GUO XIN GROUP LIMITED
國 新 集 團 有 限 公 司 *

(Incorporated in Bermuda with limited liability)

(Stock Code: 1215)

ANNUAL FINAL RESULTS FOR THE YEAR ENDED 30 JUNE 2007

RESULTS

The board (the "Board") of directors (the "Directors") of Guo Xin Group Limited (the "Company") announces the audited consolidated results of the Company and its subsidiaries (hereinafter collectively referred to as the "Group") for the year ended 30 June 2007 (the "Current Year") together with the comparative figures for the previous year, as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2007

	NOTES	**2007** *HK$'000*	2006 *HK$'000*
Continuing operation			
Turnover	*4*	**13,050**	16,537
Cost of sales		**(7)**	(15)
Gross profit		**13,043**	16,522
Other revenue	*6*	**3,938**	53,223
Other income	*7*	**2,910**	27,924
Discount on acquisition		**4,494**	488
Gain on disposal of subsidiaries		**7,169**	–
Share of results of a jointly controlled entity		**3,996**	47
Surplus/(deficit) on revaluation of investment properties		**2,300**	(15,655)
Impairment loss on goodwill		**–**	(76,800)
Bad debt written off		**(6,070)**	–
Administrative expenses		**(21,738)**	(12,039)
Profit/(loss) from operations	*8*	**10,042**	(6,290)
Finance costs	*9*	**(10,073)**	(10,020)
Loss before taxation		**(31)**	(16,310)
Taxation	*10*	**(596)**	(42)
Loss for the year from continuing operation		**(627)**	(16,352)
Discontinued operations			
Profit from discontinued operations	*5*	**–**	11,481
		(627)	(4,871)

* *For identification purpose only*

Attributable to:			
Equity holders of the Company		**(627)**	(11,205)
Minority interests		**–**	6,334
		(627)	(4,871)
Loss per share for loss attributable to the equity holders of the Company			
From continuing and discontinued operations			
Basic (HK cents per share)	*11*	**0.01**	0.25
Diluted (HK cents per share)	*11*	**N/A**	N/A
From continuing operation			
Basic (HK cents per share)	*11*	**0.01**	0.36
Diluted (HK cents per share)	*11*	**N/A**	N/A

CONSOLIDATED BALANCE SHEET

At 30 June 2007

	NOTES	**2007** HK$'000	2006 HK$'000
Non-current assets			
Property, plant and equipment		**1,900**	661
Investment properties		**110,796**	220,243
Interest in a jointly controlled entity		**207,895**	163,191
Available-for-sale financial assets		**–**	–
Goodwill		**10,057**	–
Deposits for acquisition of investment properties		**–**	75,995
		330,648	460,090
Current assets			
Account receivables	*13*	**253**	12,167
Amount due from a jointly controlled entity		**–**	40,708
Prepayments, deposits and other receivables		**11,021**	419
Deposit for acquisition of land		**–**	67,282
Pledged time deposits		**600**	–
Bank balances and cash		**43,939**	1,489
		55,813	122,065
Current liabilities			
Accruals and other payables		**5,866**	31,955
Deposit received for disposal of a subsidiary		**–**	60,000
Amount due to a related company		**717**	779
Tax payable		**128**	–
Bank interest-bearing borrowings, secured – due within one year		**1,246**	145,631
		7,957	238,365
Net current assets/(liabilities)		**47,856**	(116,300)
Total assets less current liabilities		**378,504**	343,790

	NOTES	2007 HK$'000	2006 HK$'000
Equity			
Share capital		**538,161**	448,468
Reserves		**(186,737)**	(187,034)
Equity attributable to equity holders of the Company		**351,424**	261,434
Minority interests		**–**	–
		351,424	261,434
Non-current liabilities			
Bank interest-bearing borrowings, secured – due after one year		**15,386**	–
Convertible notes		**–**	82,356
Deferred taxation		**11,694**	–
		27,080	82,356
		378,504	343,790

Notes:

1. GENERAL

The Company is an exempted limited company incorporated in Bermuda and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The registered office of the Company is Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda and the principal place of business of the Company is Unit 4705, 47th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong.

