



DORE HOLDINGS LIMITED

多金控股有限公司*

(FORMERLY KNOWN AS TEEM FOUNDATION GROUP LTD.)

(Incorporated in Bermuda with limited liability)

(Stock Code: 628)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2007

The board of directors (the "Board") of Dore Holdings Limited (the "Company") presents the unaudited condensed consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2007 together with the comparative figures as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

		For the six months ended 30 September	
		2007 (Unaudited) HK\$'000	2006 (Unaudited) HK\$'000
	Notes		
Turnover	3	149,948	3,349
Cost of sales		–	(3,247)
Gross profit		149,948	102
Other revenue	4	4,161	33
Other income	5	3,524	912
Share-based payment expenses		(29,353)	–
Administrative expenses		(17,078)	(5,282)
Other operating expenses		–	(422)
Profit/(loss) from operating activities	5	111,202	(4,657)
Finance costs	6	(21,108)	–
Share of profit from an associate		47,896	–
Profit/(loss) before taxation		137,990	(4,657)
Taxation	7	–	16
Profit/(loss) for the period		137,990	(4,641)
Attributable to:			
Equity holders of the Company		137,990	(4,641)
Proposed interim dividend	8	71,019	–
Earnings/(loss) per share attributable to the equity holders of the Company			
Basic and diluted	9	14.08 cents	(0.69 cents)

* for identification purpose only

CONDENSED CONSOLIDATED BALANCE SHEET

	As at 30 September 2007 (Unaudited) HK\$'000	As at 31 March 2007 (Audited) HK\$'000
<i>Notes</i>		
ASSETS		
Non-Current Assets		
Property, plant and equipment	2,061	1,336
Investment property	10,200	10,200
Goodwill	192,497	529,218
Interest in an associate	–	13,579
Intangible assets	1,205,030	–
	1,409,788	554,333
Current Assets		
Deposits and other receivables	439,830	312,765
Financial assets at fair value through profit or loss	14,680	8,186
Cash and bank balances	279,559	101,512
	734,069	422,463
Total Assets	2,143,857	976,796
EQUITY		
Capital and reserves attributable to the Company's equity holders		
Share capital	112,404	87,800
Reserves	1,300,926	489,235
Proposed dividend	71,019	17,911
Total Equity	1,484,349	594,946

		As at 30 September 2007 (Unaudited) HK\$'000	As at 31 March 2007 (Audited) HK\$'000
	Notes		
LIABILITIES			
Non-Current Liabilities			
Promissory notes – due after one year		455,013	274,742
Convertible bonds – due after one year		193,248	97,284
Deferred tax liabilities		10,492	6,495
		658,753	378,521
Current Liabilities			
Accounts payable	10	–	893
Other payables and accruals		575	2,256
Tax payable		180	180
		755	3,329
Total Liabilities		659,508	381,850
Total Equity and Liabilities		2,143,857	976,796
Net Current Assets		733,314	419,134
Total Assets Less Current Liabilities		2,143,102	973,467

Notes:

1. BASIS OF PREPARATION

These unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), and the disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”).

2. PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared under the historical cost convention except for the investment property and certain financial instruments, which are measured at fair values. The principal accounting policies and methods of computations used in the preparation of the unaudited condensed consolidated financial statements are consistent with those applied in the Group’s annual financial statements for the year ended 31 March 2007, except in relation to the following new/revised Hong Kong Financial Reporting Standards (“HKFRSs”) and Interpretations issued by the HKICPA (“HK-Ints”) which are generally effective for accounting periods beginning on 1 January 2007, 1 May 2006, 1 June 2006, 1 November 2007 and 1 March 2007.

The applicable new HKFRSs adopted in this interim financial report are set out below:

HKAS 1 (Amendment)	Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK (IFRIC)-Int 8	Scope of HKFRS 2
HK (IFRIC)-Int 9	Reassessment of Embedded Derivatives
HK (IFRIC)-Int 10	Interim Financial Reporting and Impairment
HK (IFRIC)-Int 11	HKFRS 2 – Group and Treasury Share Transactions

The adoption of the above new standard and interpretations did not result in substantial changes to the Group’s accounting policies, where as the adoption of HKAS 1 (Amendment) and HKFRS 7 requires additional disclosures to be made in the financial statements.

The Group has not early applied the following new or revised standards or interpretations that have been issued but are not yet effective.

