

万 华 媒 体 ONEMEDIAGROUP

ONE MEDIA GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 426)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2008

The directors (the “Directors”) of One Media Group Limited (the “Company”) are pleased to announce the consolidated final results of the Company and its subsidiaries (the “Group”) for the year ended 31st March 2008 as follows:

CONSOLIDATED INCOME STATEMENT

	<i>Notes</i>	<u>Year ended 31st March</u>	
		2008	2007
		<i>HK\$'000</i>	<i>HK\$'000</i>
Turnover	3	219,899	219,429
Cost of goods sold		(120,216)	(125,096)
Gross profit		99,683	94,333
Other income	3	3,856	3,299
Selling and distribution costs	4	(50,713)	(56,755)
Administrative expenses	4	(34,819)	(35,419)
Profit before income tax		18,007	5,458
Income tax expense	8	(5,987)	(2,381)
Profit for the year		<u>12,020</u>	<u>3,077</u>
Attributable to:			
Equity holders of the Company		<u>12,020</u>	<u>3,077</u>
Earnings per share for profit attributable to the equity holders of the Company during the year (expressed in HK cents per share)			
– Basic and diluted	9	<u>3.01</u>	<u>0.77</u>
Dividends	10	<u>4,000</u>	<u>1,500</u>

CONSOLIDATED BALANCE SHEET

		As at 31st March	
		2008	2007
		HK\$'000	HK\$'000
	Notes		
ASSETS			
Non-current assets			
Property, plant and equipment		9,545	9,474
Goodwill		2,028	2,028
Financial assets at fair value through profit or loss		4,409	3,776
Deferred income tax assets		–	1,499
		<u>15,982</u>	<u>16,777</u>
Current assets			
Inventories		10,082	10,989
Trade and other receivables	5	63,666	58,176
Cash and cash equivalents		106,239	91,357
		<u>179,987</u>	<u>160,522</u>
Total assets		<u>195,969</u>	<u>177,299</u>
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital	6	400	400
Share premium	6	456,073	456,073
Other reserves		(335,562)	(329,794)
Retained earnings		35,701	17,681
Proposed final dividend		4,000	1,500
		<u>160,612</u>	<u>145,860</u>
Total equity		<u>160,612</u>	<u>145,860</u>
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		525	–
Long service payment liability		140	78
		<u>665</u>	<u>78</u>
Current liabilities			
Trade and other payables	7	28,176	28,126
Amounts due to fellow subsidiaries	7	2,456	3,142
Income tax liabilities		4,060	93
		<u>34,692</u>	<u>31,361</u>
Total liabilities		<u>35,357</u>	<u>31,439</u>
Total equity and liabilities		<u>195,969</u>	<u>177,299</u>
Net current assets		<u>145,295</u>	<u>129,161</u>
Total assets less current liabilities		<u>161,277</u>	<u>145,938</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 11th March 2005 as an exempted company with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Clifton House, 75 Fort Street, P.O. Box 1350 GT, George Town, Grand Cayman, Cayman Islands.

The Company is an investment holding company. The principal activities of the Group are publication, marketing and distribution of Chinese language lifestyle magazines.

These consolidated financial statements are presented in thousands of units of Hong Kong dollars (HK\$'000), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 16th July 2008.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

(a) Changes in accounting policies

The accounting policies adopted are consistent with those used in the annual financial statements of the Company for the year ended 31st March 2007 with the exception of the following:

There was a change of the basis for the determination of the value of inventories from first-in, first-out method to weighted average method for the year ended 31st March 2008. The Group has changed its accounting policy for inventory costing in order to maintain consistency with the group policy of its parent company, Media Chinese International Limited (formerly known as Ming Pao Enterprise Corporation Limited). This change in accounting policy did not have a material impact on the Group's results of operations and financial position.

(b) Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss.

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

The following new standards, amendments to existing standards and interpretations to existing standards are relevant to the Group's operations and are mandatory for the financial year ended 31st March 2008:

IFRS 7, Financial instruments: Disclosures IFRS 7 introduces new disclosures relating to financial instruments. The adoption of this standard does not result in material changes to the Group's results of operations and financial position.