The Company is an investment holding company. Its subsidiaries are principally engaged in property investment. In the previous year, the Group also engaged in travel related operation and the Group ceased to operate in this business in the current year.

The financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

2. BASIS OF PREPARATION

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which is a collective term that includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs"), and Interpretations ("Ints") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance and applicable disclosure provisions of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The measurement basis used in the preparation of the financial statement is historical cost except for certain financial assets and financial liabilities basis, and investment properties which are carried at fair value.

The preparation of financial statements requires management to exercise its judgement in the process of applying the Company's accounting policies.

3. 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 HKICPA, which are effective for accounting period on or after 1 December 2005, 1 January 2006, 1 March 2006, 1 May 2006 or 1 June 2006. The adoption of the new HKFRSs had no material effect on the results for the current or prior years have been prepared and presented. Accordingly, no prior year adjustment has been required.

The Group has not early applied the following new and revised standards, amendments and interpretations that have been issued but are not yet effective. The Directors of the Company anticipate that the application of these new standards, amendments and interpretations will have no material impact on the results and the financial position of the Group.

HKAS 1 (Amendment)	Capital Disclosures[1]
HKAS 23 (Revised)	Borrowing Costs[2]
HKFRS 7	Financial Instruments: Disclosures[1]
HKFRS 8	Operating Segment[2]
HK(IFRIC) – Int 10	Interim Financial Reporting and Impairment[3]
HK(IFRIC) – Int 11	HKFRS2 – Group and Treasury Share Transactions[4]
HK(IFRIC) – Int 12	Service Concession Arrangements[5]
HK(IFRIC) – Int 13	Customers Loyalty Programmes[6]
HK(IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their interaction[6]

1 Effective for annual periods beginning on or after 1 January 2007
2 Effective for annual periods beginning on or after 1 January 2009
3 Effective for annual periods beginning on or after 1 November 2006
4 Effective for annual periods beginning on or after 1 March 2007
5 Effective for annual periods beginning on or after 1 January 2008
6 Effective for annual periods beginning on or after 1 July 2008

4. SEGMENT INFORMATION

(a) Business segments

For management purpose, the Group is currently organised into one (2006: two) operating division – property investments. For the year ended 30 June 2007 and 2006, the Group ceased operations in travel related business and trade related business respectively. This principal operating activity is the basis on which the Group reports its primary segment information.

Segment information about these businesses is presented below:

	Continuing Operation		Discontinued operations				Consolidated			
	Property investments		Trade related operation		Travel related operation		Continuing		Discontinued	
	2007	2006	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment turnover	**13,050**	16,537	**-**	–	**-**	82,176	**13,050**	16,537	**-**	82,176
Segment results	**12,116**	7,431	**-**	(4,349)	**-**	15,830	**12,116**	7,431	**-**	11,481
Unallocated corporate income less expenses							**(2,074)**	(13,721)	**-**	–
Profit/(loss) from operations							**10,042**	(6,290)	**-**	11,481
Finance costs							**(10,073)**	(10,020)	**-**	–
(Loss)/profit before taxation							**(31)**	(16,310)	**-**	11,481
Taxation							**(596)**	(42)	**-**	–
(Loss)/profit for the year							**(627)**	(16,352)	**-**	11,481
ASSETS										
Segment assets	**340,045**	580,629	**-**	1	**-**	4	**340,045**	580,629	**-**	5
Unallocated corporate assets							**46,416**	1,521	**-**	–
Consolidated total assets							**386,461**	582,150	**-**	5
LIABILITIES										
Segment liabilities	**256**	216,631	**-**	–	**-**	–	**256**	216,631	**-**	–
Unallocated corporate liabilities							**34,781**	104,090	**-**	–
Consolidated total liabilities							**35,037**	320,721	**-**	–

Other segment information

	Continuing operation		Discontinued operations				Consolidated			
	Property investments		Trade related operations		Travel related operations		Continuing		Discontinued	
	2007	2006	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Capital expenditures	**148,472**	12,000	**–**	–	**–**	–	**148,472**	12,000	**–**	–
Impairment loss on goodwill	**–**	–	**–**	–	**–**	76,800	**–**	–	**–**	76,800
Depreciation	**294**	298	**–**	–	**–**	–	**294**	298	**–**	–
Deficit on revaluation of investment properties	**–**	15,655	**–**	–	**–**	–	**–**	15,655	**–**	–
Loss on disposal of property, plant and equipment	**105**	–	**–**	–	**–**	–	**105**	–	**–**	–

(b) Geographical segments

The following table provides an analysis of the Group's revenue by geographical market and analysis of total assets and capital expenditures by the geographical area in which the assets are located.

