HUALI HOLDINGS (GROUP) LIMITED
華力控股(集團)有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3366)

2007 INTERIM RESULTS ANNOUNCEMENT

RESULTS

The board of directors (the "Board") of Huali Holdings (Group) Limited (the "Company") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2007, together with the comparative figures for the corresponding period in 2006 as follows:

CONSOLIDATED INCOME STATEMENT
For the six months ended 30 June 2007 (unaudited)
(Expressed in Renminbi)

		Six months ended 30 June	
		2007	2006
	Note	***RMB'000***	*RMB'000*
Turnover	*4*	**343,702**	316,254
Cost of sales		**(299,397)**	(273,661)
Gross profit		**44,305**	42,593
Other revenue		**11,251**	9,493
Other net loss		**(659)**	(774)
Distribution costs		**(14,725)**	(15,065)
Administrative expenses		**(12,571)**	(14,822)
Other operating expenses		**(284)**	(561)
Profit from operations		**27,317**	20,864
Finance costs	*5*	**(2,223)**	(1,250)
Profit before taxation	*5*	**25,094**	19,614
Income tax	*6*	**(3,279)**	(3,547)
Profit for the period		**21,815**	16,067
Attributable to:			
Equity shareholders of the Company		**21,757**	16,044
Minority interests		**58**	23
Profit for the period		**21,815**	16,067
Earnings per share *(RMB)*	*8*		
Basic		**0.109**	0.080
Diluted		**0.103**	0.077

CONSOLIDATED BALANCE SHEET
At 30 June 2007 (unaudited)
(Expressed in Renminbi)

	Note	At 30 June 2007 RMB'000	At 31 December 2006 RMB'000
Non-current assets			
Property, plant and equipment		**185,628**	179,884
Construction in progress		**22,993**	20,438
Goodwill		**24,937**	24,937
Lease prepayments	*9*	**81,701**	20,010
Deferred tax assets		**2,757**	2,878
		318,016	248,147
Current assets			
Inventories		**83,735**	63,775
Trade and other receivables	*10*	**139,658**	135,858
Cash and cash equivalents	*11*	**83,015**	172,160
		306,408	371,793
Current liabilities			
Trade and other payables	*12*	**191,119**	207,009
Bank loans		**67,252**	43,664
Current taxation		**2,192**	4,882
		260,563	255,555
Net current assets		**45,845**	116,238
Total assets less current liabilities		**363,861**	364,385
Non-current liabilities			
Bank loans		**19,098**	26,524
NET ASSETS		**344,763**	337,861

	Note	At 30 June 2007 RMB'000	At 31 December 2006 RMB'000
CAPITAL AND RESERVES			
Share capital		**20,800**	20,800
Reserves		**323,963**	315,362
Total equity attributable to equity shareholders of the Company		**344,763**	336,162
Minority interests		**–**	1,699
TOTAL EQUITY		**344,763**	337,861

NOTES TO THE INTERIM FINANCIAL REPORT (UNAUDITED)

(Expressed in Renminbi)

1. Basis of presentation

Acquisition of Grand Signal Limited

On 20 January 2006, the Group acquired 100% interest in Grand Signal Limited ("Grand Signal") from its intermediate holding company, Overseas Chinese Town (HK) Company Limited ("OCT(HK)"), for a cash consideration of approximately HK$8,457,000 (approximately RMB8,796,000 equivalent) (hereinafter referred to as the "Acquisition"). Grand Signal is an investment holding company and its sole subsidiary, Anhui Huali Packaging Company Limited ("Anhui Huali") (formerly known as Anhui Huali Industrial Products Manufacturing Company Limited), engages in the manufacture and sale of paper boxes and products in the People's Republic of China (the "PRC").

