

---

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

**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 stockbroker 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 **BALtrans Holdings Limited**, you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---



*Symbol of Quality Logistics Services*

**BALTRANS HOLDINGS LIMITED**

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 562)**

**DISCLOSEABLE TRANSACTION**

**ACQUISITION OF 52% OF THE ISSUED SHARE CAPITAL OF  
CLOVER CARGO HOLDINGS (PROPRIETARY) LIMITED**

---

## CONTENTS

---

	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b>	
Introduction .....	3
The Agreement dated 26 January 2006 .....	4
Information on Clover Cargo Holdings .....	6
Reasons for the Acquisition .....	7
Effect of the Acquisition on the earnings and assets and liabilities of the Company .....	7
General .....	7
<b>Appendix – General information</b> .....	8

---

## DEFINITIONS

---

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

“Acquisition”	the acquisition by the Company of 52% of the total issued share capital of Clover Cargo Holdings from the Vendor
“Agreement”	a sale of shares agreement dated 26 January 2006 entered into between the Company and the Vendor in relation to the Acquisition
“Board”	the board of directors of the Company
“Clover Cargo Holdings”	Clover Cargo Holdings (Proprietary) Limited, a company registered and incorporated in accordance with the laws of South Africa
“Clover Cargo Investments”	Clover Cargo Investments (Proprietary) Limited, a wholly owned subsidiary of Clover Cargo Holdings, which is an investments and properties holding company
“Clover Cargo Western Cape”	Clover Cargo International Western Cape (Proprietary) Limited, a 60% non-wholly owned subsidiary of Clover Cargo Holdings. Wicht Family Trust holds the remaining 40% of the issued share capital of Clover Cargo Western Cape
“Company”	BALtrans Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the main board of the Stock Exchange
“connected person”	as defined in the Listing Rules
“Directors”	the directors of the Company
“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
“JLS Logistics”	JLS Logistics UK Limited, a 75% non-wholly owned subsidiary of the Company
“Latest Practicable Date”	17 February 2006, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Other Clover Cargo Shareholders”	the existing shareholders of Clover Cargo Holdings excluding the Vendor and JLS Logistics

---

## DEFINITIONS

---

“Properties”	the immovable properties situate at 15 Belgrade Avenue, Aeroport Industrial Estate, Spartan, South Africa and 22 Belgrade Avenue, Aeroport Industrial Estate, Spartan, South Africa
“Property Business”	the property business division of Clover Cargo Investments carried on by Clover Cargo Investments as a going concern, comprising the Properties, 60% of the issued share capital of Clover Cargo Cape (Proprietary) Limited, and any and all contracts and obligations of Clover Cargo Investments in respect of the Properties
“SA GAAP”	South African Statements of Generally Accepted Accounting Practice
“Sale Shares”	104,000 ordinary shares of ZAR1.00 each in the issued share capital of Clover Cargo Holdings
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	the Trustees of the Fry Family Trust, and Leslie Frederick Fry
“ZAR”	South African Rand, the lawful currency of South Africa

*Unless otherwise specified in this circular, amounts denominated in ZAR have been converted into HK\$ at a rate of ZAR1.00 to HK\$1.26. No representation is made that any amounts in ZAR could have been or could be converted at the above rate or at any other rates or at all.*