	Hong Kong		the PRC		Other		Consolidated	
	2007	2006	**2007**	2006	**2007**	2006	**2007**	2006
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment turnover	**–**	82,176	**12,665**	16,517	**385**	20	**13,050**	98,713
Total assets	**46,416**	1,811	**328,807**	570,344	**11,238**	10,000	**386,461**	582,155
Capital expenditures	**1,847**	–	**146,600**	–	**25**	12,000	**148,472**	12,000

5. DISCONTINUED OPERATIONS

For the year ended 30 June 2007 and 2006, the Group has ceased its operations in travel related business and trade related business respectively. The analysis of the profit recognised in the consolidated income statement and cash flows is as follows:

	2007	2006
	HK$'000	*HK$'000*
Turnover	**–**	82,176
Cost of sales	**–**	(66,346)
Gross profit	**–**	15,830
Other operating income	**–**	–
Administrative expenses	**–**	(4,349)
Profit from operations	**–**	11,481
Finance costs	**–**	–
Profit before taxation	**–**	11,481
Taxation	**–**	–
Net profit for the year	**–**	11,481

The net cash flow of the discontinued operation is as follows:

	2007	2006
	HK$'000	*HK$'000*
Net operating cash inflow	**–**	11,481
Total net cash inflow	**–**	11,481

6. OTHER REVENUE

	2007	2006
	HK$'000	*HK$'000*
Compensation from termination of the Subcontracting Agreement	**–**	52,500
Bank interest income	**471**	44
Other interest income	**3,189**	679
Others	**278**	–
	3,938	53,223

7. OTHER INCOME

	2007	2006
	HK$'000	*HK$'000*
Cancellation of convertible note	**–**	19,917
Unrealised exchange gain	**2,910**	8,007
	2,910	27,924

8. PROFIT/(LOSS) FROM OPERATIONS

	2007	2006
	HK$'000	*HK$'000*
Profit/(loss) from operations has been arrived at after charging:		
Auditors' remuneration	**583**	468
Depreciation included in administrative expenses	**294**	298
Impairment loss on goodwill	**–**	76,800
Loss on disposal of property, plant and equipment	**105**	–
Staff costs (including directors' emoluments)	**8,022**	7,611
Operating lease rentals in respect of office premises	**757**	748

9. FINANCE COSTS

	2007	2006
	HK$'000	*HK$'000*
Bank charges	**62**	20
Convertible note redemption expenses	**–**	1,175
Interest expenses on:		
Bank borrowings wholly repayable within five years	**5,848**	7,699
Imputed interest on convertible notes	**1,911**	1,126
Other loan interest expenses	**2,252**	–
	10,073	10,020

10. TAXATION

	2007	2006
	HK$'000	*HK$'000*
Current tax from continuing operation:		
Oversea taxation	**151**	42
Deferred taxation	**445**	–
	596	42

Hong Kong Profits Tax is calculated at 17.5% (2006: 17.5%) of the estimated assessable profits for the year. No provision for Hong Kong profits tax has been made in the financial statements as the Group does not have any assessable profit arising in Hong Kong. Taxation on profits arising outside Hong Kong has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries/places in which the Group operates.

Taxation arising in other jurisdictions are calculated at the rate prevailing in the respective jurisdiction.

11. LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of basic and diluted loss per share attributable to the ordinary equity holders of the Company is based on the following data:

From continuing and discontinued operations

	2007	2006
	HK$'000	*HK$'000*
Loss for the year attributable to equity holders of the Company for the purpose of basic and diluted loss per ordinary share	**627**	11,205
	Number of shares	Number of shares
	'000	*'000*
Weighted average number of ordinary shares for the purpose of basic and diluted loss per ordinary share	**4,554,567**	4,484,683

From continuing operation

	HK$'000	*HK$'000*
Loss for the year attributable to equity holders of the Company for the purpose of basic loss per share	**627**	11,205
Add: Profit for the year from discontinued operations	**–**	5,147
Loss for the purpose of basic loss per ordinary share from continuing operation	**627**	16,352

The denominators used are the same as those detailed above.

The weighted average number of shares for the year ended 30 June 2007 for the purpose of basic and diluted loss per share has been adjusted pursuant to the issuance of share capital due to conversion of convertible notes during the year.

The computation of diluted loss per share for both continuing and discontinued operations did not assume the exercise of the convertible notes existed during the year ended 30 June 2007 as the exercise of such notes would result in decrease in loss per share were therefore anti-dilutive.

There were no dilutive potential ordinary shares in existence during the year ended 30 June 2007.

12. DIVIDEND

The Directors do not recommend the payment of any dividend in respect of the year ended 30 June 2007 (2006: Nil).

13. ACCOUNT RECEIVABLES

The Group allows an average credit period of 90 days to its trade customers. The aged analysis of account receivables is as follows:

	The Group	
	2007	2006
	HK$'000	*HK$'000*
0 – 30 days	**31**	1,310
31 – 60 days	**37**	1,313
61 – 90 days	**98**	1,310
Over 90 days	**87**	8,234
	253	12,167

The Directors of the Company consider that the carrying amounts of the Group's account receivables approximate to their fair values.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND PROSPECTS

Property Investments

The rental income of the Group's commercial properties and shopping plaza reached HK$13,050,000 for the Current Year (2006: HK$16,537,000). The Group's residential properties situated on Treasure Garden, Pentas Court, 42C Avenida, Dr. Sun Yat Sen, Taipa, Macau has a total asset value of HK$11,000,000 (2006: HK$10,000,000) and recorded a stable rental income of approximately HK$385,000 for the year ended 30 June 2007 (2006: HK$20,000).

In view of the increasing demand for A-grade commercial offices, the Group completed the acquisition of 35 commercial offices situated on 33 Deng Shi Kou Main Street, Wangfujing, Dong Cheng District, Beijing with a gross floor area of approximately 3,983.38 square meters in November 2006. Located at the heart of Wangfujing, these premium commercial offices generated a rental income of HK$1,865,000 for the Current Year (2006: Nil) and has a high occupancy rate of approximately 95% (2006: approximate 70%).

The Group also recorded satisfactory returns from the investment in the shopping plaza in Shanghai under the prosperous economy and the expanding retail business in the PRC. Possessing 50% equity interest and engaging in the management of the Shanghai Underground Centre Company Limited ("SUCCL"), SUCCL generated an operating revenue of approximately HK$41,697,000 in the Current Year (2006: HK$41,935,000) from this convenient shopping plaza which contains an underground plaza and shopping boulevard with a gross floor area of approximately 10,000 square meters accommodating 96 shops. It has become a highly popular sightseeing and shopping location for tourists visiting Shanghai and earned a fine reputation with its prime location, modern facilities and sumptuous outfit since its operation commenced.

Resources Investment Operation

Having obtained the exclusive rights for mining of approximately 29,000,000 tons of phosphate in the Zu Bao Fo Mining District in Phosphate Mining Town in Zhongxiang City, Hubei Province, the Group continued to explore in phosphate mining operations. The diammonium phosphate production line has an annual output of 200,000 tons. The Group will step up the acquisition and instalment of production facilities to increase production capacity of phosphate.

Travel Related Operation

During the year ended 30 June 2007, the Group did not record any turnover from this operation (2006: HK$82,176,000) due to the business termination of cruiser liner Omar III in September 2005 following the change of ownership. The Group will put more focus on the property and resources investment operations other than the travel related business, with an aim to generate more steady and reasonable income to the Group.

