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GR VIETNAM HOLDINGS LIMITED

越南控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 139)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2009

The Board of Directors (the “Board”) of GR Vietnam Holdings Limited (the “Company”) announces the annual results of the Company and its subsidiaries (the “Group”) for the year ended 31 March 2009 (the “Year”) together with comparative figures for the previous year as follows:–

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2009

| | | For the year ended 31 March | |
|---|-------|-----------------------------|------------------|
| | | 2009 | 2008 |
| | Notes | HK\$'000 | HK\$'000 |
| Revenue | 2,3 | | |
| Electronic products | | 7,118 | 114,758 |
| Treasury investment | | 20,056 | (87,495) |
| Others | | 778 | – |
| | | <u>27,952</u> | <u>27,263</u> |
| Cost of electronic products sold | | (7,096) | (111,588) |
| Brokerage and commission expenses | | (888) | (2,256) |
| Others | | (590) | – |
| | | <u>(8,574)</u> | <u>(113,844)</u> |
| | | 19,378 | (86,581) |
| Other income and gains | 3 | 2,549 | 6,800 |
| Selling and distribution costs | | (123) | (200) |
| Administrative expenses | | (30,944) | (39,227) |
| Other operating expenses | | (9,587) | (82) |
| Gain on disposal of available-for-sale equity investments | | – | 113,847 |
| Impairment of available-for-sale equity investments | | (14,272) | (3,794) |
| Fair value gains/(losses), net: | | | |
| Equity investments at fair value through profit or loss | | (230,616) | (222,592) |
| Conversion option derivative | | (1,097) | (932) |
| Finance costs | 4 | (16,017) | (5,579) |
| LOSS BEFORE TAX | 5 | <u>(280,729)</u> | <u>(238,340)</u> |

| | | For the year ended 31 March | |
|---|--------------|-----------------------------|------------------------|
| | | 2009 | 2008 |
| | <i>Notes</i> | <i>HK\$'000</i> | <i>HK\$'000</i> |
| Tax | 6 | 22 | 15,428 |
| LOSS FOR THE YEAR ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY | | (280,707) | (222,912) |
| DIVIDEND | 7 | – | – |
| LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY | 8 | | |
| – Basic | | HK(9.94) cents | HK(11.02) cents |
| – Diluted | | N/A | N/A |

CONSOLIDATED BALANCE SHEET

31 March 2009

| | | As at 31 March | |
|--|-------|----------------|----------------|
| | | 2009 | 2008 |
| | Notes | HK\$'000 | HK\$'000 |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | | 2,027 | 361 |
| Prepaid land lease payment | | – | – |
| Convertible notes-loan portion | | 46,663 | 43,285 |
| Available-for-sale equity investments | | 13,392 | 27,768 |
| Total non-current assets | | <u>62,082</u> | <u>71,414</u> |
| CURRENT ASSETS | | | |
| Convertible notes-conversion option derivative | | 491 | 1,588 |
| Equity investments at fair value through profit or loss | 9 | 163,369 | 323,793 |
| Inventories | 10 | 437 | 162 |
| Trade receivables | 11 | 688 | 24,642 |
| Prepayments, deposits and other receivables | | 6,123 | 1,387 |
| Pledged time deposits | | 7,323 | 7,274 |
| Cash and cash equivalents | | 153,724 | 244,012 |
| Total current assets | | <u>332,155</u> | <u>602,858</u> |
| CURRENT LIABILITIES | | | |
| Trade payables | 12 | 77 | 16,413 |
| Tax payable | | 11 | 11 |
| Other payables and accruals | | 9,290 | 7,689 |
| Total current liabilities | | <u>9,378</u> | <u>24,113</u> |
| NET CURRENT ASSETS | | <u>322,777</u> | <u>578,745</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>384,859</u> | <u>650,159</u> |
| NON-CURRENT LIABILITIES | | | |
| Convertible bonds | | 170,323 | 154,315 |
| Deferred tax liabilities | | – | 22 |
| Total non-current liabilities | | <u>170,323</u> | <u>154,337</u> |
| Net assets | | <u>214,536</u> | <u>495,822</u> |
| EQUITY | | | |
| Equity attributable to ordinary equity holders of the Company | | | |
| Issued capital | 13 | 28,247 | 28,247 |
| Equity component of convertible bonds | | 47,257 | 47,257 |
| Reserves | | 139,032 | 420,318 |
| Total equity | | <u>214,536</u> | <u>495,822</u> |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparation and accounting policies

