Galileo Capital Group Limited
嘉利盈融資集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8029)

FINAL RESULTS FOR THE YEAR ENDED MARCH 31, 2007

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

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.

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RESULTS

The board of Directors (the "Board") of the Galileo Capital Group Limited (the "Company") hereby announces the audited consolidated results of the Company and its subsidiaries (collectively refer to as the "Group") for the year ended March 31, 2007, together with the comparative figures for the previous year as follows:

CONSOLIDATED INCOME STATEMENT
FOR YEAR ENDED MARCH 31, 2007

	Notes	**2007** *HK$*	2006 *HK$*
Turnover	*4*	**1,643,189**	2,357,000
Direct costs		**(524,339)**	(544,764)
Gross profit		**1,118,850**	1,812,236
Other operating income		**4,854,451**	779
Administrative expenses		**(12,376,094)**	(3,744,815)
Finance costs		**(67,584)**	–
Loss before taxation	*5*	**(6,470,377)**	(1,931,800)
Income tax expense	*6*	**(41,258)**	–
Loss for the year		**(6,511,635)**	(1,931,800)
Dividend	*7*	**–**	–
Loss per share			
Basic	*8*	**HK(0.73) cent**	HK(0.24) cent
Diluted		**HK(0.66) cent**	N/A

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2007

	Notes	2007 HK$	2006 HK$
NON-CURRENT ASSETS			
Goodwill		**2,332,814**	–
Investment property		**2,600,000**	–
Property, plant and equipment		**5,178,012**	532,140
		10,110,826	532,140
CURRENT ASSETS			
Inventories		**95,030**	–
Trade receivables	*9*	**96,355**	311,000
Prepayments, deposits and other receivables		**590,043**	117,120
Bank balances and cash		**1,801,684**	330,821
		2,583,112	758,941
CURRENT LIABILITIES			
Accruals and other payables		**1,402,413**	639,344
Deposits received		**30,000**	–
Amount due to a director	*10*	**758,368**	4,362,737
Obligations under finance leases – current portion		**85,587**	–
Other borrowings	*11*	**5,000,000**	–
Tax payable		**48,853**	–
		7,325,221	5,002,081
NET CURRENT LIABILITIES		**(4,742,109)**	(4,243,140)
TOTAL ASSETS LESS CURRENT LIABILITIES		**5,368,717**	(3,711,000)
NON-CURRENT LIABILITIES			
Obligations under finance lease – long term portion		**(24,079)**	–
		5,344,638	(3,711,000)
CAPITAL AND RESERVES			
Share capital	*12*	**19,300,000**	16,000,000
Reserves		**(13,955,362)**	(19,711,000)
		5,344,638	(3,711,000)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED MARCH 31, 2007

		Reserves				
	Share capital *(note 12)* *HK$*	**Share premium** *HK$*	**Merger deficit** *HK$*	**Share option reserve** *HK$*	**Accumulated losses** *HK$*	**Total** *HK$*
At April 1, 2005	16,000,000	8,095,956	(119,998)	–	(25,755,158)	(1,779,200)
Loss for the year	–	–	–	–	(1,931,800)	(1,931,800)
At March 31, 2006	16,000,000	8,095,956	(119,998)	–	(27,686,958)	(3,711,000)
Placing of new shares	3,200,000	8,000,000	–	–	–	11,200,000
Recognition of share issue expenses	–	(405,120)	–	–	–	(405,120)
Recognition of equity-settled share based payment	–	–	–	3,558,215	(285,822)	3,272,393
Exercise of share options	100,000	1,400,000	–	(285,822)	285,822	1,500,000
Loss for the year	–	–	–	–	(6,511,635)	(6,511,635)
At March 31, 2007	19,300,000	17,090,836	(119,998)	3,272,393	(34,198,593)	5,344,638

NOTES TO THE FINANCIAL RESULTS

1. Basis of Preparation of Financial Statements

The Group recorded a consolidated loss of HK$6,511,635 for the year ended March 31, 2007 and had consolidated net current liabilities at the balance sheet date of HK$4,742,109. The net current liabilities of the Group mainly comprised of the amount due to Ms. Chan Chor Sum ("Ms. Chan"), an independent third party of the Company, amounted to HK$5,000,000 as at March 31, 2007. The Group largely finances day-to-day working capital requirements using funds advanced from Ms. Chan. Notwithstanding that, the financial statements have been prepared on the assumption that the Group will continue to operate as a going concern for the foreseeable future.