As the Group, Grand Signal and Anhui Huali (the "Acquired Group") have been under the common control of OCT(HK), the Acquisition is reflected in the condensed consolidated interim financial statements using the principles of merger accounting under Accounting Guideline 5 ("AG 5"). Accordingly, the assets and liabilities of the Acquired Group have been accounted for at historical amounts and the condensed consolidated interim financial statements of the Company prior to the Acquisition have been restated to include the result of operations and assets and liabilities of the Acquired Group on a combined basis. The consideration paid by the Group for the Acquisition has been accounted for as an equity transaction in the consolidated statement of changes in equity for the year ended 31 December 2006.

2. Basis of preparation

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard ("HKAS") 34, "Interim financial reporting", issued by Hong Kong Institute of Certified Public Accountants ("HKICPA").

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2006 annual financial statements. Please refer to note 3 for the discussion of new and revised Hong Kong Financial Reporting Standards ("HKFRSs") adopted by the Group in 2007.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

In preparing this interim financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2006.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the annual financial statements for the year ended 31 December 2006. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with HKFRSs which collective term includes all applicable individual Hong Kong Financial Reporting Standards, HKASs and Interpretations.

The interim financial report is unaudited and not reviewed by the auditors, but has been reviewed by the Audit Committee of the Company. It was approved and authorised for issuance on 20 August 2007.

The financial information relating to the financial year ended 31 December 2006 that is included in the interim financial report does not constitute the Company's statutory financial statements for that financial year but is derived from those financial statements and has been restated with respect to the common control combination (note 1). Statutory financial statements for the year ended 31 December 2006 are available from the Company's registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 27 March 2007.

3. New and revised HKFRSs

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies applied in these financial statements for the periods presented.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4. Turnover

The principal activity of the Group is the manufacture and sale of paper boxes and products. Turnover represents the sales value of goods supplied to customers, net of value-added tax.

5. Profit before taxation

Profit before taxation is arrived at after charging/(crediting):

		Six months ended 30 June	
		2007	2006
		RMB'000	*RMB'000*
(a)	Finance costs:		
	Interest on bank loans	**2,223**	1,250
(b)	Staff costs:		
	Salaries, wages and other benefits	**25,866**	22,009
	Contributions to defined contribution retirement schemes	**1,541**	1,682
	Equity-settled share-based payment expenses	**–**	4,558
		27,407	28,249
(c)	Other items:		
	Amortisation of lease prepayments	**621**	219
	Depreciation of property, plant and equipment	**14,160**	13,093
	Impairment losses (written back)/made on trade and other receivables	**(2)**	507
	Inventory write-down and losses	**258**	–
	Net gain on disposal of a subsidiary	**(696)**	–

6. Income tax

	Six months ended 30 June	
	2007	2006
	RMB'000	*RMB'000*
Current tax – Provision for PRC income tax		
Provision for the year	**3,279**	3,547

No provision for Hong Kong Profits Tax has been made as the Group did not have any assessable profits subject to Hong Kong Profits Tax during the six months ended 30 June 2007 (2006: Nil).

Pursuant to the income tax rules and regulations of the PRC, taxation for PRC subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant cities in the PRC, which range between 10% to 33% (2006: 15% to 33%). Certain subsidiaries are entitled to a tax concession period in which it is fully exempted from PRC income tax for 2 years starting from its first profit-making year, followed by a 50% reduction in the PRC income tax for the next 3 years.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands during the period (2006: Nil).

On 16 March 2007, the Fifth Plenary Session of the Tenth National People's Congress passed the Corporate Income Tax Law of the PRC ("new tax law") which will take effect on 1 January 2008. As a result of the new tax law, the statutory income tax rate currently adopted by the Group will change from 33% to 25% with effect from 1 January 2008 over a five-year transitional period. The existing preferential tax rates currently enjoyed by certain subsidiaries will be gradually transited to the standard rate of 25% over a five-year transitional period. As the detailed instruction for the transition to the new tax rate is yet to be issued, the Group estimated that the applicable income tax rates under the preferential tax policy will be expired at the shorter of existing preferential tax periods and five-year transitional period. The change in the carrying amount of deferred tax assets and liabilities, as a result of change in tax rate, is considered in the financial statements of the Group in 2007.

