issurance of 371,000,000 conversion shares, the Company's issued ordinary shares have been increased from 526,801,488 to 898,101,488.

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

During the period, the Group changed its year-end to 31 December. Hence, the results of the period under review are effectively the results of the 9 months ended 31 December 2006.

The Group underwent a period of significant change and growth in the nine months period under review and recorded the following developments:–

– Key changes in management personnel

– Open offer raised HK$23.73 million in net proceeds

– Acquired 100% interest in Golife (Hong Kong) Limited (formerly Hip Kin Retailing Limited), which holds the Greater China distribution rights of luxury fashion brands Anya Hindmarch and Paule Ka, at HK$81 million in cash and convertible notes

To reflect the change in business nature of the Group, we changed the name of the Company from "Satellite Devices Corporation" to "Golife Concepts Holdings Limited" in October 2006.

Turnover of the Group was approximately HK$18,885,000 for the period, representing an increase of 1,290% against the entire FY2005. The Group turned around its business to report profit attributable to shareholders of HK$1,148,000 against loss attributable to shareholders of HK$17,726,000 in last year. Excluding an interest charge of HK$1,484,000, which was arising from the remeasurement of the fair value of liabilities component of Convertible Notes amounting to HK$49,521,000, profit attributable to shareholders would be HK$2,632,000. Subsequent to the year-end, HK$37,100,000 of the Convertible Notes, of which the convertible price is HK$0.10, have been converted. Should the remaining Convertible Notes be fully converted within 2007, no similar charge shall be made in the Profit and Loss Account.

The Group's improved financial results is owed mainly to the acquisition of 100% equity interest in Golife (Hong Kong) Limited completed on 31 July 2006 (the "Acquisition").

During the nine months period under review, the Group made an open offer of 395,101,116 shares and raised net proceeds of HK$23.73 million. HK$18.48 million of the proceeds was used for the Acquisition, and the balance of HK$5.25 million as working capital of the Group. HK$1.85 million is earmarked for brand marketing. The Group's financial position has strengthened as a result of these transactions.

The five-month results of Golife (Hong Kong) Limited after the Acquisition was completed had been consolidated into the Group's account. Golife (Hong Kong) Limited had contributed positively and significantly to the profitability and cash flows of the Group.

A previous shareholder of Golife (Hong Kong) Limited, Chung Chiu Limited, provided a profit guarantee to the Group, as a condition of Sale and Purchase, of no less than HK$10,000,000.00 of net profit before tax for the year ended 31 March 2006. Golife (Hong Kong) Limited announced on 27 September 2006 that its net profit before taxation for the year was HK$9,333,387. As agreed, Chung Chiu Limited paid the Group the shortfall of guarantee profit of HK$666,613.

Operational Review

During the nine months period, the Group's apparel and accessories distribution business made HK$18.34 million in turnover and gross profit of HK$11.02 million, translating into a gross profit margin of 60%. Demand for products of the two brands currently carried by the Group, namely London-based Anya Hindmarch and Paris-based Paule Ka, was strong driven by favourable economic conditions in Hong Kong and Taiwan. The Group believes the net margin of the business will improve with rental of shop space peaked in 2006 and expected to come down in 2007, hence lower rental cost of the business is expected.

As for the Group's location-based auto-recovery business, it reported a turnover of HK$0.54 million. Competition remained keen with players making continuous capital investment and pushing for technological innovation. The Board will carefully monitor the performance of this business and will consider ceasing this business unit as soon as practicable if it does not achieve desirable profitability in the near term.

Future Plans and Prospects

The strong macro economic environment of the Greater China region is favorable for the Group's luxury consumer products distribution business. The Board believes the Group is poised to capture opportunities in the region in the next few years to achieve rapid growth.

On February 2007, the Group entered into an Agreement with Zion Worldwide Limited ("Zion Worldwide") to establish LOC Limited ("LOC"), with Profit First Investment Limited and Zion Worldwide owning equal stake. LOC will wholesale, design, source, merchandise and market lifestyle consumer products including but not limited to jewellery and accessories under the Life of Circle trademark. Created by award-winning designer Dickson Yewn, Life of Circle is an accessories brand that infuses Chinese philosophy into product designs. The brand offers concept 'bridge' jewelry and accessories. The world-renowned brand received the DTC Diamond Award in 2004, and its store was named by Forbes magazine as among the world's top 25 stores in 2005.