IAS 1, Amendment – Presentation of Financial Statements – Capital disclosure The amendment requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital. This amendment does not have any material impact on the classification of the Group's consolidated financial statements.

IFRIC-Int 8, Scope of IFRS 2 IFRIC-Int 8 requires consideration of transactions involving the issuance of equity instruments, where the identifiable consideration received is less than the fair value of the equity instruments issued in order to establish whether or not they fall within the scope of IFRS 2. This standard does not have any impact on the Group's results of operations and financial position.

IFRIC-Int 10, Interim financial reporting and impairment IFRIC-Int 10 prohibits the impairment losses recognised in an interim period on goodwill, investments in equity instruments and investments in financial assets carried at cost to be reversed at a subsequent balance sheet date. The adoption of this interpretation does not result in material changes to the Group's results of operations and financial position.

IFRIC-Int 11, IFRS 2 – Group and Treasury Share Transactions IFRIC-Int 11 requires a share-based payment arrangement in which an entity receives goods or services as consideration for its own equity-instruments to be accounted for as an equity-settled share-based payment transaction, regardless of how the equity instruments needed are obtained. IFRIC-Int 11 also provides guidance on whether share-based payment arrangements, in which suppliers of goods or services of an entity are provided with equity instruments of the entity's parent, should be accounted for as cash-settled or equity-settled in the entity's financial statements. IFRIC-Int 11 is not expected to have a material impact on the Group's results of operations and financial position.

There are also a number of new standards, amendments to standards and interpretations issued that are not yet effective for the financial year ended 31st March 2008. The Group has carried out a preliminary assessment of these standards, amendments and interpretations and considered that IAS 32 and IAS 1 Amendments, IAS 1 (Revised), IFRS 2 Amendment, IFRS 3 (Revised), IAS 23 Amendment, IAS 27 (Revised) and IFRIC-Int 12 may not have any significant impact on the Group's results of operations and financial position but a detailed assessment is still being carried on. The Group is also in the process of assessing the impact of IFRS 8, IFRIC-Int 13 and IFRIC -Int 14.

3 SEGMENT INFORMATION

Primary reporting format – geographical segments

In presenting information on the basis of geographical segments, segment turnover is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of the assets.

The Group operates mainly in two geographical areas, Hong Kong and Mainland China. The segment results for the year ended 31st March 2008 are as follows:

	Hong Kong <i>HK\$'000</i>	Mainland China <i>HK\$'000</i>	Group <i>HK\$'000</i>
Segment turnover	<u>187,107</u>	<u>32,792</u>	<u>219,899</u>
Segment results	<u>39,044</u>	<u>(12,463)</u>	26,581
Other income			3,856
Unallocated expenses			<u>(12,430)</u>
Profit before income tax			18,007
Income tax expense (<i>Note 8</i>)			<u>(5,987)</u>
Profit for the year			<u>12,020</u>

The segment results for the year ended 31st March 2007 are as follows:

	Hong Kong <i>HK\$'000</i>	Mainland China <i>HK\$'000</i>	Group <i>HK\$'000</i>
Segment turnover	<u>179,586</u>	<u>39,843</u>	<u>219,429</u>
Segment results	<u>27,985</u>	<u>(14,875)</u>	13,110
Other income			3,299
Unallocated expenses			<u>(10,951)</u>
Profit before income tax			5,458
Income tax expense (<i>Note 8</i>)			<u>(2,381)</u>
Profit for the year			<u>3,077</u>

Other segment items included in the consolidated income statement are as follows:

	Year ended 31st March 2008			Year ended 31st March 2007		
	Hong Kong <i>HK\$'000</i>	Mainland China <i>HK\$'000</i>	Group <i>HK\$'000</i>	Hong Kong <i>HK\$'000</i>	Mainland China <i>HK\$'000</i>	Group <i>HK\$'000</i>
Depreciation	2,288	1,007	3,295	1,779	735	2,514
Impairment of trade receivables	159	246	405	423	266	689

The segment assets and liabilities at 31st March 2008 and capital expenditures for the year then ended are as follows:

	Hong Kong	Mainland China	Eliminations	Unallocated	Group
	<i>HK\$'000</i>	<i>HK\$'000</i>			
Assets	223,179	36,746	(63,956)	–	195,969
Liabilities	(23,311)	(71,417)	63,956	(4,585)	(35,357)
Capital expenditure	<u>2,526</u>	<u>927</u>	<u>–</u>	<u>–</u>	<u>3,453</u>

The segment assets and liabilities at 31st March 2007 and capital expenditures for the year then ended are as follows:

	Hong Kong	Mainland China	Eliminations	Unallocated	Group
	<i>HK\$'000</i>	<i>HK\$'000</i>			
Assets	192,449	33,498	(50,147)	1,499	177,299
Liabilities	(22,934)	(58,559)	50,147	(93)	(31,439)
Capital expenditure	<u>6,020</u>	<u>1,391</u>	<u>–</u>	<u>–</u>	<u>7,411</u>

Segment assets consist primarily of property, plant and equipment, goodwill, inventories, financial assets at fair value through profit or loss, trade and other receivables and operating cash. They exclude deferred income tax assets.

Segment liabilities comprise operating liabilities. They exclude deferred income tax liabilities and income tax liabilities.

Capital expenditure comprises additions to property, plant and equipment.

Secondary reporting format – business segments

No business segment analysis is presented as the Group has been operating in a single business segment, which is publication, marketing and distribution of Chinese language lifestyle magazines, throughout the years ended 31st March 2008 and 2007.

4 EXPENSES BY NATURE

Expenses included in cost of goods sold, selling and distribution costs and administrative expenses are analysed as follows:

	2008 <i>HK\$'000</i>	2007 <i>HK\$'000</i>
Depreciation	3,295	2,514
Employee benefit expense (including directors' emoluments)	62,787	63,337
Raw materials used	66,458	69,281
Loss on disposal of property, plant and equipment	80	30
Occupancy costs	3,857	3,867
Auditor's remuneration	882	795
Others	68,389	77,446
	<u>205,748</u>	<u>217,270</u>

5 TRADE AND OTHER RECEIVABLES

	2008 <i>HK\$'000</i>	2007 <i>HK\$'000</i>
Trade receivables	58,721	54,282
Less: provision for impairment of trade receivables	<u>(549)</u>	<u>(1,494)</u>
Trade receivables – net	58,172	52,788
Prepayments and deposits	5,494	5,388
	<u>63,666</u>	<u>58,176</u>

The carrying amounts of trade and other receivables approximate their fair values.

The Group allows in general a credit period ranging from 60 days to 120 days to its trade customers. At 31st March 2008 and 2007, the ageing analysis of the Group's trade receivables, net of impairment provision, was as follows:

	2008 <i>HK\$'000</i>	2007 <i>HK\$'000</i>
0 to 60 days	30,525	29,347
61 to 120 days	14,866	14,337
121 to 180 days	9,770	6,089
Over 180 days	3,011	3,015
	<u>58,172</u>	<u>52,788</u>

6 SHARE CAPITAL AND PREMIUM

	Number of shares <i>(in thousands)</i>	Ordinary shares <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 31st March 2006, 2007 and 2008	<u>400,000</u>	<u>400</u>	<u>456,073</u>	<u>456,473</u>

The total authorised number of ordinary shares is 4,000 million shares (2007: 4,000 million shares) with a par value of HK\$0.001 per share (2007: HK\$0.001). All issued shares are fully paid.