In order to improve the financial position, liquidity and cash flow position of the Group, the following measures/ arrangements have been implemented which include, but not limit to:

(a) Pursuant to the loan agreement signed with Ms. Chan dated January 17, 2007, the loan totalling HK$5,000,000 owed to her had expired and had been repaid on June 14, 2007;

(b) Pursuant to the loan agreement with Nanyang Commercial Bank dated April 16, 2007, a subsidiary of the Group obtained a loan from the bank totalling HK$4,000,000 in order to provide for working capital to the Company. The loan would be wholly repaid after twelve years. The loan was secured by properties owned by the Group;

(c) Pursuant to the loan agreement dated June 12, 2007, the substantive shareholder and director, Mr. Chui Bing Sun ("Mr. Chui") would provide financial support in form of loan totalling HK$1,200,000 to the Group. The loan is interest bearing at 6.75% per annum and is repayable over one year from the date of the loan agreement; and

(d) Pursuant to the projected future cash flow of the Group for the period from April 1, 2007 to June 30, 2008 prepared by the Board, the Group is able to maintain sufficient working capital for operations as the trend of turnover would increase continuously.

In the opinion of the Directors, in light of the ongoing support from Mr. Chui and the various measures/ arrangements implemented to date, the Group will have sufficient working capital for its current requirements. Accordingly, the Directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis, notwithstanding the Group's financial position and tight liquidity as at March 31, 2007.

2. Application of New and Revised Hong Kong Financial Reporting Standards

In the current year, the Group has applied, for the first time, a number of new standards, amendments and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are either effective for accounting periods beginning on or after December 1, 2005 or January 1, 2006 or March 1, 2006. The adoption of the new HKFRSs had no material effect on how the results 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 following new standard, amendment and interpretations that have been issued but are not yet effective as at March 31, 2007. The directors of the Company anticipate that the application of these standard, amendment or interpretations will have no material impact on the results and the financial position of the Group.

Hong Kong Accounting Standard ("HKAS") 1 (Amendment)	Capital Disclosures[1]
HKFRS 7	Financial Instruments: Disclosures[1]
HKFRS 8	Operating Segments[2]
HK(IFRIC) Interpretation ("Int") 8	Scope of HKFRS 2[3]
HK(IFRIC) Int 9	Reassessment of Embedded Derivatives[4]
HK(IFRIC) Int 10	Interim Financial Reporting and Impairment[5]
HK(IFRIC) Int 11	HKFRS 2 – Group and Treasury Share Transactions[6]
HK(IFRIC) Int 12	Service Commission Arrangements[7]

[1] Effective for annual periods beginning on or after January 1, 2007.
[2] Effective for annual periods beginning on or after January 1, 2009.
[3] Effective for annual periods beginning on or after May 1, 2006.
[4] Effective for annual periods beginning on or after June 1, 2006.
[5] Effective for annual periods beginning on or after November 1, 2006.
[6] Effective for annual periods beginning on or after March 1, 2007.
[7] Effective for annual periods beginning on or after January 1, 2008.

3. Significant Accounting Policies

The financial statements have been prepared in accordance with HKFRS issued by the HKICPA. The financial statements have been prepared under the historical cost basis except for investment property, which are measured at fair values.

