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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Recruit Holdings Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser or transferee.

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**RECRUIT HOLDINGS LIMITED**

才庫媒體集團有限公司\*

*(Continued in Bermuda with limited liability)*

(Stock Code: 8073)

**DISCLOSEABLE TRANSACTION -  
SUBSCRIPTION AND SALE AND PURCHASE OF SHARES IN A SUBSIDIARY**

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27 February 2007

*\*For identification only*

## CHARACTERISTICS OF GEM

**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 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 trade 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.**

**The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM listed issuers.**

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## DEFINITIONS

*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

"Acquisition"	the subscription of the Subscription Shares by and the sale of the Sale Shares to Jobstreet pursuant to the Subscription and S&P Agreement
"Board"	the board of Directors
"Company"	Recruit Holdings Limited, a company continued in Bermuda with limited liability, the shares of which are listed on GEM
"Completion"	means the completion of the Acquisition in accordance with the terms of the Subscription and S&P Agreement
"Completion Date"	15 February 2007, the date on which Completion took place
"Consideration"	the total consideration paid by Jobstreet for the Acquisition
"Deposit"	the sum of HK\$2,000,000 paid by Jobstreet to RBVI upon the signing of the Subscription and S&P Agreement as deposit for the Sale Shares;
"Directors"	the directors of the Company
"Excluded Businesses"	the businesses of inflight magazine advertising agency under the names of "Eastern Inflight Magazine Productions" and "Southern Inflight Advertising" and all businesses carried out in the PRC
"GEM"	the Growth Enterprise Market of the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange
"Group"	the Company and its subsidiaries
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Party(ies)"	(a) third party(ies) independent of the Company and connected persons of the Company (as defined under the GEM Listing Rules)
"Jobstreet"	Jobstreet Corporation Berhad, a company incorporated in Malaysia with limited liability, the shares of which are listed on the Mesdaq

## DEFINITIONS

	Market of Bursa Malaysia Securities Berhad
"Latest Practicable Date"	21 February 2007, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
"MI"	an Independent Third party which currently holds 450 RGL Shares representing 5% of the issued share capital of RGL
"Pro Rata Share"	in relation to a RGL shareholder, means the proportion of which (i) the numerator is the aggregate number of all issued and outstanding RGL Shares held by such RGL shareholder, and (ii) the denominator is the aggregate number of all issued and outstanding RGL Shares held by RBVI and Jobstreet together (but excluding those held by the Selling Shareholder)
"RBVI"	Recruit (BVI) Limited, a company incorporated in the British Virgin Islands, and a wholly-owned subsidiary of the Company
"RGL"	Recruit Group Limited, a company incorporated in the British Virgin Islands, a non wholly-owned subsidiary of RBVI and thus an indirect non wholly-owned subsidiary of the Company
"RGL Group"	RGL and its subsidiaries
"RGL Shares(s)"	ordinary share(s) of US\$1.00 each in the issued capital of RGL
"Sale Shares"	the 1,000 RGL Shares beneficially owned by RBVI sold to Jobstreet pursuant to the Subscription and S&P Agreement
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended from time to time)
"Shareholder(s)"	holder(s) of the existing ordinary share(s) of HK\$0.2 each in the share capital of the Company
"Specified Experts"	the auditors of the Company, or such firm of accountants as, upon request from any of the Company or Jobstreet, is nominated by the President of the Hong Kong Institute of Certified Public Accounts
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription and S&P Agreement"	the agreement entered into between the Company, RBVI, RGL and Jobstreet on 7 February 2007 regarding the Acquisition

## DEFINITIONS

"Subscription Shares"	the 1,000 new RGL Shares allotted and issued by RGL and subscribed for by Jobstreet in accordance with the Subscription and S&P Agreement
"US\$"	United States of America dollars, the lawful currency of United States of America
"%"	per cent.

