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**TRASY GOLD EX LIMITED**

**卓施金網有限公司**

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

*(Stock code: 08063)*

**RESULTS ANNOUNCEMENT  
FOR THE THREE MONTHS ENDED 31 MARCH 2009**

**CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks 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.**

*This announcement, for which the directors (the “Directors”) of TRASY GOLD EX LIMITED (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) 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.*

## **FINANCIAL REVIEW**

For the three months ended 31 March 2009, the consolidated revenue of Trasy Gold Ex Limited (the “Company”) and its subsidiaries (collectively, the “Group”) amounted to HK\$3,838,000 (for the three months ended 31 March 2008: HK\$1,062,000), which represented trading of precious metals, dividend income from investments held for trading and interest income.

Dividend income from investments held for trading, which represent investments in listed securities, and interest income for the three months ended 31 March 2009 amounted to HK\$15,000 and HK\$1,636,000 respectively (for the three months ended 31 March 2008: HK\$120,000 and HK\$69,000 respectively). During the period, most listed companies significantly cut their dividend payouts under the continuing turmoil in global economic environment, thus the Group recorded a significant decrease in dividend income. The dramatic increase in interest income during the period compared to the corresponding period in 2008 was primarily due to the increase in bank balances resulted from the funds raised amounting to HK\$107,034,000 from the rights issue on 14 February 2008.

The Group recorded a loss attributable to equity holders of the Company of HK\$7,338,000 for the three months ended 31 March 2009 (for the three months ended 31 March 2008: a profit of HK\$1,287,000), representing basic loss per share of HK 6.124 cent (for the three months ended 31 March 2008: basic earnings per share of HK 1.259 cent).

## **OPERATIONS REVIEW AND OUTLOOK**

### **Precious Metals Trading**

For the three months ended 31 March 2009, turnover from trading in precious metals amounted to HK\$2,187,000 (for the three months ended 31 March 2008: HK\$804,000), with profit contribution amounted to HK\$58,000 (for the three months ended 31 March 2008: HK\$32,000). The Group will continue to adopt prudent risk management and internal control policies to monitor and minimize the Group’s risk exposures in precious metals trading.

### **Securities Investments**

Under the continuing turmoil in global financial markets, for the three months ended 31 March 2009, the Group recorded a net loss on investments held for trading of HK\$6,302,000 (for the three months ended 31 March 2008: a net gain on investments held for trading of HK\$2,254,000), which primarily represented loss by marking those listed securities to the market value. As a part of risk management philosophy, the Group will continue to adopt a prudent and vigilant attitude towards securities investments policy with a view to achieving better returns on its financial resources and maintaining a more balanced and healthy portfolio of investments.

The board of directors (the “Board”) of the Company is pleased to present the unaudited consolidated results of the Group for the three months ended 31 March 2009 together with the unaudited comparative figures for the corresponding period in 2008. The results have been reviewed by the Company’s auditor, Messrs. Deloitte Touche Tohmatsu and the Company’s Audit Committee.

## CONDENSED CONSOLIDATED INCOME STATEMENT

*For the three months ended 31 March 2009*

	<i>NOTES</i>	<b>Three months ended</b>	
		<b>2009</b>	<b>2008</b>
		<b>HK\$’000</b>	<b>HK\$’000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue		<b>2,187</b>	804
Cost of sales		<b>(2,129)</b>	(772)
Gross profit		<b>58</b>	32
Other income	3	<b>1,651</b>	258
Administrative expenses		<b>(2,641)</b>	(1,249)
Net (loss) gain on investments held for trading		<b>(6,302)</b>	2,254
Finance costs		<b>(104)</b>	(8)
(Loss) profit before income tax		<b>(7,338)</b>	1,287
Income tax expense	4	<b>—</b>	—
(Loss) profit for the period		<b>(7,338)</b>	1,287
(Loss) earnings per share	5		
Basic (HK cent)		<b>(6.124)</b>	1.259

Notes:

## 1. BASIS OF PREPARATION

The interim financial information has been prepared in accordance with the applicable disclosure requirements of Chapter 18 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

The amounts included in this interim financial information have been computed in accordance with Hong Kong Financial Report Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) applicable to interim periods. However, it does not contain sufficient information to constitute an interim financial report as defined in HKFRS.