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for equity investments and conversion option derivative, which have been measured at fair value. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand (“HK\$’000”) except when otherwise indicated. These financial statements also comply with applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2009. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All income and expenses resulting from intercompany transactions and intercompany balances within the Group are eliminated on consolidation in full.

The Group has adopted the new and revised HKFRSs 39 and HKFRSs 7 Amendments “Amendments to HKAS 39 Financial Instruments: Recognition and Measurement and HKFRSs 7 Financial Instruments: Disclosures – Reclassification of Financial Assets”; HK(IFRIC)-Int 12 “Service Concession Arrangements”; HK(IFRIC)-Int 14 “HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction” applicable for the first time for the current year’s financial statements. Except for in certain cases, giving rise to new and revised accounting policies and additional disclosures, the adoption of these new interpretations and amendments has had no significant effect on these financial statements.

2. Segment information

An analysis by principal activity and geographical areas of operation of the Group's segment revenue, segment results, certain assets and liabilities and other segment information for the years ended 31 March 2009 and 2008 are summarised as follows:–

(a) Primary reporting format-business segments:

| Group | Electronic products | | Treasury investment | | Corporate & others | | Consolidated | |
|--|---------------------|----------------|---------------------|------------------|--------------------|-----------------|------------------|------------------|
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| Segment revenue: | | | | | | | | |
| Sales to external customers | 7,118 | 114,758 | – | – | 778 | – | 7,896 | 114,758 |
| Gain/(losses) from treasury investment | – | – | 20,056 | (87,495) | – | – | 20,056 | (87,495) |
| Total | 7,118 | 114,758 | 20,056 | (87,495) | 778 | – | 27,952 | 27,263 |
| Segment results | (9,320) | (423) | (239,752) | (213,787) | (17,503) | (22,390) | (266,575) | (236,600) |
| Interest income and unallocated gains | | | | | | | 2,414 | 6,315 |
| Unallocated expenses | | | | | | | (551) | (2,476) |
| Finance costs | | | | | | | (16,017) | (5,579) |
| Loss before tax | | | | | | | (280,729) | (238,340) |
| Tax | | | | | | | 22 | 15,428 |
| Loss for the year | | | | | | | (280,707) | (222,912) |
| Assets and liabilities | | | | | | | | |
| Segment assets | 1,158 | 34,243 | 224,362 | 396,843 | 6,831 | 65,128 | 232,351 | 496,214 |
| Unallocated assets | | | | | | | 161,886 | 178,058 |
| Total assets | | | | | | | 394,237 | 674,272 |
| Segment liabilities | 5,596 | 22,027 | 120 | 120 | 3,577 | 1,636 | 9,293 | 23,783 |
| Unallocated liabilities | | | | | | | 170,408 | 154,667 |
| Total liabilities | | | | | | | 179,701 | 178,450 |
| Other segment information: | | | | | | | | |
| Depreciation | 7 | 6 | – | – | 286 | 218 | 293 | 224 |
| Capital expenditure | – | 12 | – | – | 1,959 | 130 | 1,959 | 142 |
| Impairment of available-for-sale equity investments | – | – | 14,272 | 3,794 | – | – | 14,272 | 3,794 |
| Equity-settled share option arrangements | – | 88 | – | – | – | 15,144 | – | 15,232 |
| Fair value losses on equity investments at fair value through profit or loss | – | – | 230,616 | 222,592 | – | – | 230,616 | 222,592 |
| Impairment of other receivable | 6,258 | – | – | – | – | – | 6,258 | – |