LETTER FROM THE BOARD



**RECRUIT HOLDINGS LIMITED**

才庫媒體集團有限公司\*

*(Continued in Bermuda with limited liability)*

(Stock Code: 8073)

*Executive Directors:*

Lau Chuk Kin (Chairman)

Ho Suk Yi

*Non-executive Directors:*

Wan Siu Kau

Lee Ching Ming, Adrian

Peter Stavros Patapios Christofis

Lam Mei Lan

*Independent Non-executive Directors:*

Ling Ching Man, Eleanor

Cheng Ping Kuen, Franco

Tyen Kan Hee, Anthony

*Registered Office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Principal Place of Business in*

*Hong Kong*

26th Floor

625 King's Road

North Point

Hong Kong

27 February 2007

*To the Shareholders*

Dear Sir or Madam,

**DISCLOSEABLE TRANSACTION -  
SUBSCRIPTION AND SALE AND PURCHASE OF SHARES IN A SUBSIDIARY**

**INTRODUCTION**

On 7 February 2007, the Company, RBVI, RGL and Jobstreet entered into the Subscription and S&P Agreement, pursuant to which Jobstreet acquired a 20% interest in RGL for a cash consideration of HK\$15,000,000. The Acquisition constitutes a discloseable transaction of the Company under Rule 19.06 of the GEM Listing Rules according to the percentage ratios calculated under Rule 19.07 of the GEM Listing Rules.

*\*For identification only*

**THE SUBSCRIPTION AND S&P AGREEMENT**

**Date:** 7 February 2007

**Parties:**

1. Jobstreet;
2. RBVI;
3. RGL; and
4. the Company.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Jobstreet and its ultimate beneficial owners are Independent Third Parties.

**Background Information of RGL:**

RGL was incorporated in the British Virgin Islands in January 2007 and is used as the holding company of three subsidiaries, namely Recruit Advertising Limited, Recruit Information Technology Limited and Recruit Online Advertising Limited. Prior to and for the purpose of entering into the Subscription and S&P Agreement, the Group has undergone some restructuring to transfer out from the said subsidiaries to other members of the Group the Excluded Businesses. On 31 January 2007, the Group injected the said subsidiaries (after carving out the Excluded Businesses) into RGL. The principal activities currently carried on by these subsidiaries include the provision of recruitment advertising services and publishing business in Hong Kong (the "Business").

Prior to Completion, RGL had an authorised capital of US\$5,000,000 divided into 5,000,000 RGL Shares of US\$1.00 each, of which 9,000 RGL Shares had been issued and were fully paid up, and RBVI was the beneficial owner of 8,550 RGL Shares, representing approximately 95% of the issued share capital of RGL, and MI was the beneficial owner of 450 RGL Shares, representing approximately 5% of the issued share capital of RGL.

**The Acquisition:**

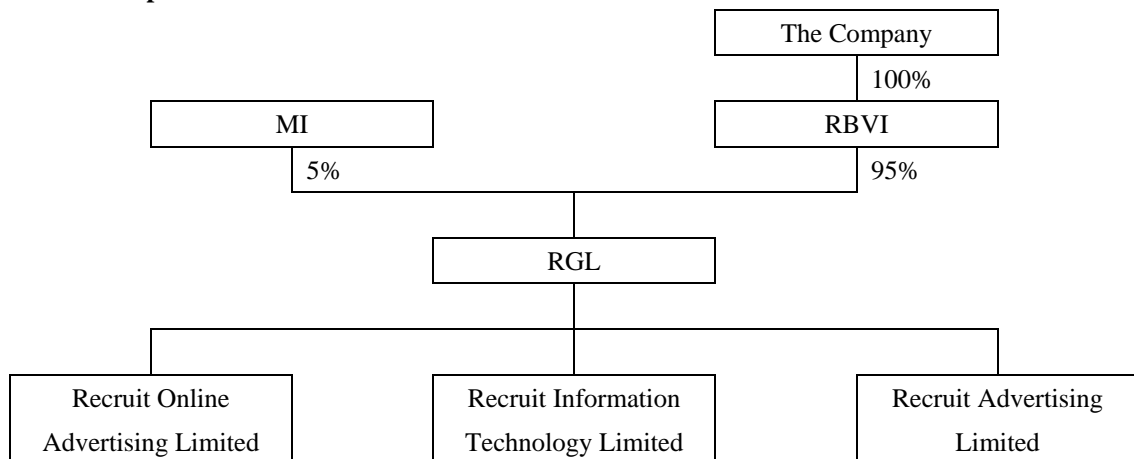
The Acquisition comprises two parts: 1) Jobstreet would purchase and RBVI sell to Jobstreet the Sale Shares, and 2) RGL would, and RBVI and the Company would procure RGL to, allot and issue to Jobstreet and Jobstreet would subscribe for the Subscription Shares.

