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## **Mitsumaru East Kit (Holdings) Limited** **三丸東傑(控股)有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 2358)**

### **ANNOUNCEMENT**

This announcement is issued pursuant to Rule 13.09 of the Listing Rules.

As the Investigation constitutes price sensitive information, trading in the shares of the Company was suspended from 9:30 a.m. on 14 February 2008 at the direction of the Stock Exchange.

The Board would like to update the shareholders of the Company and/or investors on the Investigation and the status of the Company.

This announcement is issued pursuant to Rule 13.09 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

### **THE INVESTIGATION**

On or about 13 February 2008, an investigation (the “**Investigation**”) by the Independent Commission Against Corruption (the “**ICAC**”) was initiated against Mr. Zhang Shuyang (“**Mr. Zhang**”), an executive director of Mitsumaru East Kit (Holdings) Limited (the “**Company**”), and Mr. Tung Chi Wai, Terrence (“**Mr. Tung**”), a former executive director of the Company, in connection with the cases (the “**Cases**”) detailed in a press release (the “**Press Release**”) dated 17 February 2009 on the website of ICAC, and the ICAC took away certain documents and materials which belonged to the Company.

As the Investigation constitutes price sensitive information, trading in the shares of the Company was suspended from 9:30 a.m. on 14 February 2008 at the direction of the Stock Exchange.

According to the Press Release, Mr. Man Yui-fai (“**Mr. Man**”) as the former senior executive of a securities company and Mr. Joseph Ng King-ho (“**Mr. Ng**”) as the former financial adviser of the Company have been charged by the ICAC in two separate cases for allegedly accepting bribes and misleading the Securities and Futures Commission (the “**SFC**”) in relation to the purchase of the shares of the Company.

The board of directors of the Company (“**Board**”) has received confirmations from Mr. Zhang and Mr. Tung (the “**Confirmations**”) that no charges had been made against Mr. Zhang and Mr. Tung in relation to the Investigation and the investigation by the ICAC against them was the same cases disclosed in the Press Release. Both of them were released on 9 September 2008 on a non-prejudicial basis. Based on the Confirmations, the Board also believes that none of the Company, any subsidiaries or associated companies of the Company was the subject of the Investigation.

The Company would like to clarify that neither Mr. Man nor Mr. Ng has ever been employee of the Company, the charges disclosed in the Press Release have been made against Mr. Man and Mr. Ng personally, and no charges have been made against the Company or any officer or employee of the Company.

The Company has not had any prior dealings with Mr. Man. Mr. Ng was a representative of a financial adviser group which the Company engaged for services in March 2005. The service was terminated by mutual agreement with effect on 31 December 2005.

The Board noted from news reports of 20 February 2009 that at his arraignment Mr. Ng alleged that the Cases also related to a former secretary of the Board, Mr. Sun Jian (“**Mr. Sun**”). The Board would like to clarify that it did not have any knowledge of the alleged Mr. Sun’s relation to the Cases prior to the publication of the news reports.

## **UPDATE ON THE STATUS OF THE COMPANY**

The Board has obtained confirmations from Mr. Zhang and Mr. Tung that the Investigation was initiated against them personally in relation to the Cases as disclosed in the Press Release, did not relate to the affairs of the Company, and has no material implications on the Company’s operations, assets, and financial position.

Based on present information as disclosed in the Press Release, the Board is not aware of any direct relation and implications between the Cases under the Investigation and the Company’s operations, assets and financial position and confirms that the Company has been carrying on its ordinary course of business.

Mr. Tung ceased to be an executive director of the Company with effect from 25 September 2008 as stated in the announcement of the Company dated 29 September 2008.

On 25 September 2008, the Board set up an independent committee ("**Independent Committee**"), comprising Mr. Leung Koon Sing, an executive Director appointed on 1 August 2008, and all the independent non-executive Directors, to consider the Investigation and its implications to the Group's operations, assets and financial position.

The Company has engaged Grant Thornton, an independent accountant firm, to conduct a general review of the Group's internal control system and ascertain, advise and report if any deficiency exists.

Further announcement will be made on the results of the finding of the Independent Committee as and when applicable.

## **SUSPENSION AND RESUMPTION OF TRADING**

At the direction of the Stock Exchange, trading in the shares of the Company was suspended from 9:30 a.m. on 14 February 2008 and will remain suspended until further notice.

## **CONDITIONS TO RESUMPTION OF TRADING**

The Stock Exchange has imposed the following conditions to resumption of trading:

1. the Company to demonstrate that the market is properly informed of all material information related to the Investigation that is necessary to enable the market to appraise the position of the Company and its subsidiaries ("**Group**") and the implications of such matters to the Group's operations, assets and financial position;
2. the Company to demonstrate that circumstances no longer exist to suggest that there may be significant deficiencies in the internal control system of the Group and/or concern about management integrity which will pose a risk to investors and may damage market confidence;
3. the Company's independent non-executive directors to review matters pertaining to the Investigation and the work done by an independent firm of accountants to provide reasonable assurance in respect of matters set out in conditions (1) and (2) above (together, the "**Review**");
4. the Company to take remedial steps to address all issues and concerns identified during the Review (if any); and

5. the Company to release the results announcement and annual report for the year ended 31 December 2007 and address any concern that may be raised by the auditors of the Company.

The Company has released announcement of final results and the annual report for the year ended 31 December 2007 on 19 August 2008 and 27 August 2008 respectively and addressed the related concerns raised by the auditors of the Company. The Company will make application to the Stock Exchange for resumption of trading when all conditions to resumption of trading are fulfilled to the satisfaction of the Stock Exchange. Further announcement will be made as and when appropriate.

By Order of the Board  
**Mitsumaru East Kit (Holdings) Limited**  
**Cheng Sik Kong**  
Company Secretary

Hong Kong, 24 February 2009

As at the date of this announcement, the Board comprises:

**Executive Directors:**

Mr. Zhang Shuyang  
Mr. Leung Koon Sing

**Independent Non-executive Directors:**

Mr. Martin He  
Mr. Mu Xiangming