(b) Secondary reporting format-geographical segments:

Group

| | People's Republic of China (including Hong Kong) | | Europe and South East Asia | | Vietnam | | Consolidated | |
|-----------------------------------|--|-----------------|-------------------------------|---------------|---------------|----------|----------------|----------------|
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| Segment revenue: | | | | | | | | |
| Electronic products | 6,474 | 72,312 | 644 | 42,446 | - | - | 7,118 | 114,758 |
| Treasury investment | 20,056 | (87,495) | - | - | - | - | 20,056 | (87,495) |
| Others | - | - | - | - | 778 | - | 778 | - |
| | <u>26,530</u> | <u>(15,183)</u> | <u>644</u> | <u>42,446</u> | <u>778</u> | <u>-</u> | <u>27,952</u> | <u>27,263</u> |
| Other segment information: | | | | | | | | |
| Segment assets | <u>383,202</u> | <u>674,272</u> | <u>-</u> | <u>-</u> | <u>11,035</u> | <u>-</u> | <u>394,237</u> | <u>674,272</u> |
| Capital expenditure | <u>-</u> | <u>142</u> | <u>-</u> | <u>-</u> | <u>1,959</u> | <u>-</u> | <u>1,959</u> | <u>142</u> |

3. Revenue, other income and gains

| | For the year ended 31 March | |
|---|-----------------------------|---------------|
| | 2009 | 2008 |
| | HK\$'000 | HK\$'000 |
| Revenue | | |
| Sales of goods | 7,118 | 114,758 |
| Gains/(losses) on disposal of equity investments at fair value through profit or loss | 12,542 | (96,685) |
| Dividend income from listed equity investments | 2,894 | 4,501 |
| Interest income from convertible notes | 4,620 | 4,689 |
| Others | 778 | - |
| | <u>27,952</u> | <u>27,263</u> |
| Other income and gains | | |
| Bank interest income | 2,402 | 6,297 |
| Gain on disposal of items of property, plant and equipment | - | 3 |
| Others | 147 | 500 |
| | <u>2,549</u> | <u>6,800</u> |

4. Finance costs

| | For the year ended 31 March | |
|---|-----------------------------|--------------|
| | 2009 | 2008 |
| | HK\$'000 | HK\$'000 |
| Interest on bank overdraft wholly repayable within five years | 9 | 5 |
| Interest on finance lease | - | 2 |
| Imputed interest on convertible bonds | 16,008 | 5,572 |
| | <u>16,017</u> | <u>5,579</u> |

5. Loss before tax

The Group's loss before tax is arrived at after charging:

| | For the year ended 31 March | |
|--------------------------|-----------------------------|----------|
| | 2009 | 2008 |
| | HK\$'000 | HK\$'000 |
| Cost of inventories sold | 7,686 | 111,588 |
| Depreciation | 293 | 224 |

6. Tax

No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in Hong Kong during the Year (2008: Nil). The lower Hong Kong profits tax is effective from the year of assessment 2008/09, and so is applicable to the assessable profits arising in Hong Kong for the whole year ended 31 March 2009. No provision for Mainland China and Vietnam corporate income tax have been made as the Group did not generate any assessable profits in Mainland China or Vietnam during the Year (2008: Nil).

7. Dividend

The Board has resolved not to pay any final dividend for the Year (2008: Nil). In addition, no interim dividend was paid for the Year (2008: Nil).

8. Loss per share attributable to ordinary equity holders of the Company

The calculation of basic loss per share amounts is based on the loss for the Year attributable to ordinary equity holders of the Company of HK\$280,707,000 (2008: HK\$222,912,000) and the weighted average number of 2,824,643,047 (2008: 2,022,585,853) ordinary shares in issue during the Year.

A diluted loss per share amount for the years ended 31 March 2009 and 2008 have not been disclosed, as the share options and the convertible bonds outstanding during the years had an anti-dilutive effect on the basic loss per share for these years.