As at the Completion Date, RGL Group had ceased to carry on the Excluded Businesses, and from Completion onwards, RGL is owned as to 75.5% by the Company indirectly and remains a subsidiary of the Company, while Jobstreet and MI own 20% and 4.5% respectively of the issued share capital of RGL. The following diagram depicts the shareholding structure of RGL before and after Completion:

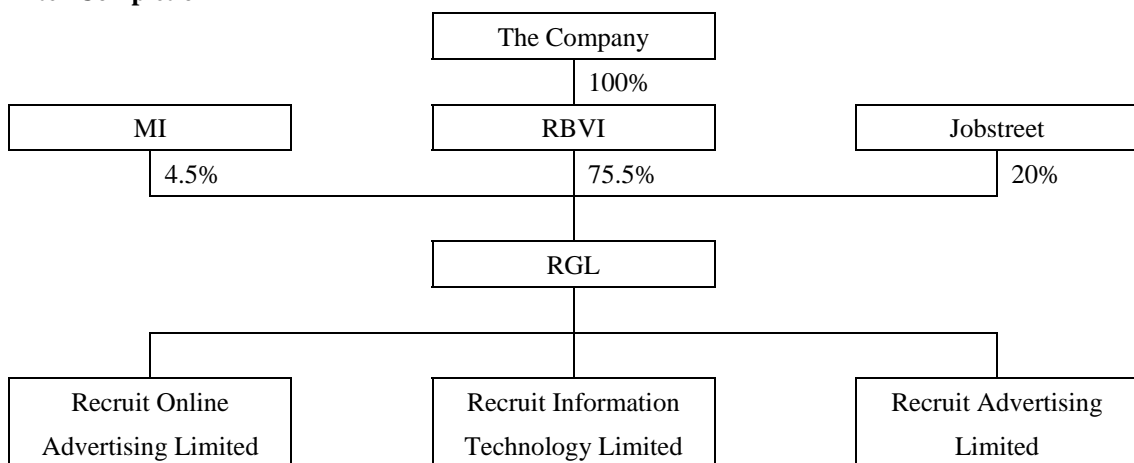


## LETTER FROM THE BOARD

### Before Completion



### After Completion



### Consideration:

The consideration for the Subscription Shares is HK\$7,500,000 while that for the Sale Shares is also HK\$7,500,000. Therefore, the Consideration is HK\$15,000,000 and has been settled entirely in cash.

The Consideration was determined after arm's length negotiations between the parties by reference to the net asset value of RGL, the profitable position and earning prospects of RGL Group, Jobstreet's status as a significant player in the online recruitment advertising business in the Asia Pacific region, and the chance to leverage Jobstreet's existing technology and Jobstreet's aforesaid status to enhance RGL Group's operations.

Upon the signing of the Subscription and S&P Agreement, Jobstreet had paid the Deposit to RBVI. The balance for the Sale Shares and the total consideration for the Subscription Shares have been paid by Jobstreet to RBVI and RGL respectively on Completion Date.

## LETTER FROM THE BOARD

### **Conditions Precedent:**

Completion was conditional upon the following conditions precedent (all of which have been duly fulfilled, and Completion has taken place accordingly on Completion Date):

- (1) the granting of approval for Jobstreet to remit funds outside Malaysia (for payment of the Consideration) by Bank Negara Malaysia;
- (2) Jobstreet having published an announcement on the internet website of Bursa Malaysia in compliance with the listing requirements of Bursa Malaysia Securities Berhad for the Mesdaq Market in relation to entering into the Subscription and S&P Agreement and the Acquisition by Jobstreet; and
- (3) the Company having published an announcement on the internet website operated by the Stock Exchange for the purposes of the Growth Enterprise Market in compliance with the requirements under the GEM Listing Rules in relation to entering into the Subscription and S&P Agreement and the Acquisition.

### **Dividend:**

RBVI, RGL and the Company jointly and severally undertake with Jobstreet that as from Completion Date, subject to a maximum period of three years, or for so long as Jobstreet remains as a shareholder of RGL, whichever period is shorter, RGL shall pay an annual dividend to Jobstreet of 7% of the Consideration, i.e. HK\$1,050,000. In such event, other shareholders of RGL (including RBVI) will also enjoy the same rate of dividend. In view of RGL Group's net asset value and earning prospects, the Group is confident that the undertaking as aforesaid can be complied with. In the unlikely event that the Group comes to a view it may not be able to do so, it may choose to exercise the Resale option as explained below to terminate the said obligation if it is within the exercise period. Otherwise, the Group has to honour this undertaking as aforesaid to pay Jobstreet (but not other shareholders of RGL).