HKAS 23 (Revised)	Borrowing Costs ¹
HKFRS 8	Operating Segments ¹
HK (IFRIC)-Int 12	Service Concession Arrangements ²
HK (IFRIC)-Int 13	Customer Loyalty Programmes ³
HK (IFRIC)-Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction ²

¹ Effective for annual periods beginning on or after 1 January 2009

² Effective for annual periods beginning on or after 1 January 2008

³ Effective for annual periods beginning on or after 1 July 2008

The directors of the Company anticipated that the application of these standards or interpretations will have no material impact on the results and the financial position of the Group.

3. TURNOVER AND SEGMENT INFORMATION

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

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

- (a) the construction segment provides and installs fire-rated timber door sets, as well as provides interior decoration and renovation services and other carpentry works;
- (b) the timber segment engages in trading of logs;
- (c) the corporate segment included general corporate income and expense items; and
- (d) the gaming and entertainment segment include rolling turnover.

In determining the Group's geographical segments, revenue are attributed to the segments based on the location of the customers.

Business segmentation analysis is presented as shown below:

For the six months ended 30 September 2007

During the six months ended 30 September 2007, the Group's entire turnover was derived from investing in operations which receive the profit streams from the entertainment related business. Therefore, business segment information for the six months ended 30 September 2007 on revenue was not presented.

For the six months ended 30 September 2006

	Construction (Unaudited) <i>HK\$'000</i>	Corporate (Unaudited) <i>HK\$'000</i>	Consolidated (Unaudited) <i>HK\$'000</i>
Turnover	3,349	–	3,349
Other revenue	–	33	33
Other income	–	912	912
Total	3,349	945	4,294
Segment results	102	(4,759)	(4,657)
Finance costs			–
Loss before taxation			(4,657)
Taxation			16
Loss for the period			(4,641)

4. OTHER REVENUE

	For the six months ended 30 September	
	2007	2006
	(Unaudited)	(Unaudited)
	<i>HK\$'000</i>	<i>HK\$'000</i>
Interest income	4,161	11
Dividend income	–	22
	4,161	33

5. PROFIT/(LOSS) FROM OPERATING ACTIVITIES

The Group's profit/(loss) from operating activities is arrived at after charging:

	For the six months ended 30 September	
	2007	2006
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Depreciation	148	291
Share-based payment expenses	29,353	–

and after crediting:

Other income:

Gain on disposal of a subsidiary	973	140
Fair value gain on financial assets at fair value through profit or loss	2,351	288
Gain on disposal of property, plant and equipment	200	–
Write-back of provision for impairment loss on trade receivables	–	484
	3,524	912

6. FINANCE COSTS

	For the six months ended 30 September	
	2007	2006
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Imputed interest expenses on:		
Promissory notes	15,012	–
Convertible bonds	6,096	–
	21,108	–

7. TAXATION

	For the six months ended 30 September	
	2007	2006
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Charge for the period	–	–
Overprovision in prior years	–	(16)
Tax credit	–	(16)

Hong Kong profits tax has been provided at the rate of 17.5% (2006: 17.5%) on the estimated assessable profit arising from Hong Kong during the period. No provision for Hong Kong profits tax has been made as the Group had no estimated assessable profits arising in Hong Kong or had tax losses brought forward from prior years to set off assessable profits for the six months ended 30 September 2006 and 2007.

8. PROPOSED INTERIM DIVIDEND

On 8 August 2007, the final dividend of HK2 cents per share in respect of the year ended 31 March 2007 (year ended 31 March 2006: HK0 cent per share) was paid to shareholders.

On 3 October 2007, the directors declared the payment of a special dividend of HK4 cents per share. The special dividend was paid to shareholders on 5 November 2007.

The directors have proposed that the interim dividend of HK1.5 cents per share in cash and HK4.0 cents per share in scrip for the six months ended 30 September 2007 (six months ended 30 September 2006: HK0 cent per share) will be paid to the shareholders of the Company whose names appear in the register of members of the Company on 18 February 2008.

9. EARNINGS/(LOSS) PER SHARE

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

	For the six months ended 30 September	
	2007	2006
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Earnings/(loss)		
Earnings/(loss) attributable to the equity holders of the Company for the purposes of basic and diluted earnings/(loss) per share	137,990	(4,641)
	'000	'000
Number of shares		
Weighted average number of ordinary shares	979,969	672,000

Basic and diluted earnings per share for the six months ended 30 September 2007 have been presented in a single line as the effect of the assumed conversion of the Company's outstanding convertible bonds would increase the earnings per share and at no time during the period, the market share price exceeds the exercise price of share option, therefore, anti-dilutive.