In addition, the financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

Basis of consolidation

The consolidated financial statements incorporated the financial statements of the Company and its subsidiaries.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

4. Turnover and Segment Information

Turnover represents the amounts received and receivable for services provided by the Group to outside customers and rental income, and is analysed as follows:

	THE GROUP	
	2007	2006
	HK$	*HK$*
Business consultancy service income	**923,000**	2,357,000
Funeral services income	**690,189**	–
Rental income	**30,000**	–
	1,643,189	2,357,000

Segment information is presented by way if two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

Business segments

The Group's operating business are structured and managed separately, according to the nature of their operations and services they provided. Each of the Group's business segments represents a strategic business unit that offers services which are subject to risk and returns that are different from those of the other business segments.

For management purposes, the Group is currently organised into two operating divisions – business consultancy services and funeral services.

Principal activities are as follows:

Business consultancy – providing services to assist clients on various business or management issues.

Funeral services – providing services to assist clients on various funeral custom and activities.

Segment information about these businesses is presented below.

Income Statement
For the year ended March 31, 2007

	Business consultancy *HK$*	Funeral services *HK$*	Other *HK$*	Consolidated *HK$*
Turnover				
External sales	923,000	690,189	30,000	1,643,189
RESULT				
Segment result	(2,332,172)	(2,570,583)	(340,284)	(5,243,039)
Unallocated corporate income				4,845,242
Unallocated corporate expenses				(6,004,996)
Finance cost				(67,584)
Loss before taxation				(6,470,377)
Income tax expense				(41,258)
Loss for the year				(6,511,635)

Balance Sheet
As at March 31, 2007

	Business consultancy *HK$*	Funeral services *HK$*	Other *HK$*	Consolidated *HK$*
Assets				
Segment assets	1,535,335	3,661,256	6,499,163	11,695,754
Unallocated corporate assets				998,184
Consolidated total assets				12,693,938
Liabilities				
Segment liabilities	(338,922)	(455,530)	(323,853)	(1,118,305)
Unallocated corporate liabilities				(6,230,995)
Consolidated total liabilities				(7,349,300)

Other information
For the year ended March 31, 2007

	Business consultancy *HK$*	Funeral services *HK$*	Other *HK$*	Consolidated *HK$*
Capital additions	96,177	1,380	–	97,557
Depreciation	232,303	129,662	106,999	468,964

The Group had only one business segment for the year ended March 31, 2006 which were business consultancy services segment, no separate disclosure of segmental income statement and balance sheet would be made.

Geographical segments

In determining the Group's geographical segment, turnover is attributed to the segments based on the location of the customers, and assets are attributed to the segment based on the location of the assets.

The following table presents turnover and certain asset and expenditure information for the Group's geographical segments.

	Hong Kong		People's Republic of China		Consolidated	
	2007	2006	**2007**	2006	**2007**	2006
	HK$	*HK$*	***HK$***	*HK$*	***HK$***	*HK$*
Turnover – external	**1,643,189**	2,057,000	**–**	300,000	**1,643,189**	2,357,000
Other segment information:						
Carrying amount of segment assets	**12,693,938**	1,291,081	**–**	–	**12,693,938**	1,291,081
Capital expenditure	**97,557**	13,240	**–**	–	**97,557**	13,240

5. Loss Before Taxation

	2007	2006
	HK$	*HK$*
Loss before taxation has been arrived at after charging (crediting):		
Directors' emoluments	**2,291,889**	836,325
Staff costs	**1,351,069**	1,184,419
Retirement benefit scheme contributions, excluding directors	**61,434**	53,405
Total employee benefits expense including those of directors	**3,704,392**	2,074,149
Depreciation for property, plant and equipment		
– owned assets	**238,012**	214,658
– finance lease assets	**230,952**	–
Auditors' remuneration	**319,000**	250,000
Share base payment expense	**3,272,393**	–
Impairment loss recognised in respect of goodwill	**2,332,815**	–
Waive of amount due to an ex-director	**(4,792,737)**	–
Interest income	**(53,389)**	(8)

* Directors' emoluments of HK$69,682 (2006: HK$535,765) has been recognised during the year, which has been included in direct costs.

6. Income Tax Expense

Hong Kong Profits Tax has been provided for in the financial statements at 17.5% on the amount of estimated assessable profits arising in Hong Kong.