---

## LETTER FROM THE BOARD

---



Symbol of Quality Logistics Services

# BALTRANS HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 562)

*Executive Directors:*

Mr. Lau Siu Wing Anthony

Mr. Ng Hooi Chong

*Non-executive Directors:*

Mr. Wai Chung Hung David

Mr. William Hugh Purton Bird

Mr. Christopher John David Clarke

Mr. Naruyuki Sado

*Independent Non-executive Directors:*

Mr. Yu Hon To David

Ms. Lau Kin Yee Miriam

Mr. Ng Cheung Shing

*Registered Office:*

Clarendon House

Church Street

Hamilton HM 11

Bermuda

*Principal Office in Hong Kong:*

8th Floor, Tower A

New Mandarin Plaza

14 Science Museum Road

Tsim Sha Tsui East

Kowloon

Hong Kong

21 February 2006

*To the Shareholders*

Dear Sir or Madam,

### DISCLOSEABLE TRANSACTION

#### ACQUISITION OF 52% OF THE ISSUED SHARE CAPITAL OF CLOVER CARGO HOLDINGS (PROPRIETARY) LIMITED

#### INTRODUCTION

The Board of the Company announced on 6 February 2006 that on 26 January 2006, the Company and the Vendor entered into the Agreement pursuant to which the Company agreed to purchase from the Vendor the Sale Shares in Clover Cargo Holdings, which represent 52% of the issued share capital of Clover Cargo Holdings, for an aggregate consideration of ZAR18,108,000 (approximately HK\$22,816,080).

The Acquisition constitutes a discloseable transaction of the Company under Chapters 14 of the Listing Rules, which is subject to notification and publication requirements. The purpose of this circular is to provide you with further information regarding the Acquisition.

---

## LETTER FROM THE BOARD

---

### THE AGREEMENT DATED 26 JANUARY 2006

#### Parties

Purchaser : the Company

Vendor : Trustees of the Fry Family Trust, and Leslie Frederick Fry, holding the Sale Shares which represent 52% of the issued share capital of Clover Cargo Holdings

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Vendor are third parties independent of the Company and connected persons of the Company.

#### Asset to be acquired

Pursuant to the Agreement, the Company agreed to acquire and the Vendor agreed to sell the Sale Shares representing 52% of the issued share capital of Clover Cargo Holdings which had an approximate audited total asset value of ZAR88,597,893 (based on SA GAAP and approximately HK\$111,633,345) and an approximate audited net asset value of ZAR10,061,213 (based on SA GAAP and approximately HK\$12,677,128) as at 31 December 2004. The Sale Shares had an approximate unaudited total asset value of ZAR111,318,081 (based on SA GAAP and approximately HK\$140,260,782) and an approximate unaudited net asset value of ZAR13,339,452 (based on SA GAAP and approximately HK\$16,807,710) as at 30 November 2005.

#### Consideration and payment terms

Upon completion of the Agreement, the Company will pay the Vendor an aggregate consideration of ZAR18,108,000 (approximately HK\$22,816,080) as follows:

1. ZAR15,300,000 (approximately HK\$19,278,000) will be paid by the Company in cash from the internal funds of the Company; and
2. ZAR2,808,000 (approximately HK\$3,538,080) will be settled by the Company issuing the Vendor with a promissory note (the "**Promissory Note**").

The total consideration for the Acquisition was arrived at after arm's length negotiations between the parties to the Agreement with reference to the unaudited consolidated net profit (after taxation and minority interest) of Clover Cargo Holdings for the eleven months ended 30 November 2005 amounting to ZAR6,135,817 (based on SA GAAP and approximately HK\$7,731,129). It represents a price-earnings ratio of 5.2 times the attributable unaudited annualized net profit (after taxation and minority interest) of Clover Cargo Holdings for the year ended 31 December 2005 and a price-earnings ratio of 8.6 times the attributable audited net profit (after taxation and minority interest) of Clover Cargo Holdings for the year ended 31 December 2004. The Company considers that the above price-earnings ratios are fair and in the interests of the Company.

---

## LETTER FROM THE BOARD

---

### Completion

The Agreement is subject to the fulfilment of, inter alia, the following conditions by 30 April 2006 (or such later date as may be agreed between the parties):

- (i) all necessary regulatory and governmental approvals and permissions are obtained on an unconditional basis or if conditions are attached thereto, on the basis that such conditions meet with the approval of the parties;
- (ii) agreements are concluded by the Company (a) with the Other Clover Cargo Shareholders for the prospective disposal to the Company (or the nominee of the Company) of 38% of the issued share capital of Clover Cargo Holdings and (b) with Wicht Family Trust for the prospective disposal to the Company (or the nominee of the Company) of 40% of the issued share capital of Clover Cargo Western Cape; and
- (iii) Clover Cargo Investments concludes an agreement with a new company to be established by all the existing shareholders of Clover Cargo Holdings (“Newco”) whereby Newco purchases from Clover Cargo Investments the Property Business as a going concern for a consideration of ZAR5,400,000.