7 TRADE AND OTHER PAYABLES, AND AMOUNTS DUE TO FELLOW SUBSIDIARIES

	2008 <i>HK\$'000</i>	2007 <i>HK\$'000</i>
Trade payables	8,077	9,707
Accrued expenses and receipts in advance	<u>20,099</u>	<u>18,419</u>
	28,176	28,126
Amounts due to fellow subsidiaries	<u>2,456</u>	<u>3,142</u>
	<u><u>30,632</u></u>	<u><u>31,268</u></u>

At 31st March 2008 and 2007, the ageing analysis of the trade payables was as follows:

	2008 <i>HK\$'000</i>	2007 <i>HK\$'000</i>
0 to 60 days	7,152	8,092
61 to 120 days	548	667
121 to 180 days	340	674
Over 180 days	<u>37</u>	<u>274</u>
	<u><u>8,077</u></u>	<u><u>9,707</u></u>

8 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 17.5% on the estimated assessable profit during the year ended 31st March 2008. No provision for Hong Kong profits tax has been made as the Group has available tax losses brought forward from prior years to offset the assessable profits generated during the year ended 31st March 2007.

No provision for the People's Republic of China ("PRC") enterprise income tax has been made as the Group has no assessable profits generated during the years ended 31st March 2008 and 31st March 2007.

	2008 <i>HK\$'000</i>	2007 <i>HK\$'000</i>
Hong Kong profits tax		
– current income tax	(3,959)	–
– underprovisions in prior years	–	(132)
PRC enterprise income tax		
– underprovisions in prior years	(4)	(8)
Deferred income tax		
– current deferred income tax charge	<u>(2,024)</u>	<u>(2,241)</u>
	<u>(5,987)</u>	<u>(2,381)</u>

9 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2008 <i>HK\$'000</i>	2007 <i>HK\$'000</i>
Profit attributable to equity holders of the Company	<u>12,020</u>	<u>3,077</u>
Weighted average number of ordinary shares in issue (in thousands)	<u>400,000</u>	<u>400,000</u>
Basic earnings per share (HK cents per share)	<u>3.01</u>	<u>0.77</u>

The calculation of basic earnings per share for the year is based on the Group's profit attributable to the equity holders of the Company and the weighted average number of ordinary shares.

There is no dilutive effect arising from the share options granted by the Company.

10 DIVIDENDS

The dividends paid were HK\$1,500,000 (HK0.375 cent per share) during the years ended 31st March 2008 and 2007 in respect of the years ended 31st March 2007 and 2006. The Directors recommend the payment of a final dividend of HK1 cent per share, totalling HK\$4,000,000. Such dividend is to be approved by the shareholders at the Annual General Meeting on 26th August 2008. Upon approval by the shareholders of the Company, this final dividend will be paid on 10th September 2008. These consolidated financial statements do not reflect this dividend payable but accounted for it as proposed dividend.

	2008 <i>HK\$'000</i>	2007 <i>HK\$'000</i>
Proposed final dividend of HK1 cent (2007: HK0.375 cent) per ordinary share	<u>4,000</u>	<u>1,500</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Results Summary

Against a backdrop of intense competition in the magazine market in Hong Kong and China, the Group had been able to reach a consolidated turnover of HK\$219,899,000 for the year ended 31st March 2008 (2007: HK\$219,429,000), taking into account the operation of two magazines in China was discontinued since April 2007.

The Group, meanwhile, started to reap from efforts it made in the previous year in improving the efficiency of its core business operations, as demonstrated by the 291% increase in profit after taxation to HK\$12,020,000 for the year (2007: HK\$3,077,000) as a result of the notable improvement for Hong Kong operation. Earnings per share increased by 291% to HK3.01 cents (2007: HK0.77 cent) and the net asset per share by 11% to HK\$0.4 (2007: HK\$0.36).

Review of Operations

Hong Kong

During the year under review, the Group published three magazine titles in Hong Kong, namely *Ming Pao Weekly*, *Hi-Tech Weekly* and *City Children's Weekly*. These titles contributed a combined turnover of HK\$187,107,000 (2007: HK\$179,586,000), representing an increase of 4% compared to last year, while operating profit increased by 40% to HK\$39,044,000 (2007: HK\$27,985,000), as a result of the increase in advertising income and tight control over operating costs.

Ming Pao Weekly, the Group's premier entertainment/celebrity/fashion title, remained the major revenue and growth contributor as its clean yet chic content, far-sighted offering of the more conveniently accessible compact edition on the top of the already-successful classic edition, continued to receive strong support from readers and advertisers. As the year 2008 marks the 40th anniversary of this title, it is envisaged that the Group will continue to put in more resources to improve the content of this flagship title further to better secure the support from advertisers and readers it already enjoys and reach a larger and more diverse readership.