7. Dividends

Dividends attributable to the previous financial year, approved and paid during the interim period:

	Six months ended 30 June	
	2007	2006
	RMB'000	*RMB'000*
Final dividend in respect of the financial year ended 31 December 2006, approved and paid during the following interim period, of HK$6.40 cents per share (equivalent RMB6.337 cents per share) (year ended 31 December 2005: HK$7.8 cents per share) (equivalent RMB8.112 cents per share)	**12,675**	16,224

The directors do not propose the payment of an interim dividend for the six months ended 30 June 2007 (2006: Nil).

8. Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share for the six months ended 30 June 2007 is based on the profit attributable to equity shareholders of the Company of RMB21,757,000 (2006: RMB16,044,000) and the weighted average of 200,000,000 (2006: 200,000,000) shares in issue during the six months ended 30 June 2007.

(b) Diluted earnings per share

The calculation of diluted earnings per share for the six months ended 30 June 2007 is based on the profit attributable to equity shareholders of the Company of RMB21,757,000 (2006: RMB16,044,000) and the weighted average of 210,377,705 (2006: 207,481,925) ordinary shares (diluted) in issue during the six months ended 30 June 2007, calculated as follows:

Weighted average number of ordinary shares (diluted)

	2007	2006
Number of ordinary shares at 30 June	**200,000,000**	200,000,000
Effect of deemed issue of shares under the Company's share option scheme	**10,377,705**	7,481,925
Weighted average number of ordinary shares (diluted) at 30 June	**210,377,705**	207,481,925

9. Lease prepayments

During the period, the Group established a wholly owned subsidiary, Huizhou Huali Packing Co., Ltd. ("Huizhou Huali"). Huizhou Huali entered into a transfer agreement with an independent third party to acquire the land use right of a piece of land in Huiyang for the Group's production expansion at a cash consideration of RMB62,313,000.

10. Trade and other receivables

	At 30 June 2007 *RMB'000*	At 31 December 2006 *RMB'000*
Trade receivables	**113,101**	105,467
Bills receivable	**22,677**	26,513
Prepayment, deposits and other receivables	**3,880**	3,878
	139,658	135,858

Included in trade and other receivables are trade and bills receivables (net of impairment losses for bad and doubtful debts) with the following ageing analysis as of the balance sheet date:

	At 30 June 2007 *RMB'000*	At 31 December 2006 *RMB'000*
Within 3 months	**129,134**	127,807
Within 6 months but more than 3 months	**6,644**	4,115
Within 12 months but more than 6 months	**–**	58
	135,778	131,980

The Group normally allows a credit period ranging from 30 days to 90 days to its customers. Subject to negotiation, extended credit terms are available for certain customers with established trading records.

11. Cash and cash equivalents

	At 30 June 2007 *RMB'000*	At 31 December 2006 *RMB'000*
Cash at bank and in hand	**83,015**	172,160

12. Trade and other payables

	At 30 June 2007 *RMB'000*	At 31 December 2006 *RMB'000*
Trade payables	**81,679**	71,244
Bills payable	**74,530**	99,258
Other payables	**34,910**	36,415
Amount due to a related party	**–**	92
	191,119	207,009

Included in trade and other payables are trade creditors and bills payable with the following ageing analysis as of the balance sheet date:

	At 30 June 2007 *RMB'000*	At 31 December 2006 *RMB'000*
Within 3 months or on demand	**149,780**	124,374
Over 3 months but less than 1 year	**6,263**	45,934
Over 1 year	**166**	194
	156,209	170,502

MANAGEMENT DISCUSSION AND ANALYSIS

Operating Results

Pearl River Delta and Yangtze River Delta, where the subsidiaries of the Company locate, have emerged as the important packaging industrial zones in China. There is a large number of paper packaging companies in the regions with increasing competition across the industry. During the first half year of 2007, the price of raw material and energy, labour costs and interest rates have been rising continuously on different extents. With higher costs, intense price competition and lower profit margin in the industry, the Group still managed to achieve a steady growth through enhancing internal management.