### **Resale Option:**

At any time during the period of six months commencing from the first anniversary of the Completion Date, the Company shall have the option exercisable at its discretion to buy from Jobstreet the Sale Shares and the Subscription Shares (the "Resale"). The price for the Resale shall be the higher of:

- 1) the Consideration; or
- 2) such sum as may be agreed by Jobstreet and the Company or as the Specified Experts may certify to be in their opinion the fair value of the Sale Shares and the Subscription Shares.

Should the exercise of the option of Resale involve a sum which exceeds the relevant percentage ratios under Chapter 19 of the GEM Listing Rules, the Company will comply with the disclosure obligation or Shareholders' approval requirement thereunder.

## LETTER FROM THE BOARD

### **Licence to Use Online Technology:**

Jobstreet and RGL agree to negotiate in good faith on an agreement whereby Jobstreet shall grant to RGL a licence to use its existing online recruit technology free of charge for a period of twenty four months or so long as Jobstreet remains as a shareholder of RGL and/or of the Company (to the Company's knowledge, Jobstreet is not a shareholder of the Company), whichever is shorter, and subject to agreement on the terms thereof, to sign this agreement on or before 28 February 2007.

### **Restrictions on Transfer of Shares:**

After Completion, if either RBVI or Jobstreet (the "Selling Shareholder") wants to dispose of any of the RGL Shares held by it to one or more third parties, the Selling Shareholder must give prior written notice (the "Transfer Notice") to the other (the "Non-Selling Shareholder") with details of the terms of the proposed disposal. Within 30 days of receipt of the Transfer Notice, the Non-Selling Shareholder has a right to purchase its Pro Rata Share of such number of RGL Shares being offered for sale under the same terms as set out in the Transfer Notice by giving written notice to the Selling Shareholders and RGL.

Where Jobstreet is the Non-Selling Shareholder and does not wish to purchase any RGL Shares offered for sale, upon notifying the Selling Shareholder (i.e. RBVI) and RGL, Jobstreet has the right to participate in the proposed disposal by selling all or any part of such number of RGL Shares equal to the product obtained by multiplying (i) the aggregate number of RGL Shares offered for sale as stated in the Transfer Notice (less any RGL Shares purchased pursuant to the mechanism stated in the paragraph above) by (ii) a fraction, the numerator of which is the number of RGL Shares owned by Jobstreet on the date of the Transfer Notice and the denominator of which is the total number of RGL Shares owned by the Selling Shareholder and Jobstreet as of the date of the Transfer Notice under terms which are no less favourable than those set out in the Transfer Notice.

To the extent that the Non-Selling Shareholder has not exercised its right to purchase the relevant RGL Shares and where applicable, Jobstreet has not exercised its right to participate in the proposed disposal in the aforesaid manner, the Selling Shareholder can within 60 days from the expiration of such rights dispose of the relevant unpurchased RGL Shares under the terms set out in the Transfer Notice, on the condition that the proposed transferee of the RGL Shares must have agreed to be bound by the terms of the Subscription and S&P Agreement.

The aforesaid restrictions on the transfer of RGL Shares are applicable to Jobstreet and RBVI only.

### **Nomination of Director:**

As long as Jobstreet remains as a shareholder of RGL, RBVI and RGL jointly and severally undertake to procure that the board of directors of RGL shall comprise one director nominated by Jobstreet and four directors nominated by RBVI.

## LETTER FROM THE BOARD

### Net Assets Value

RBVI, RGL and the Company jointly and severally warrant to Jobstreet that the consolidated net assets value of RGL will not be less than HK\$5,000,000 as at the signing of the Subscription and S&P Agreement and as at Completion.

### INFORMATION OF THE PARTIES

RGL is an indirect non wholly-owned subsidiary of the Company and its principal activity is investment holding. Please refer to the paragraph titled "Background Information of RGL" for the principal activities of RGL's subsidiaries.