Hi-Tech Weekly continued to enjoy its loyal and stable subscriber and readership base during the year. In order to entice more advertisers, the management initiated a revamp in this title in May 2008 to cut its cover price by half to HK\$5 while continuously strengthening its content. This revamp received very favourable responses from readers. The management would like to see that this momentum will continue and will trigger in due course upward adjustments of its advertising rates and broadening of its advertiser base.

With effect from April 2008, the Group discontinued the operation of *City Children's Weekly*. This decision came as part of the management's vigilant response to the rapidly changing operating environment. This move will not cause material impact on the Group's financial performance.

Mainland China

The operation in Mainland China contributed a turnover of HK\$32,792,000 (2007: HK\$39,843,000) to the Group, representing a 18% decline compared to last year as effects of the discontinuation of operations of “T3 科技新時代” and “*Rolling Stone* 音樂時空” kicked in April 2007. Operating loss reduced further to HK\$12,463,000 (2007: HK\$14,875,000) as the beneficial impact of discontinuation of the two operations came to partial fruition.

“*MING* 明日風尚” (“MING”), while still enjoying stable advertising revenue and readership in the lifestyle and fashion magazine market in China, is facing increasingly intense competition from its peers. The Group is developing a plan to revamp and strengthen MING's content to raise its appeal to advertisers and readers.

“*Top Gear* 汽車測試報告” (“TG”) enjoyed a year of strong growth momentum in popularity in line with the rapid increase in private car ownership in China that triggered a surge in the need for high quality content in this area. The Group is considering replicating the success of this title in other places.

“*Popular Science* 科技新時代” (“PS”), meanwhile, continued to maintain its niche positioning and enjoyed strong support from its loyal readership in the consumer electronics category. The advertisers also expressed their welcome and support to the bundled advertising placement packages for exposure in both TG and PS the Group developed for them.

Outlook

Benefiting from the fruitful harvest in its core operations over the past years, the Group is now in a solid position to expand into new areas where there is more room to expand and excel.

The Group, in collaboration with its business partner in Taiwan, has successfully launched the Taiwan edition of its flagship *Ming Pao Weekly* on the island in June 2008. The initial responses from readers and advertisers have been very encouraging. The Group has high confidence that this will eventually develop into a practical model for it to license its own magazine brands to markets in the Greater China region. Meanwhile, the Group is developing a multi-media content licensing business.

Acquisitions of media assets remain a central focus for the Group in terms of further expansion in the region. The Group will continue to pursue opportunities through acquisition at a fair market value and consider those targets that are based in Greater China, synergistic and complementary to its current businesses.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

As at 31st March 2008, the Group's net current assets amounted to HK\$145,295,000 (2007: HK\$129,161,000) and the total equity attributable to the equity holders of the Company was HK\$160,612,000 (2007: HK\$145,860,000). The Group had no bank borrowings (2007: Nil) and the gearing ratio, which is defined as the ratio of total bank borrowings to the total equity attributable to the equity holders of the Company, was 0% (2007: 0%).

As at 31st March 2007, the Group's total cash balance was HK\$106,239,000 (2007: 91,357,000).

Exposure to fluctuations in exchange rates

The Group's revenues and costs are mainly denominated in HK dollars, US dollars and Renminbi. Since HK dollars remain pegged to the US dollars and Renminbi has been pegged to a basket of currencies, the Group does not foresee substantial risks from exposure to US dollars and Renminbi in this regard.

Purchase, sale or redemption of securities

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.

Contingent liabilities

As at 31st March 2008, the Group did not have any material contingent liabilities or guarantees (2007: Nil).

Closure of the Register of the Members

The register of members will be closed from Wednesday, 20th August 2008 to Tuesday, 26th August 2008, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the final dividend of HK1 cent per ordinary share, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar and transfer office, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 19th August 2008.