COMPOSITION OF MANAGEMENT

The Group's strengths were appreciably boosted by the addition of three high-caliber Directors to the leadership. For the Current Year, Mr. Hu Yishi was appointed as the executive Director and Chairman of the Group, Mr. Li John Zongyang as the Chief Executive Officer and Mr. Hu Jin Xing as the non-executive Director.

Mr. Hu Yishi was appointed as the executive Director and Chairman of the Group with effect from 17 April 2007. Mr. Hu is responsible for strategic planning including business objectives and directions for the Group with his extensive experience in China affairs and connection in the business. His vision will drive the Group to grow at a rapid pace.

Mr. Zhang Yang retired from the post of executive Director and the Chairman of the Group with effect from 17 April 2007.

On 2 April 2007, Mr. Li, John Zongyang was appointed as the Chief Executive Officer of the Group who is now also on the Board of Directors. Mr. Li is a seasoned investment veteran with extensive exposure to Europe and Asia. He also possesses senior corporate management experiences in listed companies. His wealth of experiences in investment and management of listed companies will enormously facilitate the search for new business opportunities and development of resources and energy related businesses.

Mr. Lam Cheung Shing, Richard retired from the post of Chief Executive Officer and remained as the executive Director of the Group.

The Group appointed Mr. Hu Jin Xing as the non-executive Director of the Group with effect from 4 June 2007. Mr. Hu, who is of great versatility, has broad experience in various businesses. He will provide valuable insights for the Group in developing the business.

The outstanding, experienced and professional management team will lead the Group to a new chapter and make a huge leap in business performance.

FINANCIAL REVIEW

The Group's turnover for the Current Year amounted to HK$13,050,000 (2006: HK$16,537,000), representing a decrease of 21.1% compared with last year. Loss attributable to shareholders amounted to HK$627,000 (2006: HK$11,205,000), representing a decrease of 94.4% from last year.

Liquidity and Financial Resources

As at 30 June 2007, total assets and net assets of the Group were HK$386,461,000 (2006: HK$582,155,000) and HK$351,424,000 (2006: HK$261,434,000) respectively, representing a decrease of 33.6% and an increase of 34.4% as compared with last year respectively.

As at 30 June 2007, the Group had bank balances and cash totalling approximately HK$43,939,000 (2006: HK$1,489,000), representing an increase of HK$42,450,000 compared with last year. The Group's net current assets were HK$47,856,000 (2006: net current liabilities of HK$116,300,000), an increase of HK$164,156,000 as compared with last year.

As at 30 June 2007, the Group's outstanding bank borrowings amounted to HK$16,632,000 (2006: HK$145,631,000). The gearing ratio (total borrowings/total assets) was 4.3% (2006: 39.5%).

Since the Group's principal operations are in the PRC and part of the operating expenses are denominated in Renminbi ("RMB"), the management is aware of possible exchange rate exposure. As a hedging strategy, the management emphasizes on using RMB borrowings to finance the Group's PRC operations and capital expenditures.

Contingent Liabilities

As at 30 June 2007, the Group did not have any material contingent liabilities.

Pledge on the Group's Assets

As at 30 June 2007, the Group's bank borrowings were secured by time deposits totalling HK$600,000 and its investment properties with a carrying value of HK$74,286,000.

Employment Remuneration Policy

As at 30 June 2007, the Group had a total of 15 employees in the PRC and Hong Kong. The staff costs for the year amounted to HK$8,022,000 (2006: HK$7,611,000). To maintain competitive remuneration packages, the salary and bonus paid to staff are based on their individual performance.

SUBSEQUENT EVENTS

(i) On 22 August 2007, the Board of the Company resolved that a total of 218,600,000 options ("Options") of the Company are granted to senior management and Directors of the Company under share option scheme adopted on 17 April 2002. The subscription price in respect of the Options shall be HK$0.205 per option share.

(ii) On 24 September 2007, the Company entered into a memorandum of understanding with Sun Xuzhong and Song Yingfeng in relation to the possible acquisition of on aggregate the entire share capital of a company incorporated in the British Virgin Islands which has indirect interest in 49% equity interests of a company established in the PRC (the "PRC Company"). The PRC Company is principally engaged in the provision of municipal public utility and mainly focuses on provision of that to residential and commercial buildings.