10. ACCOUNTS PAYABLE

An aged analysis of accounts payable as at balance sheet date, based on invoice date, is as follows:

	As at 30 September 2007 (Unaudited) HK\$'000	As at 31 March 2007 (Audited) HK\$'000
Current – 90 days	–	–
91 days – 180 days	–	–
181 days – 365 days	–	–
Over 365 days	–	69
	–	69
Retention monies payable	–	824
	–	893

The carrying amounts of accounts payable approximate to their fair value.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group has recorded an unaudited net profit attributable to equity holders of HK\$137.99 million for the six months ended 30 September 2007, as compared with a net loss of HK\$4.64 million in the same period last year.

Out of the expenses, share-based payment expenses of HK\$29.35 million were related to share options granted to certain employees and consultants and a legal fee and professional fee of HK\$3.06 million was related to acquisition of the interest of Worth Perfect International Limited ("Worth Perfect"). Had these non-cash/operational expenses been excluded, the net profit position of the Group would be HK\$170.41 million.

	<i>HK\$'000</i>
Net profit as per income statement above	137,990
Add:	
Share-based payment expenses	29,353
Legal and professional fee	3,062
Adjusted profit	170,405

During the period under review, the Group's unaudited revenue increased by 4,377.40% to HK\$149.95 million (2006: HK\$3.35 million) mainly as a result of the contribution from its newly acquired subsidiary which receives a profit stream by participating in the growing Macau gaming and entertainment sector.

BUSINESS REVIEW

In view of the persisted high oil price and the difficult market conditions in building and construction sector both in Hong Kong and in the People's Republic of China (the "PRC"), the Group has substantially slowed down its trading of timber operation. As a result, no revenue was generated from the trading of timber during the period under review.

On the other hand, with the continuous boom in the Macau entertainment and gaming sector, the acquisition of further 51% interest in Worth Perfect thereby, resulting in the Group's controlling 100% of Worth Perfect, the contribution from this line of operation has apart from contributing to the bottom line in the form of dividend (share of profit from an associate), also accounted for in the revenue of the Group.

On 12 June 2007, the Group has completed the acquisition of further 51% interest in Worth Perfect. As such, out of the six months in review, the Group has two and one third of the month, 49% contribution from Worth Perfect (HK\$47.90 million) and the three and two third of the months having 100% contribution from Worth Perfect (HK\$149.95 million).

On 24 August 2007, the Group has entered into a major acquisition (the “Acquisition”) in acquiring 60% interest in Triple Gain Group Limited (“Triple Gain”) which in turn receives the profit stream under the Nove Profit Agreement. Nove Sociedade Unipessoal Limitada (“Nove”) is one of the junkets at Venetian Macau, S.A.. Details of the terms are:

The consideration for the Acquisition shall be satisfied by the Group:

- (1) paying a refundable deposit in a sum of HK\$460 million to Power Rush Holdings Limited (“Power Rush”), the holding company of Triple Gain in the following manners:
 - (a) HK\$200 million be paid within 3 days from the date of the acquisition agreement;
 - (b) HK\$200 million be paid upon commencement of the gaming promotion operation of Nove; and
 - (c) HK\$60 million be paid upon passing at the special general meeting the Acquisition;
- (2) paying HK\$64.85 million in cash upon completion of the Acquisition;
- (3) procuring the Company to issue the relevant convertible bonds in a principal amount of HK\$270 million to Power Rush; and
- (4) procuring the Company to allot and issue the consideration shares, credited as fully paid for the rest of the consideration.

Pursuant to the acquisition agreement, Power Rush has granted a call option to the Group, pursuant to which the Group has the right to require Power Rush to sell the remaining 40% interest in Triple Gain to the Group, which has effect on and from completion of the Acquisition and shall be exercisable by the Group at any time within twelve months from the date of completion of the Acquisition. The total consideration for option shares payable by the Group would be HK\$806.4 million, out of which

- (i) HK\$448.4 million will be payable by the Group in cash;
- (ii) HK\$252 million will be payable by the Group procuring the Company to issue convertible bond in a principal amount of HK\$252 million to Power Rush; and
- (iii) HK\$106 million will be payable by the Group procuring the Company to allot and issue consideration shares, credited as fully paid.

Completion of the Acquisition had taken place on 10 December 2007.