When the transaction is completed, Dickson Yewn and Zion Worldwide will transfer and assign to the new company all LOC IP Rights and existing Trademark-related products, and Golife will be involved in brand management and product development of LOC. Golife will also be the exclusive agent to market, distribute, promote or conduct deals of the products in overseas markets. In Hong Kong, it will open as many as 4 mono-brand stores for LOC in premium shopping malls and be responsible for wholesale arrangements with other prestigious multi-brand stores.

With Life of Circle added to its portfolio, the Group is prepared to aggressively expand its luxury consumer products distribution business in 2007.

For Anya Hindmarch, the Group has secured prime shop spaces and will open two new stores in Taiwan in mid-2007 and one new store in Hong Kong in the second half of 2007. For Paule Ka, the Group will open a second and third store in Hong Kong in the third quarter of 2007. For Life of Circle, the Group has plans for two stores in premium shopping malls in Hong Kong. Upon completion of these expansion plans, the Group will have a total of 13 points of sales compared to 6 as at 31 December 2006.

The Group will continue to identify and forge equity and/or distribution partnership with unique fashion and lifestyle-product brands with character, market potential and longevity. It will focus on a "vertical brand-raising" model, which will enable it to attract more "up-and-coming" brands in Greater China to become its partners. The Group targets to double its points of sales every 18 months.

The Group also plans to start distributing products and setting up retail operations in Mainland China, the fastest growing economy in Asia. It expects to complete mapping out related strategy and mechanism in the near future. The Group is confident of capturing the demand for luxury products in key Mainland cities.

Liquidity and Financial Resources

The Group had cash and bank balances of HK$3.43 million as at 31 December 2006. To achieve a higher return for working capital, the Group also held short-term investments, mainly derivatives and equity listed in Hong Kong, totaling HK$6.20 million.

The Group will continue to improve its financial position. With positive cash inflow from operations and secured banking facilities, the Group has sufficient financial resources to meet its commitments and working capital requirements.

Employees

As at 31 December 2006, the Group had approximately 38 employees. Their remuneration, promotion and salary review are assessed based on job responsibilities, work performance, professional experiences and the prevailing industry practices. The employees in Hong Kong joined the Mandatory Provident Fund Scheme. Other benefits include share option granted or to be granted under the share option scheme.

Competing interests

The directors believe that none of the directors or the management shareholders (as defined in the GEM Listing Rules) of the Company had an interest in a business which competes or may compete with the business of the Group.

Code on corporate governance practices

The Company has complied with the code provisions on Corporate Governance Practices as set out in the GEM Listing Rules by establishing formal and transparent procedures to protect and maximize the interests of shareholders throughout the year ended 31 December 2006.

Code on conduct regarding directors' securities transactions

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all directors, the directors have complied with such code of conduct and the required standard of dealings regarding securities transactions throughout the year ended 31 December 2006.

Purchase, sale or redemption of shares

During the period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Review of Consolidated Financial Statements and Scope of Work of "Auditors"

The financial statements have been reviewed by the Company's Audit Committee. The figures in respect of the preliminary announcement of the Group's results for the period ended 31 December 2006 have been agreed by the Group's auditors, Cheung & Siu, to the amounts set out in the Group's consolidated financial statements for the period. The work performed by Cheung & Siu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Cheung & Siu on the preliminary announcement.

As at the date of this announcement, the Directors of the Company are Mr. Lo Mun Lam, Raymond, Mr. Leung Tak Wah, Ms. Yu Wai Yin, Vicky, Mr. Richard Yen, Mr. Duncan Chiu*, Mr. Lum Pak Sum**, Mr. Sum Chun Ho** and Mr. Wan Kwok Pan.***

By Order of the Board
Golife Concepts Holdings Limited
Leung Tak Wah
Executive Director

* *Non-executive Director*
** *Independent non-executive Director*

Hong Kong, 28 March 2007