The following table shows the shareholding in Clover Cargo Holdings before and after completion of the Agreement:

Shareholder	Shareholding percentage in Clover Cargo Holdings (before completion of the Agreement)	Shareholding percentage in Clover Cargo Holdings (after completion of the Agreement)
Fry Family Trust	47%	–
Leslie Frederick Fry	5%	–
the Company	–	52%
JLS Logistics (a 75% non-wholly owned subsidiary of the Company)	10%	10%
Other Clover Cargo Shareholders		
Assisi Trust	9.8%	9.8%
J St V Magnus	14.8%	14.8%
Osborn Trust	4.2%	4.2%
G M Partridge	9.2%	9.2%
<b>Total:</b>	<b>100%</b>	<b>100%</b>

In respect of condition (ii) above, the Company intends to reach agreements with the Other Clover Cargo Shareholders and Wicht Family Trust pursuant to which the Company (or the nominee of the Company) may purchase from (a) the Other Clover Cargo Shareholders an aggregate of 38% of the issued share capital of Clover Cargo Holdings and (b) Wicht Family Trust 40% of the issued share capital of Clover Cargo Western Cape. As at the Latest Practicable Date, the Company has not commenced the negotiation with the Other Clover Cargo Shareholders and Wicht Family Trust and no agreement has been concluded by the Company with the counterparties. The Company will comply with the disclosure requirements under the Listing Rules if and when appropriate.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, the Other Clover Cargo Shareholders and Wicht Family Trust are third parties independent of the Company and connected persons of the Company.

---

## LETTER FROM THE BOARD

---

In respect of condition (iii) above, the Newco will be owned by all the existing shareholders of Clover Cargo Holdings in proportion to their respective existing shareholdings in Clover Cargo Holdings. As the Company does not intend to include the Property Business into the Group, condition (iii) above is imposed as a condition precedent of the Agreement. The net asset value of the Property Business was ZAR5,799,621 (based on SA GAAP and approximately HK\$7,307,522) as at 31 December 2004 and the unaudited net profits (before and after taxation and minority interest) of the Property Business for the year ended 31 December 2004 were ZAR603,384 and ZAR376,489 (based on SA GAAP and approximately HK\$760,264 and HK\$474,376) respectively.

Moreover under the Agreement, the Vendor undertakes that it shall facilitate the discharge by Newco of 52% of the price payable for the Property Business by way of the transfer to Newco of the Promissory Note which will in turn be transferred by Newco to Clover Cargo Investments in part discharge of the purchase price of the Property Business.

If the above conditions have not been fulfilled, by not later than 30 April 2006, or such later dates as may be agreed in writing by the parties, the Agreement will fall away and be of no further force or effect. As at the Latest Practicable Date, the above conditions were not fulfilled.

### INFORMATION ON CLOVER CARGO HOLDINGS

Clover Cargo Holdings is a company incorporated in South Africa and, together with its subsidiaries, is engaged in supply chain management business providing international supply chain logistics services and solutions to importers and exporters such as freight forwarding, customs broking and warehousing.

The audited consolidated total asset value and net asset value of Clover Cargo Holdings as at 31 December 2004 were approximately ZAR170,380,563 (HK\$214,679,509) and ZAR19,348,486 (HK\$24,379,092) respectively. The audited consolidated net profits (both before and after taxation and minority interest) of Clover Cargo Holdings prepared in accordance with SA GAAP for each of the two years ended 31 December 2004 and the unaudited consolidated net profits (both before and after taxation and minority interest) of Clover Cargo Holdings prepared in accordance with SA GAAP for the eleven months ended 30 November 2005 are set out as follows:

	<b>For the year ended 31 December 2003</b>	<b>For the year ended 31 December 2004</b>	<b>For the eleven months ended 30 November 2005</b>
<b>Consolidated net profits (before taxation and minority interest)</b>	ZAR5,511,039 (Audited and approximately HK\$6,943,909)	ZAR7,098,019 (Audited and approximately HK\$8,943,504)	ZAR10,157,893 (Unaudited and approximately HK\$12,798,945)
<b>Consolidated net profits (after taxation and minority interest)</b>	ZAR2,882,555 (Audited and approximately HK\$3,632,019)	ZAR4,058,917 (Audited and approximately HK\$5,114,235)	ZAR6,135,817 (Unaudited and approximately HK\$7,731,129)



---

## LETTER FROM THE BOARD

---

### REASONS FOR THE ACQUISITION

The Group is principally engaged in the provision of air and sea freight forwarding services, exhibition forwarding and household removal services, third-party logistics representing trucking and warehousing services. It is the goal of the Company to expand and integrate its global network to tap into new markets. The Acquisition signifies the Company's continuing efforts to implement its expansion strategy into the EMEA Region (Europe, Middle East, Africa) and its first foray into Africa. Clover Cargo Holdings is a major player in the freight forwarding and logistics field in South Africa operating in Johannesburg, Durban, Cape Town and Port Elizabeth with more than 200 employees. The Acquisition provides the Company with new business opportunities and a solid platform to build upon. Clover Cargo Holdings can in turn leverage on the substantial global platform and resources of the Company to enhance its service offerings to its customers. The Acquisition is consistent with the above goal of the Company.

The Agreement was entered into on normal commercial terms after arm's length negotiation. The Directors believe that the terms of the Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Directors also consider that the completion of the Acquisition will not bring any adverse effect on the Group.

### EFFECT OF THE ACQUISITION ON THE EARNINGS AND ASSETS AND LIABILITIES OF THE COMPANY

The total consideration for the Acquisition will be settled partly by cash out of the internal funds of the Company and partly by the issue of the Promissory Note. After the completion of the Agreement, Clover Cargo Holdings and its subsidiaries will become the subsidiaries of the Company and their results will be consolidated in the accounts of the Company. Save as the above, the Acquisition does not have any immediate effect on the assets and liabilities of the Purchaser and the Company. The Acquisition is not expected to have any significant impact on the earnings of the Purchaser.

### GENERAL

The Acquisition constitutes a discloseable transaction of the Company under Chapters 14 of the Listing Rules, which is subject to the notification and publication requirements.

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

Yours faithfully,  
By Order of the Board  
**LAU Siu Wing Anthony**  
*Chairman*

## 1. RESPONSIBILITY STATEMENT

This document includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this document and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement in this document misleading.

## 2. DISCLOSURE OF INTERESTS

- (a) As at the Latest Practicable Date, the interests of the Directors in the share capital of the Company which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests which they were taken or deemed to have under such provisions of the SFO), or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or were required, pursuant to the Model Code for Securities Transactions by the Directors of Listed Companies of the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Name	Number of Shares or underlying Shares	Nature of interest	Percentage of shareholding
Lau Siu Wing Anthony (an executive Director) (Notes 1 & 2)	73,286,000 Shares	Trust	24.12%
	500,000 Shares	Personal	0.17%
	2,100,000 underlying Shares	Personal	0.69%
Wai Chung Hung David (a non-executive Director) (Note 2)	25,654,487 Shares	Personal	8.44%
	1,500,000 underlying Shares	Personal	0.49%
William Hugh Purton Bird (a non-executive Director) (Note 3)	41,803,688 Shares	Corporate	13.76%
Ng Hooi Chong (an executive Director) (Note 2)	300,000 Shares	Personal	0.10%
	1,500,000 underlying Shares	Personal	0.49%
Christopher John David Clarke (a non-executive Director)	78,000 Shares	Personal	0.03%

*Notes:*

- 73,286,000 Shares are beneficially owned by Asian Rim Co. Ltd., which is wholly owned by brother and brother-in-law of Lau Siu Wing Anthony (“Mr. Lau”) as the trustees of a discretionary trust set up for the benefit of Mr. Lau’s family. Mr. Lau is a director of Asian Rim Co. Ltd.