In accordance with the management accounts of the three subsidiaries of RGL for the two financial years ended 31 December 2006, the net profits attributable to the Business in each of the said years are approximately as follows (in HK\$):

<u>Year Ended</u>	<u>Before taxation and extraordinary items</u>	<u>After taxation and extraordinary items</u>
31 December 2005	19,500,000	19,500,000
31 December 2006	21,600,000	19,800,000

RBVI is a direct wholly-owned subsidiary of the Company and its principal activity is investment holding. The Company is an investment holding company, while the Group is principally engaged in the advertising media business, including recruitment magazine publishing and inflight magazine advertising, printing business and investment trading.

Jobstreet is a company incorporated in Malaysia, the shares of which are listed on the MESDAQ Market of Bursa Malaysia Securities Berhad. Its principal activities are the operation of online recruitment advertising portals in Bangladesh, India, Indonesia, Malaysia, the Philippines and Singapore, and the provision of interactive recruitment services.

### FINANCIAL EFFECT OF THE ACQUISITION IN ACCORDANCE WITH THE PREVAILING AUDITING AND ACCOUNTING STANDARDS

In accordance with the unaudited consolidated balance sheet of RGL as at 31 January 2007, the net asset value of RGL Group is approximately HK\$5 million, and thus the excess of the Consideration over the net asset value of RGL Group is HK\$10 million. As a result of the Acquisition, the Group expects to record an unaudited gain of approximately HK\$12.2 million, being the sum received for disposal of the Sale Shares of HK\$7.5 million plus the difference between (i) the Group's 95% interest in the net asset value of RGL Group immediately before the Acquisition in the sum of about HK\$4.7 million and (ii) the Group's

## LETTER FROM THE BOARD

75.5% interest in the net asset value of RGL Group immediately after the Acquisition (as increased by HK\$7.5 million which is paid by Jobstreet for the Subscription Shares) in the sum of about HK\$9.4 million. Following the Acquisition, the Group's current assets will be increased by the aggregate Consideration, which amounts to HK\$15 million.

Upon Completion of the Acquisition, the Company's shareholding interest in RGL Group will be changed from 95% to 75.5% and RGL Group will remain as a subsidiary of the Company and its financial results and assets and liabilities will remain to be consolidated in the consolidated financial statements of the Company.

The Company intends to use the net proceeds from the Acquisition as the Group's general working capital.

### **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Directors consider that the Acquisition is beneficial to the Group because (1) it allows the Group to gain access to Jobstreet's recruitment technology and business model, which can enhance the Group's operations and (2) it brings in additional investment and funding to RGL Group.

The Directors consider that the Consideration and the terms of the Subscription and S&P Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

### **REQUIREMENTS OF THE GEM LISTING RULES**

The Acquisition constitutes a discloseable transaction for the Company under Rule 19.06 of the GEM Listing Rules according to the percentage ratios calculated under Rule 19.07 of the GEM Listing Rules.

Your attention is drawn to the information set out in the Appendix to this circular.

Yours faithfully,  
By Order of the Board  
Recruit Holdings Limited  
Ho Suk Yi  
Director

**RESPONSIBILITY STATEMENT**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with 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:

- (a) the information contained in this circular is accurate and complete in all material respects and not misleading;
- (b) there are no other matters the omission of which would make any statement in this circular misleading; and
- (c) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

**DIRECTORS' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY**

As at the Latest Practicable Date, the interests of the Directors and chief executives of the Company in the Shares of the Company as recorded in the register required to be kept under section 352 of Part XV of the SFO were as follows:

- (a) Interests in the shares of the Company

Name of Directors	Personal Interests (Shares)	Family Interests (Shares)	Corporate Interests (Shares)	Total Interests (Shares)	Percentage to
					the issued share capital of the Company (%)
Mr. Lau Chuk Kin (Note 1)	Nil	Nil	178,894,000	178,894,000	65.10
Mr. Lee Ching Ming, Adrian (Note 2)	100,500	50,000	Nil	150,500	0.05
Mr. Peter Stavros Patapios Christofis	670,500	Nil	Nil	670,500	0.24
Mr. Cheng Ping Kuen, Franco	204,000	Nil	Nil	204,000	0.07

## (b) Options to subscribe for shares of the Company

Name of Directors	Date of grant	Exercise price per share (HK\$)	Vesting Period	Exercisable Period	Number of underlying shares comprised in the options	Percentage to the issued share capital of the Company (%)
Ms Ho Suk Yi	17.5.2004	0.28	17.5.2004 – 16.5.2005	17.5.2005 – 2.7.2013	250,000	0.09
Ms Ho Suk Yi	9.12.2004	0.43	9.12.2004 – 8.12.2005	9.12.2005 – 2.7.2013	250,000	0.09