For the six months ended 30 June 2007, the Group recorded a turnover of approximately RMB344 million, representing an increase of approximately 8.9% over the same period of last year; the gross profit margin was approximately 12.9%, representing a decrease of 0.6% over the same period of 2006, which was mainly attributable to higher cost of sales due to increase in raw material prices; profits attributable to shareholders were approximately RMB21.76 million, representing an increase of approximately 35.7% over the same period of last year. Excluding the factor that the fair value of the share options of RMB4.56 million granted to employees were recognized as an expense in the first half year of 2006, profits attributable to shareholders for the six months ended 30 June 2007 increased by approximately 5.6% over the same period of last year.

On 19 March 2007, Huizhou Huali Packaging Company Limited ("Huizhou Huali"), an indirect wholly-owned subsidiary of the Company, entered into a transfer agreement to acquire the land use rights of a piece of land (the "Land") in Huizhou, Guangdong, at the actual consideration of RMB62,313,000 (equivalent to approximately HK$61,702,000), and the relevant state owned land use rights certificates of the Land was issued in the name of Huizhou Huali in April this year. A new production facility will be built on the Land and the production capacity of the Group is expected to be enhanced accordingly. The Group plans to gradually relocate the Group's operation in Shenzhen to the new production base.

In May 2007, the Group changed its strategic plan by disposing its 100% equity interest in Mission Holdings Services Limited (its only asset was holding directly 85% equity interest in Mundanjiang Huali Packaging Company Limited ("Mudanjiang Huali"). The consideration of the disposal of the equity interest is HK$9,920,000 (equivalent to RMB9,780,000). Given Mudanjiang Huali's remote location and the dim prospect of expanding its production scale, the Directors consider that the transaction was in the Group's long term interest.

In April 2007, the paperboard production line of Anhui Huali Packaging Company Limited ("Anhui Huali") came into service and became the Group's new profit engine.

During the period under review, by centralizing its procurement function, the Group successfully mitigated the adverse impact of the increase in paper price. In addition, all production bases of the Group have implemented an ERP system, which helps optimize the allocation of internal resources and maximize efficiency.

Outlook

The Group encountered difficulties and challenges due to arising adverse factors such as lower profit margin for the whole industry as a result of intense price competition, the indirect impacts as a result of adjustments on the national export tax refund rate and the possible increase in paper price for the second half of the year. Nevertheless, driven by the steady growth of China's economy, the corrugated paper packaging industry continues to maintain good development trends and bright outlook. The Group remains optimistic towards its future development.

For the second half of 2007, the Group will continue to strengthen quality management and supply chain management, so as to improve its product quality and provide its customers with improved services. As Anhui Huali strengthens its market expansion, it is anticipated that its production scale will be gradually increased. For the second half of the year, the application of the German colour printing equipment newly acquired by Shanghai Huali Packaging Co., Ltd.(上海華勵包裝有限公司) will facilitate the Group to expand its colour printing business in Eastern China. Huizhou Huali is in its preparation stage of planning with a smooth progress, and is scheduled to commence production by the end of next year.

In order to enhance its competitive edges and increase its profitability, the management of the Group intends to seek for new development opportunities in Pearl River Delta, Yangtze River Delta, Huanbohai Area and other economically developed areas, including participation in other industries with good development outlook.

Appointment of Independent Director

At the 2006 Annual General Meeting of the Company held on 26 April 2007, a resolution was passed in respect of the appointment of Ms. Wong Wai Ling as an independent non-executive director of the Company for a term of 1 year. Upon the approval of the Board, Ms. Wong Wai Ling acts as the Chairman of the Group's Audit Committee and Remuneration Committee.