9. Equity investments at fair value through profit or loss

| | As at 31 March | |
|---|----------------|----------|
| | 2009 | 2008 |
| | HK\$'000 | HK\$'000 |
| Listed equity investments in Hong Kong, at fair value | 163,369 | 323,793 |

10. Inventories

| | As at 31 March | |
|----------------|----------------|----------|
| | 2009 | 2008 |
| | HK\$'000 | HK\$'000 |
| Finished goods | 437 | 162 |

11. Trade receivables

Ageing analysis:

| | As at 31 March | |
|----------------|----------------|---------------|
| | 2009 | 2008 |
| | HK\$'000 | HK\$'000 |
| Within 1 month | 686 | 24,642 |
| 1 to 2 months | 2 | – |
| | <u>688</u> | <u>24,642</u> |

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally for a period of one month, extending up to two months for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict credit control over its outstanding receivables. Overdue balances are regularly reviewed by senior management. There is a significant concentration of credit risk as over 99% (2008: 97%) of the balances represented receivables from two major customers within the electronic products segment. Trade receivables are non-interest-bearing. The carrying amounts of trade receivables approximate to their fair values.

12. Trade payables

Ageing analysis:

| | As at 31 March | |
|----------------------|----------------|---------------|
| | 2009 | 2008 |
| | HK\$'000 | HK\$'000 |
| Within 1 to 2 months | 29 | 16,366 |
| Over 3 months | 48 | 47 |
| | <u>77</u> | <u>16,413</u> |

13. Share capital

| | As at 31 March | |
|---|----------------|----------------|
| | 2009 | 2008 |
| | HK\$'000 | HK\$'000 |
| <i>Authorised</i> | | |
| – 60,000,000,000 ordinary shares of HK\$0.01 each | <u>600,000</u> | <u>600,000</u> |
| <i>Issued and fully paid</i> | | |
| – 2,824,643,047 ordinary shares of HK\$0.01 each | <u>28,247</u> | <u>28,247</u> |

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The Group's revenue for the Year was HK\$28.0 million, representing an increase of HK\$0.7 million or 2.5% compared with last year. The net loss for the Year was HK\$280.7 million, compared to the loss of HK\$222.9 million last year. Loss per share for the Year decreased to HK9.94 cents (2008: HK11.02 cents). The Group's net loss for the Year was primarily attributable to a net loss of HK\$239.8 million in treasury investment.

During the Year, the global financial crisis continued to adversely affect economies and financial markets around the world. In September 2008, the abrupt collapse of Lehman Brothers further aggravated investor fears of the instability of the financial system in the United States, and triggered a further meltdown of global financial markets. Global stock markets and the local Hang Seng Index accelerated their nosedive. Commodity prices and consumer demand in the electronic products market also declined rapidly. As a result, the Group's performance in treasury investments and the electronic products trading segment for the Year was seriously affected.

Economy in Vietnam likewise suffered from this downturn. In the first half of the Year, financial turmoil in Vietnam was manifested in the form of a high inflation rate, a significant currency devaluation and a huge trading deficit. The deteriorating economic fundamentals dampened investor optimism and confidence in Vietnam and raised concerns about the stability of the financial system, particularly if conditions should continue to worsen. Since the Group's projects in Vietnam are at start-up stage and most of the investment costs for these projects have not yet been committed, the financial turmoil in Vietnam had insignificant adverse financial impact on the Group.

In the second half of the Year, in order to react to the adverse changes in the economic and financial environments in Vietnam, the Group decided to reduce the total invested capital of the Joint Venture Company. As for its convenience store operations in Vietnam, the Group undertook a cautious initiative to revise downward the target number of store openings for the Year and established five convenience stores in high traffic locations in commercial and tourist areas targeting customers in teenager, office worker and tourist groups.