No Hong Kong Profits Tax has been provided for in the financial statements for the year ended March 31, 2006 as the Group had no assessable profits for the year.

The tax charge for the year can be reconciled to the loss before tax as follows:

	2007	2006
	HK$	*HK$*
Loss before tax	**(6,470,377)**	(1,931,800)
Tax at Hong Kong Profits Tax rate	**(1,132,316)**	(338,065)
Tax effect of expenses not deductible for tax purpose	**532,248**	54,938
Tax effect of income not taxable for the tax purpose	**(878,085)**	(8,863)
Tax effect of tax losses not recognised	**1,519,411**	291,990
Tax expense for the year	**41,258**	–

7. Dividend

No dividend was paid or proposed during the year ended March 31, 2007, nor has any dividend been proposed since the balance sheet date (2006: Nil).

8. Loss Per Share

(a) Basic loss per share

The calculation of basic loss per share is based on the Group's loss for the year attributable to equity holders of the Company of HK$6,511,635 (2006: HK$1,931,800) and the weighted average number of 894,041,096 (2006: 800,000,000) ordinary shares in issue during the year, calculated as follows:

Weighted average number of ordinary shares

	2007	2006
Issued ordinary shares at April 1, 2006	**800,000,000**	800,000,000
Effect of issuance of new shares	**93,808,219**	–
Effect of exercise of share options	**232,877**	–
Weighted average number of ordinary shares for the purpose of basic loss per share	**894,041,096**	800,000,000

(b) ***Diluted loss per share***

The calculation of diluted loss per share is based on the Group's loss for the year attributable to equity holders of the Company of approximately HK$6,511,635 and the weighted average number of 980,781,481 ordinary shares in issue during the year, calculated as follows:

Weighted average number of ordinary shares (Diluted)

	2007	2006
Weighted average number of ordinary shares for the purpose of basic loss per share	**894,041,096**	800,000,000
Effect of share options	**86,740,385**	–
Weighted average number of ordinary shares for the purpose of diluted loss per share	**980,781,481**	800,000,000

Note:

No diluted earnings per share have been presented for year ended March 31, 2006 as no share options found for the year ended March 31, 2006.

9. Trade Receivables

The general credit terms is seven days from the date of issue payment invoice and the Group also offers extended credit terms to certain customers with reference to their respective financial background, reputation and credit worthiness.

At March 31, 2007, all trade receivables were outstanding for less than 90 days (2006: 90 days).

The Directors consider that the carrying amount of the Group's trade receivables approximates their fair value.

10. Amount due to a Director

	The Group and the Company	
	2007	2006
	HK$	*HK$*
Mr. Liu Ka Lim	**–**	4,362,737
Mr. Chui Bing Sun	**758,368**	–
	758,368	4,362,737

The amount due to a director is unsecured, interest free and repayable on demand.

The Directors consider that the carrying amount of amount due to a director approximates to its fair value.

11. Other Borrowings

The amount is unsecured and carried interest at 6% per annum on fixed interest rate. The loan amount is borrowed repayable from an individual third party in order to provide working capital to the Group. The amount was repayment with twelve months.

The Directors consider that the carrying amount of the other borrowings approximates to its fair value.

12. Share Capital of the Company

	Number of shares	Amount *HK$*
Ordinary shares of HK$0.02 each		
Authorised:		
At April 1, 2005, March 31, 2006 and March 31, 2007	6,000,000,000	120,000,000
Issued and fully paid:		
At April 1, 2005 and March 31, 2006	800,000,000	16,000,000
Issuance of shares *(note a)*	160,000,000	3,200,000
Effect of exercise of share options *(note b)*	5,000,000	100,000
At March 31, 2007	965,000,000	19,300,000

The movements in the ordinary share capital during the year ended March 31, 2007 are as follows:

Note a: Upon the completion of placing of new shares under general mandate on August 30, 2006, the Company issued and allotted 160,000,000 shares of the share capital of the Company ("Placing Shares") at a price of HK$0.07 per share. The gross proceeds from placing new shares before issue expenses amounted to HK$11,200,000.