## 2. PRINCIPAL ACCOUNTING POLICIES

The interim financial information has been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

The accounting policies used in the interim financial information are consistent with those used in the annual financial statements of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2008.

In the current period, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations (“new HKFRSs”) issued by the HKICPA, which are or have become effective for the Group’s financial year beginning 1 January 2009.

HKFRSs (Amendments)	Improvements to HKFRSs May 2008
HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HK(IFRIC) – Int 9 & HKAS 39 (Amendments)	Embedded Derivatives
HK(IFRIC) – Int 13	Customer Loyalty Programmes
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation

The adoption of the new HKFRSs had no material effect on how the results or financial position of the Group for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Group has not early applied the new and revised standards, amendments or interpretations that have been issued but are not yet effective.

HKAS 27 (Revised)	Consolidated and Separate Financial Statements <sup>1</sup>
HKAS 39 (Amendment)	Eligible Hedged Items <sup>1</sup>
HKFRS 3 (Revised)	Business Combinations <sup>1</sup>
HKFRS 5 (Amendment)	Improvements to HKFRSs <sup>1</sup>
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners <sup>1</sup>
HK(IFRIC) – Int 18	Transfers of Assets from Customers <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 July 2009

<sup>2</sup> Effective for transfers on or after 1 July 2009

The adoption of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary.

The directors of the Company anticipate that the application of the other revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

### 3. OTHER INCOME

	<b>Three months ended</b>	
	<b>31 March</b>	
	<b>2009</b>	2008
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Unaudited)
Dividend income from investments held for trading	<b>15</b>	120
Interest income	<b>1,636</b>	69
Miscellaneous income	<b>–</b>	69
	<b><u>1,651</u></b>	<u>258</u>

### 4. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made as the Group entities either incurred tax losses or the estimated assessable profit is wholly absorbed by tax losses brought forward from prior years.

## 5. (LOSS) EARNINGS PER SHARE

The calculation of the basic and diluted (loss) earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	<b>Three months ended</b>	
	<b>31 March</b>	
	<b>2009</b>	<b>2008</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>(Loss) earnings</b>		
(Loss) earnings for the purposes of basic (loss) earnings per share	<u><b>(7,338)</b></u>	<u><b>1,287</b></u>
	<b>'000</b>	<b>'000</b>
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic (loss) earnings per share	<u><b>119,832</b></u>	<u><b>102,226</b></u>

The weighted average number of ordinary shares for the purpose of calculating basic earnings per share for the three months ended 31 March 2008 have been retrospectively adjusted to reflect the effect of rights issue and share consolidation during the year ended 31 December 2008.

No diluted (loss) earning per share has been presented because the exercise price of the outstanding share options is higher than the average market price for shares for both periods.

## 6. INTERIM DIVIDEND

The board resolved not to declare the payment of an interim dividend for the three months ended 31 March 2009 (2008: Nil).

## 7. SHARE CAPITAL, SHARE PREMIUM AND RESERVES

	Share capital HK\$'000	Share premium HK\$'000	Distributable reserve HK\$'000 (Note ii)	Merger reserve HK\$'000	Share option reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 January 2009 (audited)	1,198	341,858	32,589	5,000	381	(29,836)	351,190
Loss for the period and total recognised expense for the period	-	-	-	-	-	(7,338)	(7,338)
Recognition of equity-settled share-based payments	-	-	-	-	1	-	1
At 31 March 2009 (unaudited)	<u>1,198</u>	<u>341,858</u>	<u>32,589</u>	<u>5,000</u>	<u>382</u>	<u>(37,174)</u>	<u>343,853</u>
At 1 January 2008 (audited)	39,944	254,796	-	5,000	3,215	(32,731)	270,224
Profit for the period and total recognised expense for the period	-	-	-	-	-	1,287	1,287
Transfer to accumulated losses upon lapse of share options	-	-	-	-	(2,845)	2,845	-
Issued of rights shares (Note i)	19,972	89,874	-	-	-	-	109,846
Transaction costs attributable to issue of rights shares	-	(2,812)	-	-	-	-	(2,812)
At 31 March 2008 (unaudited)	<u>59,916</u>	<u>341,858</u>	<u>-</u>	<u>5,000</u>	<u>370</u>	<u>(28,599)</u>	<u>378,545</u>