During the Year, sales of electronic products decreased by HK\$107.6 million or 93.8% to HK\$7.1 million. The marked decrease in revenue was mainly due to sluggish demand for the whole range of electronic trading products and the winding up of a major trading supplier. In the second half of the Year, the collapse of Lehman Brothers put local banks under pressure to tighten or withdraw banking facilities for many operators in the local market. This gave rise to financial difficulties for a large number of electronic products trading operations and assembly facilities with some operations having to close down. With the dramatic contraction in demand and a stock provision for the defective returned goods to the wound-up supplier, the operating loss for the electronic products segment increased by HK\$8.9 million to HK\$9.3 million for the Year.

The Group continued to utilise its available funds in treasury investment during the Year. However, under the effects of the financial tsunami, the local stock market became very volatile and highly vulnerable to any adverse change in market conditions. The Hang Seng Index fell by approximately 11,000 points from its highest point of approximately 23,000 in April 2008 to the lowest point of approximately 12,000 in March 2009. The continual local stock market turbulence negatively impacted the performance of the Group's treasury investment segment. Consequently, this segment for the Year incurred a net loss of HK\$239.8 million.

Prospects

Following a series of stimulus measures taken by the Vietnamese Government to restore and maintain the economy and the financial market, it is expected that Vietnam will be one of the fastest developing countries to recover from the global financial turmoil. For the year to come, the Group will continue its efforts to operate existing convenience stores and build up a solid foundation in preparation for another round of new store openings when market conditions improve.

Looking ahead, global economic and financial uncertainties will persist. The Group will adopt a cautious outlook for the year to come and will continue to pursue a prudent strategy in developing its existing and new businesses.

Financial Review

The Group's revenue for the Year was HK\$28.0 million, representing an increase of HK\$0.7 million or 2.5% compared with last year. The Group's revenue principally comprised the sales of electronic products of HK\$7.1 million and income and gains of HK\$20.1 million from treasury investment. During the Year, sales revenue from electronic products decreased by HK\$107.6 million or 93.8% to HK\$7.1 million.

Administrative expenses for the Year came to HK\$30.9 million, representing a decrease of HK\$8.3 million or 21.1% compared with last year. Other operating expenses for the Year came to HK\$9.6 million, representing an increase of HK\$9.5 million compared with last year. The increase was mainly due to the impairment of HK\$6.3 million for other receivables during the Year.

Loss for the Year was HK\$280.7 million, compared to the loss of HK\$222.9 million last year. As at 31 March 2009, the Group's net asset value decreased by HK\$281.3 million or 56.7% to HK\$214.5 million. This was mainly due to the loss for the Year attributable to shareholders of HK\$280.7 million. The Group maintained a sound financial position in terms of liquidity.

Liquidity and Financial Resources

During the Year, the Group financed its operations generally with internally generated cash flow, cash reserve and banking facilities. The Group's bank and short-term deposits as at 31 March 2009 were HK\$161.0 million (31 March 2008: HK\$251.3 million).

As at 31 March 2009, the Group had no bank overdrafts, or short and long term interest-bearing bank borrowings (31 March 2008: Nil).

As at 31 March 2009, the Group's current ratio was 35.3 times (31 March 2008: 25.0 times) based on current assets of HK\$332.2 million (31 March 2008: HK\$602.9 million) and current liabilities of HK\$9.4 million (31 March 2008: HK\$24.1 million).

As at 31 March 2009, the Group had capital commitments for capital contribution to a joint venture company of HK\$15.3 million (2008: HK\$66.9 million). Apart from this, the Group had no other contingent liabilities or material commitments.

Capital Structure

As at 31 March 2009, the Group's gearing ratio, being convertible bonds payable to net worth and the convertible bonds payable was 44.3% (31 March 2008: 23.7%).

The Group's bank deposits and borrowings are mainly denominated in Hong Kong dollars. Most of the Group's sales and purchases are made in United States dollars and Hong Kong dollars. Therefore, the Group's exposure to exchange risks is minimal.