All new shares issued ranked pari passu in all respects with existing ordinary shares of the Company.

Note b: On March 19, 2007, 5,000,000 share options exercised and transferred into shares in the share capital of the Company at an exercise price of HK$0.3 per share. The gross proceeds from exercising the options amount to HK$1,500,000.

All new shares issued ranked pari passu in all respects with the existing ordinary shares of the Company.

EXTRACT OF AUDITORS' REPORT

The Directors would like to draw the shareholders' attention that the auditors, Lo and Kwong C. P. A. Company Limited, have the following opinion on the Group's financial statements for the year ended March 31, 2007:

Fundamental uncertainty relating to the going concern basis

In forming our opinion, we have considered the adequacy of the disclosures made to the financial statements concerning the adoption of the going concern basis on which the financial statements have been prepared. The Group had incurred a consolidated net loss of HK$6,511,635 for the year ended March 31, 2007 while the Group had net current liabilities of HK$4,742,109 as at March 31, 2007. The Group is currently undertaking a number of measures to relieve its current liquidity problems. The directors of the Company are satisfied that the Group will be able to meet in full its financial obligations as they fall due for the foreseeable future.

The financial statements have been prepared on a going concern basis, the validity of which depends upon the Group attaining future profitable operations, the continuous financial support from Mr. Chui being available, and the availability of additional financing. The financial statements do not include any adjustments that would result from a failure to obtain such funding. We consider that the fundamental uncertainty has been adequately disclosed in the financial statements and our opinion is not qualified in this respect.

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and the Group as at March 31, 2007 and of Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Performance

The Group recorded a turnover of HK$1,643,189 for the year ended March 31, 2007, representing a decrease of 30% from last year's turnover of approximately HK$2,357,000. The decrease was mainly due to the fact that the funeral business was taken up on January 17, 2007. Only two months' result was included in the accounts for the year ended March 31, 2007.

The cost of services for the whole year had dropped to HK$524,339 from HK$544,764 recorded during last year. The decrease in gross profit percentage was mainly due to the lower gross profit rate of funeral business. However, higher turnover is expected for the year ended March 31, 2008 and the resulted total gross profit will be increased.

Administrative and general expenses together with other operating expenses made an increase of 230% to HK$12,376,094 compared to HK$3,744,815 in 2006. The increase was mainly due to the granting of share options, the administrative expenses and goodwill written off in acquiring the funeral business. The administrative expenses will be reduced for the coming years due to the lower rental expenses by changing to the new office.

The net loss for the year ended March 31, 2007 was HK$6,511,635, an increase of HK$4,579,835 or more than 237%. The higher loss figure mainly reflected a higher administrative and general expense for the year due to the granting of share options and the cost, including the goodwill written off, associated with the acquisition of the funeral business.

Liquidity, Charge of Group Assets and Financial Resources

As of March 31, 2007, the Group had a net assets amounted to HK$5,344,638 and a net current liabilities amounted to HK$4,742,109. Net current liabilities continued to be negative because there was an obtaining of other borrowings of HK$5 million in current year. This advance was unsecured and carried interest at 6% per annum and repayable within twelve months. The Group had HK$1,801,684 bank balances and cash as of March 31, 2007 which was an increase of approximately 445% as compared with last year due to the raising of capital and other borrowings obtained.

As at March 31, 2007, property, plant and equipment of the Group with net book value of approximately HK$230,952 was held under finance lease (2006: Nil).

Gearing Ratio

For the year ended March 31, 2007, the Group had gearing ratio (which is defined as total debts net of payable under ordinary course of business over total assets of approximately 45% (2006: 338%).

Employee Information

The total number of employees was 18 as at March 31, 2007 (March 31, 2006: 13), and the total remuneration for the year 2007 was about HK$3,704,392 (2006: HK$2,074,149). The remuneration policy of the Group was reviewed and approved by the Board and the Remuneration Committee. Discretionary bonus was linked to performance of the individual specific to each case.