Financial Review

As at 30 June 2007, the Group's total assets were approximately RMB624 million. Total equity amounted to approximately RMB345 million. The Group's turnover was approximately RMB344 million for the six months ended 30 June 2007, representing an increase of approximately 8.9% over the same period of 2006; gross profit margin was approximately 12.9% (same period in 2006: 13.5%), mainly attributable to higher cost of sales due to increases in raw material prices; profits attributable to shareholders were approximately RMB21.76 million, representing an increase of approximately 35.7% over the same period of 2006; excluding the factor that the fair value of the share options of RMB4.56 million granted to employees were recognized as an expense in the first half year of 2006, profits attributable to shareholders for the six months ended 30 June 2007 increased approximately 5.6% over the same period of last year.

Distribution Costs and Administrative Expenses

Distribution costs for the six months ended 30 June 2007 were approximately RMB14.73 million (same period in 2006: approximately RMB15.07 million), representing a decrease of approximately 2.3% over the corresponding period in 2006. This was mainly attributable to reduction in transportation costs after Anhui Huali, a subsidiary of the Group, commenced production, which helped shorten the distance between the Group's facility and its customers.

The Group's administrative expenses for the six months ended 30 June 2007 were approximately RMB12.57 million (same period in 2006: approximately RMB14.82 million), representing a decrease of approximately 15.2% over the corresponding period in 2006. Excluding the factor that the fair value of the share options of RMB4.56 million granted to employees were recognized as an expense in the first half year of 2006, administrative expenses were increased by approximately RMB2.31 million over the corresponding period in 2006, which was mainly due to more operation activities and the increase in lease and salary payment during the period.

Interest Expenses

The interest expenses of the Group were approximately RMB2.22 million for the six months ended 30 June 2007, as compared to RMB1.25 million for the same period ended 30 June 2006; the increase of which was mainly attributable to more borrowings due to increase in capital expenditure.

Dividends

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2007.

Inventories, Debtors' and Creditors' Turnover

The inventory turnover of the Group was 51 days for the six months ended 30 June 2007 as compared to 38 days for the year ended 31 December 2006. The increase in inventory turnover day over 2006 was mainly attributable to higher inventory level after Anhui Huali, a subsidiary of the Group, commenced production. The Group's debtors' turnover days were 72 days for the six months ended 30 June 2007 as compared to 69 days for the year ended 31 December 2006. The above debtors' turnover days are substantially the same as that normally granted by the Group to its customers. The Group's creditors' turnover days were 95 days for the six months ended 30 June 2007 as compared to 102 days for the year ended 31 December 2006.

Liquidity, Financial Resources and Capital Structure

The total equity of the Group as at 30 June 2007 was approximately RMB345 million (31 December 2006: approximately RMB338 million). As at 30 June 2007, the Group had current assets of approximately RMB306 million (31 December 2006: approximately RMB372 million) and current liabilities of approximately RMB261 million (31 December 2006: approximately RMB256 million). The liquidity ratio was 1.18 as at 30 June 2007 as compared to 1.45 as at 31 December 2006. Decrease of liquidity ratio was mainly due to withdrawal of bank deposits of approximately RMB89.15 million, of which approximately RMB87.06 million were used for capital expenditure. The Group generally finances its operations with internally generated cash flow and credit facilities provided by banks. As at 30 June 2007, the Group had outstanding bank loans of approximately RMB86.35 million, of which approximately RMB44 million were fixed rate loans (As at 31 December 2006: outstanding bank loans of approximately RMB70.19 million, of which approximately RMB15 million were fixed rate loans). The interest rates of bank loans of the Group was 5.10% per annum to 6.39% per annum for the six months ended 30 June 2007 and from 4.96% per annum to 7.07% per annum for the year ended 31 December 2006. Part of these bank loans were secured by corporate guarantees provided by certain subsidiaries of the Company. The Group's gearing ratio (being the total borrowings including bills payable and bank loans divided by total assets) decreased from approximately 27% as at 31 December 2006 to approximately 26% as at 30 June 2007.