Post Balance Sheet Event

Subsequent to the balance sheet date, on 7 April 2009, the Group entered into a supplemental agreement with Vietnam Southern Food Corporation (a Vietnam stated-owned enterprise) ("VSFC") for acquisition of a 5% equity interest in Saigon Port – Hiep Phuoc Joint Stock Company (the "Saigon Port Company"), whereby additional capital of VND2,500,000,000 (approximately HK\$1,095,000) was made by the Group, to attain its 5% shareholding in Saigon Port Company. On 29 May 2009, an agreement was entered into between the Group and VSFC for termination of all the agreements in relation to the transfer of shares of the Saigon Port Company to the Group. The Group's aggregate capital payment of HK\$3,775,000 was subsequently refunded to the Group by VSFC.

Significant Investments

As at 31 March 2009, the Group had convertible notes issued by a company listed on The Stock Exchange of Hong Kong Limited with fair value amount of the conversion option derivative of HK\$0.5 million and the carrying amount of the loan portion of HK\$46.7 million. The carrying amount of the loan portion is approximated to its fair value. The interest income for the Year was HK\$4.6 million.

As at 31 March 2009, the Group maintained a portfolio of equity investments (including available-for-sale equity investments and equity investments at fair value through profit or loss) with total carrying amount of HK\$176.8 million. The related dividend income for the Year was HK\$2.9 million.

Details of Charges on Assets

As at 31 March 2009, a fixed deposit of HK\$7.3 million (2008: HK\$7.3 million) was pledged to secure banking facilities granted to the Group.

Material Acquisitions and Disposals

During the Year, the Company had no material acquisitions or disposals of subsidiaries and associates.

Employment, Training and Development

As at 31 March 2009, the Group had a total of 97 employees, of which 21 were based in Hong Kong, 24 based in Mainland China and 52 based in Vietnam. The Group is committed to staff training and development and structured training programs for all employees.

Remuneration packages are maintained at a competitive level and reviewed on a periodic basis. Bonuses and share options are awarded to employees according to individual performance and industry practice.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Friday, 21 August 2009 to Tuesday, 25 August 2009, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the 2009 annual general meeting of the Company, unregistered holders of shares of the Company should ensure that all share transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Tengis Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 20 August 2009.

CORPORATE GOVERNANCE

The Board is committed to maintaining good corporate governance, consistently enhancing transparency and effecting accountability to maximise shareholders' benefit. Detailed disclosure of the Company's corporate governance practices is included in the annual report for the Year to be issued by the Company.

The Company has complied with the code provisions set out in the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 of the Listing Rules for the Year, except that there is no separation of the roles of Chairman and Chief Executive Officer as specified in the code provision A.2.1 of the CG Code. Mr. Wong Howard currently assumes the roles of both the Chairman and the Chief Executive Officer of the Company. The Board believes that this structure provides the Group with strong and consistent leadership and allows for more effective and efficient business planning and decisions as well as execution of long term business strategies. As such, it is beneficial to the business prospects of the Group.

AUDIT COMMITTEE

The Audit Committee meets at least twice a year to monitor and review the integrity and effectiveness of the Company's financial reporting. The Audit Committee has met with the external auditors of the Company, Messrs. Ernst & Young, to review the accounting principles and practices adopted by the Group and the annual results of the Group for the Year. The Audit Committee has also discussed

auditing, financial and internal control, and financial reporting matters of the Company. The Audit Committee comprises three members, Mr. Tung Tat Chiu, Michael (Chairman of the Audit Committee), Mr. Li Chi Ming and Mr. Wan Ngar Yin, David, all of whom are independent non-executive directors of the Company.

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 Year.

DIRECTORS OF THE COMPANY

As at the date hereof, the executive directors of the Company are Mr. Wong Howard, Mr. Wong Yat Fai, and Mr. Lam Sai Ho, Anthony and the independent non-executive directors of the Company are Mr. Li Chi Ming, Mr. Tung Tat Chiu, Michael and Mr. Wan Ngar Yin, David.

On behalf of the Board
Wong Howard
Chairman of the Board

Hong Kong, 13 July 2009

* *for identification purposes only*