Employees

As at 31st March 2008, the Group has approximately 243 employees (2007: 277 employees), of which 163 and 80 were stationed in Hong Kong and in the Mainland China, respectively. The Group remunerates its employees based on the operating results, individual performance and comparable market statistics. The emoluments of the directors and senior management are reviewed by the Remuneration Committee regularly. The Company has implemented share option schemes as an incentive to the directors and eligible employees.

In Hong Kong, the Group participates in the hybrid retirement benefit scheme operated by the Company's fellow subsidiary and the Mandatory Provident Fund scheme for its employees. In Mainland China, the Group provides to its employees social security plans in relation to retirement, medical care and unemployment and has made the required contributions to the local social insurance authorities in accordance with relevant laws and regulations in Mainland China.

Use of proceeds from the Company's initial public offering

The Company issued 100 million shares of HK\$0.001 each at HK\$1.2 per share by way of placing and public offer on 18th October 2005 (as set out in detail in the prospectus dated on 30th September 2005 issued by the Company (the "Prospectus")). The net proceeds, after deduction of related issuance expenses, amounted to approximately HK\$102,968,000 ("Net Proceeds"). The Net Proceeds were partially applied up to 31st March 2008 in accordance with the proposed applications set out in the Prospectus as follows:

	Proposed application of Net Proceeds <i>HK\$'000</i>	Actual amount used up to 31st March 2008 <i>HK\$'000</i>
Acquisition of magazine business in the PRC	50,000	–
Sales and marketing activities for new magazines	24,000	6,818
Circulation-related activities of new magazines	12,000	8,097
Repayment of short-term loan	10,000	10,000
General working capital	6,968	5,000
	<u>102,968</u>	<u>29,915</u>

Corporate Governance

As at 31st March 2008, the Company has adopted the code provisions set out in the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and complied with the CG Code throughout the year.

A detailed Corporate Governance Report setting out the Group's framework and explanations about how the provisions of the CG Code have been applied will be included in the Company's Annual Report 2008.

Compliance of the Model Code for Directors' Securities Transactions

As at 31st March 2008, the Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules as the code for securities transactions by the Directors. The Directors have confirmed, following specific enquiries by the Company, their compliance with the required standard set out in the Model Code throughout the year.

The Company has also established written guidelines regarding securities transactions on no less exacting terms of the Model Code for senior management and specific individuals who may have access to price sensitive information in relation to the securities of the Company.

Audit Committee

The Company established an Audit Committee on 26th September 2005 with written terms of reference. The Audit Committee currently comprises three independent non-executive Directors, namely, Mr. YU Hon To, David, Mr. SIT Kien Ping, Peter and Mr. TAN Hock Seng, Peter. The Audit Committee has reviewed the Group's consolidated financial statements for the year ended 31st March 2008 and discussed matters relating to auditing, internal controls and financial reporting.

Remuneration Committee

The Company established a Remuneration Committee on 26th September 2005 with written terms of reference. The Remuneration Committee currently comprises three independent non-executive Directors, namely, Mr. YU Hon To, David, Mr. SIT Kien Ping, Peter and Mr. TAN Hock Seng, Peter and one executive Director, namely, Mr. TIONG Kiew Chiong.

Nomination Committee

The Company established a Nomination Committee on 26th September 2005 with written terms of reference. The Nomination Committee currently comprises three independent non-executive Directors, namely, Mr. YU Hon To, David, Mr. SIT Kien Ping, Peter and Mr. TAN Hock Seng, Peter and one executive Director, namely, Mr. TIONG Kiew Chiong.

By Order of the Board
TIONG Kiu King
Director

Hong Kong, 16th July 2008

As at the date of this announcement, Mr. TIONG Kiu King, Mr. TIONG Kiew Chiong and Mr. TUNG Siu Ho, Terence are executive directors of the Company. Mr. Peter Bush BRACK is non-executive director of the Company. Mr. YU Hon To, David, Mr. SIT Kien Ping, Peter and Mr. TAN Hock Seng, Peter are independent non-executive directors of the Company.

The Company's Annual Report 2008 containing all the information required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("HKEx") will be published on HKEx's website in due course and will be dispatched to shareholders before end of July 2008.