Contingent Liabilities

As at March 31, 2007, the Group had no contingent liabilities.

Business Review

Hong Kong continued its economic recovery in 2006. Business activities in the capital and securities markets have both picked up considerably in tandem with China's growing needs for overseas fund-raising. Through cooperation with other investment banks and financial service providers, we have been involved in the protracted negotiations with a number of promising clients in mainland China for placement and listing as well as finalising credit facilities. Our strong in-house experts were able to provide quality professional services.

Following the acquisition of Cheung Shing Funeral Limited, the Group would enhance its future development in funeral services so as to strengthen its revenue base. We hope to position ourselves as the premier funeral service provider in Hong Kong in the years to come.

OUTLOOK AND DEVELOPMENT

For the foreseeable future, China will continue to be a major factor of international trade. However, the Chinese government is facing the pressure of the interest rate adjustment, currency revaluation, record trade surpluses and fluctuating commodities and oil prices. The problems from the domestic front include rising inflation rate, flooding of money supply and overheating in the property sector. It is anticipated that stronger measures may be required to cool down the economy.

Concerning the funeral services, the Group believes that the funeral service industry in Hong Kong has a promising prospect because of the aging population and the increasing death rate. The number of deaths for 2006 was 36,900 while the number of licensed undertaker was only about 90. The group is also looking for suitable cemeteries so that we can provide one-stop services to the clients in the Greater China region.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended March 31, 2007.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by directors on terms not less than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all directors, all directors confirmed they have complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company.

BOARD PRACTICES AND PROCEDURES

The Company has complied with Rule 5.34 of the GEM Listing Rules concerning board practices and procedures throughout the year ended March 31, 2007.

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive directors, an annual confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considers all of the independent non-executive directors are independent.

CORPORATE GOVERNANCE

The Company has complied throughout the year ended March 31, 2007 with all the code provisions as set out in the Code on Corporate Governance Practices contained in Appendix 15 of the GEM Listing Rules during the year.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with the GEM Listing Rules. The audit committee comprises three independent non-executive Directors, namely, Mr. Siu Hi Lam, Alick, Mr. Kwok Kwan Hung and Mr. Chien Hoe Yong.

The duties of the audit committee are to review the Company's annual and quarterly financial reports and to provide advice and comments thereon to the Board. Five audit committee meetings were held during the year.

The Group's financial statements for the year ended March 31, 2007 have been reviewed by the audit committee, which is of the opinion that the preparation of such financial statements complies with applicable accounting standards, the GEM Listing Rules, and that adequate disclosures have been made.

REMUNERATION COMMITTEE

The Company has established a Remuneration Committee in March 2005. The current existing Remuneration Committee consists 3 independent non-executive Directors, namely, Mr. Siu Hi Lam, Alick, Mr. Kwok Kwan Hung and Mr. Chien Hoe Yong.

The Remuneration Committee would assist the Board to develop and administer a fair and transparent procedure for setting policy on the remuneration of Directors and senior management of the Company and for determining their remuneration packages and also is responsible for the administration of the share option schemes adopted by the Company. Terms of reference of the Remuneration Committee are approved by the Directors.

Executive Directors are responsible for reviewing all relevant remuneration data and market conditions as well as the performance of the individual and the profitability of the Company, and propose to the Remuneration Committee for consideration and approval, remuneration packages for Directors and senior management. Executive Directors, however, do not participate in determining their own remuneration.

PUBLICATION OF ANNUAL REPORT ON THE GEM WEBSITE

The annual report of the Company contains all the information required by the GEM Listing Rules will be published on the GEM website in due course.

By order of the Board
Galileo Capital Group Limited
Chui Bing Sun
Chairman

Hong Kong, June 25, 2007

As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. Chui Bing Sun and Mr. Lee Chi Shing, Caesar and three independent non-executive Directors, namely, Mr. Chien Hoe Yong, Mr. Kwok Kwan Hung and Mr. Siu Hi Lam, Alick.

This announcement will appear and remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of its posting.