As at 30 June 2007, approximately 63% of the total amount of outstanding bank loans of the Group was in Renminbi (31 December 2006: 43%), approximately 37% of its bank loans was in Hong Kong Dollars (31 December 2006: 57%). As at 30 June 2007, approximately 60% of the total amount of cash and cash equivalents of the Group was in Renminbi (31 December 2006: 39%), approximately 37% of its cash and cash equivalents was in Hong Kong Dollars (31 December 2006: 55%) and approximately 3% of its cash and cash equivalents was in US Dollars (31 December 2006: 6%).

The Group's liquidity position remains stable and the Group possesses sufficient cash and available banking facilities to meet its commitments, working capital requirements and future investments for expansion. The Group's transactions and monetary assets are principally denominated in Renminbi, Hong Kong dollars or United States dollars. The Group has not experienced any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates for the period up to 30 June 2007. As at 30 June 2007, the Group did not employ any financial instrument for hedging purposes.

CORPORATE GOVERNANCE

For the six months ended 30 June 2007, the Company has complied with all the code provisions of the Code on Corporate Governance Practices as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

SECURITIES TRADING BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies set out in Appendix 10 of the Listing Rules ("Model Code"). The Board confirms that, having made specific enquiry of all Directors, the Directors have complied with the required standards set out in the Model Code regarding the Directors' securities transactions.

AUDIT COMMITTEE

The audit committee of the Company and the management have reviewed the unaudited interim financial statements of the Group for the six months ended 30 June 2007 and have discussed the internal control, accounting principles and practices adopted by the Group.

POST BALANCE SHEET EVENTS

On 11 July 2007, Shenzhen Huali Packing & Trading Co., Ltd. (the "Vendor"), an indirect wholly-owned subsidiary of the Company, entered into the S&P Agreement with Overseas Chinese Town Real Estate Company Limited (the "Purchaser"), pursuant to which the Vendor conditionally agreed to sell the land use right of a piece of land located in Shenzhen and two factory buildings erected on the land, the PRC (the "Property") to the Purchaser at an aggregate consideration of RMB50,600,000. The Vendor and the Purchaser also entered into a tenancy agreement pursuant to which the Purchaser (as landlord) agrees to lease back the Properties to the Vendor (as tenant) at a monthly rental of approximately RMB263,824 for a fixed term up to 31 December 2009. The aforesaid disposal of the Properties and the tenancy agreement constitute discloseable and connected transaction and continuing connected transaction, respectively, under the Listing Rules. After the disposal of the Properties, the Company plans to gradually relocate its production base in Shenzhen to the parcel of land at Huiyang District, Huizhou City, Guangdong Province, the PRC with a total area of approximately 212,673 sq.m. The site where the land is situated has a well developed transport and road network which represents a significant advantage to the Group. The aforesaid disposal of the Properties and the tenancy agreement was approved by the independent shareholders at an extraordinary general meeting held on August 14th, 2007 pursuant to the Listing Rules.

On 20 August 2007, Mr. Liu Danlin resigned as executive director of the Company and the Board resolved to redesignate Ms. Xie Mei from a non-executive director to an executive director of the Company. Since 20 August 2007, Ms. Xie Mei has ceased to act as members of the remuneration committee and the audit committee of the Company. The Board also resolved to appoint Mr. Chen Xiangdong (an independent non-executive director) as members of the remuneration committee and the audit committee of the Company with effect from 20 August 2007.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company or any of its subsidiaries has not redeemed any of its shares during the six months ended 30 June 2007. During the same period, neither the Company nor any of its subsidiaries has purchased or sold any of the shares of the Company.

As at the date of this announcement, the Board comprises seven directors, namely: Mr. Zheng Fan, Mr. Ni Zheng, Ms. Xie Mei and Mr. Zhou Guangneng as executive directors; Ms. Wong Wai Ling, Mr. Chen Xiangdong and Mr. Xiao Yongping as independent non-executive directors.

By order of the Board
Zheng Fan
Chairman

Hong Kong, 20 August 2007