*Notes:*

1. Of 178,894,000 Shares, 940,000 Shares and 177,954,000 Shares are beneficially owned by ER2 Holdings Limited and City Apex Limited respectively. As at the Latest Practicable Date, Mr. Lau Chuk Kin beneficially owned 67% of the issued share capital of ER2 Holdings Limited, which is the ultimate holding company of City Apex Limited. Accordingly, Mr. Lau Chuk Kin is deemed to be interested in the said Shares pursuant to Part XV of the SFO.
2. Of 150,500 Shares, 50,000 Shares are beneficially owned by the wife of Mr. Lee Ching Ming, Adrian, who is deemed to be interested in the said Shares under Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, to the knowledge of the Company, none of the Directors or chief executive of the Company and their respective associates had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which had to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) or which are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which are required, pursuant to rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange.

**SUBSTANTIAL SHAREHOLDER**

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, other than a Director or chief executive of the Company, the following persons had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company

under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of Share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

**(a) The Company**

Name of shareholder	Number of shares	Percentage to the issued share capital of the Company %
Mr. Lau Chuk Kin ( <i>Note 1</i> )	178,894,000	65.10
ER2 Holdings Limited ( <i>Note 1</i> )	178,894,000	65.10
City Apex Limited ( <i>Note 1</i> )	177,954,000	64.76
Tai Wah Investment Company Limited ( <i>Note 2</i> )	22,000,000	8.01
Chan Family Investment Corporation Limited ( <i>Note 2</i> )	26,677,333	9.71
Great Eagle Holdings Limited ( <i>Note 3</i> )	21,962,000	7.99
Jolly Trend Limited ( <i>Note 3</i> )	21,962,000	7.99
The Great Eagle Company, Limited ( <i>Note 3</i> )	21,962,000	7.99
Dr. Lo Ka Shui ( <i>Note 4</i> )	21,944,000	7.99
JAIC-Somerley Corporate Development Fund Limited ( <i>Note 5</i> )	16,788,178	6.11
Japan Asia Investment Company Limited ( <i>Note 5</i> )	16,788,178	6.11

*Notes:*

- Of the 178,894,000 Shares, Mr. Lau Chuk Kin is deemed to be interested in the 940,000 Shares directly held by ER2 Holdings Limited. Each of Mr. Lau Chuk Kin and ER2 Holdings Limited is deemed to be interested in the 177,954,000 Shares owned by City Apex Limited.
- Of these Shares, 3,679,333 Shares are directly owned by Chan Family Investment Corporation Limited, 998,000 Shares and 22,000,000 Shares are respectively held by Earnyear Limited and Tai Wah Investment Company Limited. Both Earnyear Limited and Tai Wah Investment Company Limited are wholly-owned subsidiaries of Chan Family Investment Corporation Limited.
- Each of Great Eagle Holdings Limited and Jolly Trend Limited is deemed to be interested in the 21,962,000 Shares owned by The Great Eagle Company, Limited.
- Of these Shares, 21,962,000 Shares are duplicated in the interest described in note 3, as The Great Eagle Company, Limited is a wholly-owned subsidiary of Great Eagle Holdings Limited. Dr. Lo



Ka Shui was interested and/or deemed to be interested in the issued share capital of Great Eagle Holdings Limited. Dr. Lo Ka Shui has personal interest in 150,000 Shares of the Company.

5. Japan Asia Investment Company Limited is deemed to be interested in the 16,788,178 Shares owned by JAIC-Somerley Corporate Development Fund Limited.

**(b) Other members of the Group**

Name of subsidiary	Name of shareholder	Proportion of nominal value of issued capital held %
1010 Group Limited	Global Resources Services Limited	15.00

Save as disclosed above, as at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, other than a Director or chief executive of the Company, no persons had interests or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or any options in respect of such capital.

**DIRECTORS' INTEREST IN SERVICE CONTRACTS**

None of the Directors has entered or is proposing to enter into a service contract with any member of the Group (excluding contracts expiring or terminable by the employer within one year without payment of compensation other than statutory compensation).