(iii) The Board of Directors of the Company proposes to change the name of the Company from "Guo Xin Group Limited" to "Kai Yuan Holdings Limited" and adopt the Chinese name of "開源控股有限公司" as the secondary name of the Company.

The Board of Directors of the Company also proposes to increase the authorized share capital of the Company from HK$760,000,000 divided into 7,600,000,000 shares of the Company to HK$2,000,000,000 divided into 20,000,000,000 shares of the Company by creation of an additional 12,400,000,000 new shares of the Company ranking pari passu in all respects with the existing issued and unissued shares of the Company. A special general meeting of the Company will be held on 23 October 2007 for the Company's shareholders to consider and, if thought fit, pass with or, without modification of these two resolutions and details of which are set out in the Company's circular dated 28 September 2007.

(iv) On 2 October 2007, the Group entered into a preliminary sale and purchase agreement to dispose all its investment properties located in Macau at a consideration of HK$12,120,000.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE PRACTICES

The Board and management of the Company are committed to maintaining high standards of corporate governance. Continuous efforts are made to review and enhance the Group's internal control policy and procedures in light of local and international developments to instill best practices.

The Board of Directors has set up procedures on corporate governance that comply with the requirements of the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The Company had complied with the CG Code throughout the year ended 30 June 2007 with the following deviations:

A4.1 Non-executive Directors are not appointed for a specific term. They are, however, subject to retirement by rotation and re-election at the annual general meetings of the Company pursuant to the Company's Bye-laws. As such, the Company considers that such provisions are sufficient to meet the underlying objectives of the relevant provisions of the CG Code.

A4.2 The Chairman and the Group Managing Director are not, whilst holding such office, subject to retirement by rotation or taken into account in determining the number of Directors to retire in each year in accordance with the Company's Bye-laws. In the opinion of the Board, it is important for the stability and growth of the Company that there is, and is seen to be, continuity of leadership in these roles and, in consequence, the Board is of the view that both should not be subject to retirement by rotation or hold office for a limited term at the present time.

The Board will keep these matters under review.

Following sustained development and growth of the Company, we will continue to monitor and revise the Company's governance policies in order to ensure that such policies meet the general rules and standards required by the shareholders.

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive Directors of Mr. Tam Sun Wing, Mr. Ko Ming Tung, Edward and Mr. Ng Ge Bun. The Audit Committee has reviewed the accounting policies and practices adopted and the audited results of the Group for the year. The Audit Committee has held regular meeting since its formation, at a frequency of at least twice a year.

REMUNERATION COMMITTEE

The Remuneration Committee has been set up with written term of reference in accordance with the requirements of the Listing Rules. The Remuneration Committee comprises one executive Director of Mr. Hu Yishi and two independent non-executive Directors of Mr. Tam Sun Wing and Mr. Ko Ming Tung, Edward.

NOMINATION COMMITTEE

The Nomination Committee was established on 13 April 2007. It currently consists of one executive Director of Mr. Li, John Zongyang and two independent non-executive Directors of Mr. Ko Ming Tung, Edward and Mr. Ng Ge Bun.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard of the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix 10 of the Listing Rules. The Company has confirmed with the Directors that they have complied with the required standard set out in the Model Code and its code of conduct regarding Directors' securities transactions.

PUBLICATION OF DETAILED RESULTS ANNOUNCEMENT ON THE STOCK EXCHANGES WEBSITE

All the information on the Company's annual results required by the Listing Rules will be published on the Stock Exchange's website and the Company's website http://www.guoxin.com.hk in due course.

BOARD OF DIRECTORS

As at the date of this announcement, the Board of Directors consists of Mr. Hu Yishi, Mr. Li, John Zongyang and Mr. Lam Cheung Shing, Richard (all being executive Directors), and Mr. Hu Jin Xing (being non-executive Director) and Mr. Tam Sun Wing, Mr. Ko Ming Tung, Edward and Mr. Ng Ge Bun (all being independent non-executive Directors).

By order of the Board
Guo Xin Group Limited
Li, John Zongyang
Director

Hong Kong, 18 October 2007

"Please also refer to the published version of this announcement in The Standard.