2. Mr. Lau, Wai Chung Hung David and Ng Hooi Chong hold options under the share option scheme of the Company to subscribe for 1,500,000 Shares, 1,500,000 Shares and 900,000 Shares respectively at HK\$2.045 per Share for a period of 5 years from 4 May 2004 to 3 May 2009 provided that the options shall be exercisable as follows:
- up to 25% thereof from 4 May 2005;
  - up to 50% thereof from 4 May 2006;
  - up to 75% thereof from 4 May 2007; and
  - up to 100% thereof from 4 May 2008.
- Mr. Lau and Ng Hooi Chong also hold additional options under the share option scheme of the Company to subscribe for 1,600,000 Shares and 600,000 Shares respectively at HK\$2.95 per Share for a period of 5 years from 17 August 2005 to 16 August 2010 provided that the options shall be exercisable as follows:
- up to 25% thereof from 17 August 2006;
  - up to 50% thereof from 17 August 2007;
  - up to 75% thereof from 17 August 2008; and
  - up to 100% thereof from 17 August 2009.
3. These Shares are beneficially owned by Tropical Holding Investment Inc. (“**Tropical Holding**”), which is wholly owned by William Hugh Purton Bird and his wife. Mr. William Hugh Purton Bird is a director of Tropical Holding.

Save as disclosed above and non-beneficial interests in Shares of the Company’s certain associated companies and subsidiaries, so far as the Company is aware, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (as defined in Part XV of the SFO) for which (a) notification shall be given to the Company or the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including those interests and short positions which the Directors and chief executives are supposed or deemed to be holding or owning pursuant to the provisions of the SFO); or (b) registration shall be made in the register in accordance with Section 352 of the SFO; or (c) notification shall be made to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies of the Listing Rules.

- (b) As at the Latest Practicable Date, so far as are known to the Directors, interests or short positions held by any individual or company, other than the Directors or chief executive of the Company, for which disclosure shall be made to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or any beneficial interests representing 5% or more of the issued share capital of the Company directly or indirectly which were recorded in the register kept by the Company under section 336 of the SFO, were as follows:

Name	Number of Shares	Name of interest	Percentage of shareholding
Asian Rim Co. Ltd. (Note 1)	73,286,000	Beneficial owner	24.12%
Mitsui & Co. Ltd.	75,785,125	Beneficial owner	24.98%
Tropical Holding Investment Inc. (Note 2)	41,803,688	Beneficial owner	13.76%

*Notes:*

1. 73,286,000 Shares are beneficially owned by Asian Rim Co. Ltd., which is wholly owned by brother and brother-in-law of Lau Siu Wing Anthony (“**Mr. Lau**”) as the trustees of a discretionary trust set up for the benefit of Mr. Lau’s family. Mr. Lau is a director of Asian Rim Co. Ltd.
2. These Shares are beneficially owned by Tropical Holding Investment Inc. (“**Tropical Holding**”), which is wholly owned by William Hugh Purton Bird and his wife. Mr. William Hugh Purton Bird is a director of Tropical Holding.

Saved as disclosed above, as far as the Directors are aware, as at the Latest Practicable Date, there was no other person who had any interests or short positions in shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 or 3 of Part XV of the SFO or who owns any beneficial interests representing 5% or more of any class of shares or warrants or attached with a right to vote at any of the shareholders’ general meeting of the Company.