**DIRECTORS' INTEREST IN COMPETING BUSINESS**

Interests of the Directors in competing businesses required to be disclosed pursuant to Rule 11.04 of the GEM Listing Rules are as follows:

Name of director	Name of companies	Nature of competing business	Nature of interest
Mr. Lau Chuk Kin	International Resources Group Limited	Executive search business in the United Kingdom	As a director and shareholder

Name of director	Name of companies	Nature of competing business	Nature of interest
	Amrop Hever Hong Kong and Shanghai	Executive search business in Hong Kong and the PRC	As a shareholder
Mr. Wan Siu Kau	Amrop Hever Hong Kong and Shanghai	Executive search business in Hong Kong and the PRC	As a director and shareholder

Mr. Lau and Mr. Wan are considered as having an interest in the executive search business which may potentially compete with the job matching service (a service for linking up job seekers with employers) as provided by the Group in Shanghai. The job matching service is an ancillary service to the Group's principal activities, including recruitment and non-recruitment advertising. Revenue generated from the job matching service is minimal as compared to the Group's total turnover. Having considered the different nature and size of Mr. Lau and Mr. Wan's business, the Directors believe that they are unlikely to cause any significant competitions to the businesses of the Group.

Save as disclosed in this section, none of Directors or the management shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) has any business or interest that competes or may compete with the business of the Group.

## LITIGATION

So far as the Directors are aware, as at the Latest Practicable Date, neither the Company nor any subsidiaries was engaged in any litigation or arbitration of material importance and no litigation or arbitration of material importance and no litigation or claim of material importance was pending or threatened against the Company or any of its subsidiaries.

## MISCELLANEOUS

- (i) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (ii) The head office and principal place of business of the Company in Hong Kong is at 26th Floor, 625 King's Road, North Point, Hong Kong.

- (iii) The qualified accountant and company secretary of the Company is Ms Ho Suk Yi. She is a qualified accountant and a member of both Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants.
- (iv) The compliance officer of the Company is Mr. Lau Chuk Kin. He is the executive director and chairman of the Company.
- (v) The Company has established an audit committee in April 2000 in accordance with the GEM Listing Rules. The primary duties of the audit committee are to (a) review the Company's annual reports, financial statements, interim reports, quarterly reports and to provide advice and comments thereon to the Board and (b) review and supervise the financial reporting and internal control procedures of the Group. The audit committee comprises three independent non-executive directors, namely Mrs. Ling Ching Man, Eleanor, Mr. Cheng Ping Kuen, Franco and Mr. Tyen Kan Hee, Anthony, further details of whom are set out below:

Mrs. Ling Ching Man, Eleanor, SBS, OBE, JP, aged 59, was appointed as an Independent Non-Executive Director in April 2000. Mrs. Ling has over 30 years of experience in management and is a Fellow of the Institute of Chartered Management. Mrs. Ling is now an Adviser to Jardine Matheson Limited and also serves on a number of statutory bodies including the Medical Council, the Standing Commission on Civil Service Salaries and Conditions of Service. Mrs. Ling is also a Council Member of the Employers' Federation of Hong Kong and a Vice Patron of the Community Chest.

Mr. Cheng Ping Kuen, Franco, aged 53, was appointed as an Independent Non-Executive Director in January 2003. Mr. Cheng has over 26 years of experience in the management of private banking and investment businesses both in Hong Kong and Canada. Mr. Cheng holds a Master Degree in Business Administration from The Chinese University of Hong Kong and is now the Chief Representative of Rothschild Bank AG in Hong Kong.

Mr. Tyen Kan Hee, Anthony, aged 51, was appointed as an Independent Non-Executive Director of the Company in September 2004. Mr. Tyen holds a Doctoral degree in Philosophy and a Master degree in Business Administration, both from The Chinese University of Hong Kong. He is an associate member of the Hong Kong Institute of Certified Public Accountants, a fellow member of both the Association of Chartered Certified Accountants and the Institute of Chartered Secretaries and Administrators, and a member of the Chinese Institute of Certified Public Accountants. He is currently a practising certified public accountant in Hong Kong and has over 28 years of experience in auditing, accounting, management and company secretary. Mr. Tyen is currently an independent non-executive director of Value Convergence Holdings Limited, a company listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong.

- (vi) The Hong Kong branch share registrars and transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong.
  
- (vii) The English text of this circular shall prevail over the Chinese text in the case of any inconsistency.