### Note:

- (i) On 14 February 2008, 1,997,205,000 ordinary shares of HK\$0.01 each was issued and allotted by way of rights issue, on the basis of one rights share for every two existing shares held, at a subscription price of HK\$0.055 per rights share ("Rights Issue"). The net proceeds of approximately HK\$107,034,000 from the Rights Issue were intended to be used for possible diversified investments or projects in property or natural resources businesses or general working capital of the Company. The new shares rank pari passu with the existing shares in all respects.

Details of the Rights Issue are set out in a circular to the shareholders of the Company dated 14 January 2008.

- (ii) The distributable reserve of the Group at 1 January 2009 represented the amount arising from the capital reduction by reducing the nominal value of share from HK\$0.50 each to HK\$0.01 each. The capital reduction was carried out by the Company during the year ended 31 December 2008.

## **DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES**

As at 31 March 2009, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporations, within the meaning of Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded in the register of the Company required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

### **Interests in underlying shares of the Company**

Under the share option scheme of the Company adopted on 30 April 2002 (the "Scheme"), the Board may, at its discretion, grant options to the Directors and eligible participants (as defined in the Scheme) pursuant to the Scheme to enable them to subscribe for shares of the Company as incentives or rewards for their contribution to the Group.

<b>Name of Director</b>	<b>Nature of interest</b>	<b>Date of grant</b>	<b>Exercisable period</b>	<b>Exercise price per share (HK\$)</b>	<b>Number of shares to be issued under the options</b>	<b>Approximate percentage of the issued ordinary share capital of the Company</b>
Mr. Chung Koon Yan	Personal interest	9 July 2007	9 July 2007 to 8 July 2010	16.125	30,693	0.03
Mr. Wong Kai Tat	Personal interest	9 July 2007	9 July 2007 to 8 July 2010	16.125	30,693	0.03

Save as disclosed above, none of the Directors and chief executives nor their associates had any interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rule 5.46 of the GEM Listing Rules as at 31 March 2009.



## **SUBSTANTIAL SHAREHOLDERS**

As at 31 March 2009, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO showed that the following shareholder had notified the Company of relevant interests in the issued share capital of the Company.

### **Long positions**

*Ordinary shares of HK\$0.01 each of the Company*

<b>Name of shareholder</b>	<b>Capacity</b>	<b>Number of ordinary shares of the Company held</b>	<b>Percentage of the issued ordinary share capital of the Company</b>
Mr. Tse Young Lai	Beneficial owner	23,966,460	20.00

Other than as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 31 March 2009.

## **COMPETING INTERESTS**

None of the Directors, the management shareholders of the Company nor their respective associates (as defined under the GEM Listing Rules) had any interest in a business which causes or may cause significant competition with the business of the Group.

## **AUDIT COMMITTEE**

The Audit Committee of the Company currently comprises three independent non-executive Directors, namely Mr. Chung Koon Yan (as Chairman), Mr. Wong Kai Tat and Ms. Chan Ling, Eva, with written terms of reference in compliance with the GEM Listing Rules. The Audit Committee of the Company has reviewed the unaudited consolidated results of the Group for the three months ended 31 March 2009.

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

The Company has not redeemed any of its shares during the three months ended 31 March 2009. Neither the Company nor any of its subsidiaries purchased or sold any of the Company's listed securities during the period.

On behalf of the Board  
**Tse Ke Li**  
*Executive Director*

Hong Kong, 12 May 2009

*As at the date of this announcement, the Board comprises Mr. Yu Kam Kee, Lawrence as non-executive Chairman, Mr. Tang Chi Ming and Mr. Tse Ke Li as executive Directors, and Mr. Chung Koon Yan, Mr. Wong Kai Tat and Ms. Chan Ling, Eva as independent non-executive Directors.*

*This announcement will remain on the GEM website on the “Latest Company Announcements” page for at least 7 days from the date of its publication and on the Company’s website at [www.trasy.com](http://www.trasy.com).*