- (c) As at the Latest Practicable Date, so far as is known to the Directors, the following persons (other than a Director or chief executive of the Company) were, directly or indirectly, interested in 10 per cent. or more of the nominal value of the share capital carrying rights to vote in all circumstances at general meetings of the following subsidiaries of the Company:
- (i) Mr. Jorg Peter Timmermann and Mr. Robert Ernest Norman Lipton were each interested in 12.5 per cent. of the issued share capital of BALtrans (Australia) Pty. Limited;
  - (ii) Mr. Eugene Yip and Mr. Paulus Choi were each interested in 15 per cent. of the issued share capital of BALtrans Logistics (Canada) Limited;
  - (iii) Miss Lai Ming Kuen was interested in 10 per cent. of the issued share capital of BALtrans International Moving Limited;
  - (iv) Mr. Pak Sau Hwa was interested in 20 per cent. of the issued share capital of BALtrans International Moving Limited;
  - (v) Miss Lai Ming Kuen was interested in 15 per cent. of the issued share capital of BALtrans Exhibition & Removal Limited;
  - (vi) Mr. Pak Sau Hwa was interested in 25 per cent. of the issued share capital of BALtrans Exhibition & Removal Limited;
  - (vii) Mr. Richard Chia was interested in 29 per cent. of the issued share capital of Helu-Trans (S) Pte. Limited;
  - (viii) Mr. Joao Manuel Pestana Gomes and Mr. Edward Nigel Stroud were interested in 15 per cent. and 10 per cent. of the issued share capital of JLS Logistics UK Limited respectively;

- (ix) Cathay International Industrial Investment Inc. and Xiamen Globelink China Logistics Ltd. were interested in 24 per cent. and 10 per cent. of the issued share capital of BALtrans Logistics (China) Limited respectively;
- (x) Mr. Kapil Dutta was interested in 26% of the issued share capital of BALtrans Logistics (India) Private Limited;
- (xi) Mr. Fung Tak Fai Thomas was interested in 20% of the issued share capital of Muragawa Logistics Limited; and
- (xii) Mr. Randall Kelly was interested in 16.31% of the issued share capital of BALtrans Logistics (Lanka) Pvt Limited.

Save as disclosed above, as at the Latest Practicable Date, so far as are known to the Directors, there was no other person who is directly or indirectly, interested in 10% or more of the equity interest carrying rights to vote in all circumstances at general meetings of any other members of the Group.

### 3. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered or proposed to enter into any service contract with any member of the Group which is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

### 4. LITIGATION

In March 2005, certain subsidiaries of the Company in the US received a complaint filed with the United States Bankruptcy Court, alleging that those subsidiaries had collected antecedent debts (the “**Transfers**”) of approximately US\$1.4 million from certain US customers within 90 days preceding 21st March 2003 (the date such US customers filed voluntary petitions for reorganization relief under Chapter 11 of the Bankruptcy Code in the US) and that the Transfers had enabled those subsidiaries to receive more than they would have received if the Transfers had not been made and those subsidiaries received payment on the antecedent debts to the extent provided by the Bankruptcy Code. The complaint seeks to void and recover the Transfers. The Company has sought legal advice on the above claim. Based on the advice from the US counsel, the exposure is likely to be significantly less than the full amount of the alleged Transfers due to the availability of a wide range of valid defences under the statute of limitations and on the merits recognized under several sections of the Bankruptcy Code as well as additional common law defences.

Save as disclosed above, as at the Latest Practicable Date, neither the Company nor any of its subsidiaries is engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened against the Company or any of its subsidiaries.

**5. MISCELLANEOUS**

- (a) The qualified accountant of the Company is Mr. Ng Hooi Chong. He is an associate of The Institute of Chartered Accountants in England and Wales and The Hong Kong Institute of Certified Public Accountants respectively.

The secretary of the Company is Ms. Chan Sau Yee. She is an associate member of The Institute of Chartered Secretaries and Administrators in UK and The Hong Kong Institute of Chartered Secretaries in Hong Kong respectively.

- (b) The registered office of the Company is situated at Clarendon House, Church Street, Hamilton HM 11, Bermuda and its principal office in Hong Kong is situated at 8th Floor, Tower A, New Mandarin Plaza, 14 Science Museum Road, Tsim Sha Tsui East, Kowloon, Hong Kong. The address of the Company's branch share registrar, Abacus Share Registrars Limited, is at 26/F Tesbury Centre, 28 Queen's Road East, Hong Kong.
- (c) None of the executive Directors have personal interests in companies engaged in businesses, which compete or may compete with the Group.