On 10 December 2007, the Group has decided to exercise its option to acquire further 40% interest in Triple Gain (the “Further Acquisition”) in order to capture the profit/cash flow contribution from the balance 40% of the Nove Profit Stream.

Completion of the Further Acquisition had taken place on 18 December 2007.

FINANCIAL REVIEW

Liquidity and Financial Resources

During the six months ended 30 September 2007, the Group funded its operation through a combination of equity financing and debt financing, including issuance of new shares, contribution from its investee company, issuance of promissory notes and convertible bonds. Equity attributable to equity holders of the Company at 30 September 2007 amounted to HK\$1,484.35 million.

At 30 September 2007, the cash and cash equivalents of the Group amounted to HK\$279.56 million and the Group's current ratio was 972.28 (31 March 2007: 126.9; 30 September 2006: 1.2).

At 30 September 2007, the total liabilities of the Group amounted to HK\$659.51 million, representing the convertible bonds and promissory notes issued for acquiring Worth Perfect. The Group's gearing ratio as at 30 September 2007, expressed as a percentage of total borrowings over total equity was 43.67% (30 September 2006: 16.7%).

The Group has effectively since February 2007 amended the distribution of dividend by Worth Perfect from quarterly basis to monthly basis. As such, the Group would by latest the 15th of the subsequent month receive the dividend from its investee company the portion of dividend of the preceding month. The Group's representative has also physically attended (and on and off with representative(s) from different investment banks) the check cutting by the casino to the Group's junket partners taken place every month. Hence, the account receivable is restricted to the 0.4% of the rolling turnover of the Group's partners in respective casinos for the preceding month. The Group is in a cash rich position.

Administrative expenses amounted to HK\$17.08 million for the six months ended 30 September 2007, an 223.32% increase from HK\$5.28 million for the same period last year. The increase was mainly attributable to the relevant legal and professional expenses for acquiring the balance 51% of the investee companies' for involving further into the Macau entertainment and gaming sector, the additional headcounts added as a result therefrom, and the expenses relating to the promotion, traveling and publicity role associated with the increased attention of the Company's shares by the fund managers.

For the six months ended 30 September 2007, finance costs amounted to HK\$21.11 million, increased as compared to HK\$0 incurred for the six month ended 30 September 2006. The increase was attributable to the interest arisen as a result of the convertible bonds and the promissory notes issued for the acquisition of Worth Perfect. Apart from these, the Group has no other debt. If these are excluded, the Group would have a net cash position and a bank interest income of HK\$4.16 million has been recorded.

At 30 September 2007, none of the Group's assets was pledged to any financial institution for facilities.

At 30 September 2007, the Group had a commitment in respect of the Group's proposed acquisition of the 60% interest in the Triple Gain amounted to HK\$993.6 million which would be financed by the Group's internal resources, the issuance of convertible bonds and the Company's new shares. At 30 September 2007, the Group had paid a refundable deposit of HK\$400 million to Power Rush.

At 30 September 2007, the Group had no contingent liabilities.

During the six months ended 30 September 2007, the Group recorded the share-based payment expenses of HK\$29.35 million in relation to share option granted to certain employees and consultants.

Capital Structure

During the six months ended 30 September 2007, the Company issued:

- (i) 17,560,000 shares in June 2007, being the consideration shares for the acquisition of the 51% interest in Worth Perfect;
- (ii) 67,200,000 shares in June and July 2007 at HK\$1.998 per share, being the option exercised under the staff option scheme; and
- (iii) 161,280,000 shares in July 2007 at HK\$2.65 per share, being the top up shares following the placing.

Foreign Exchange Exposure

The Group continues to adopt a conservative treasury policy with all bank deposits in Hong Kong dollars, keeping a minimum exposure to foreign exchange risks. As a majority of the inflow and outflow is denominated in Hong Kong Dollars, the Group has not adopted any hedging policy or entered into any derivative products which are considered not necessary for the Group's treasury management activities.

Employees

At 30 September 2007, the Group employed a total of 8 staff, of which 3 are executive directors and 2 are general managers for investee companies, i.e. Mr. Tang and Mr. Scolari who are responsible for managing the Group's investments in Worth Perfect group of companies, the Group's investee companies. The scope of their work is restricted to overseeing the business volume and progress of Worth Perfect and monitoring the development of Macau gaming industry which are relevant to the business of Worth Perfect. On the other hand, they would not be appointed directors of the Group nor carrying out any other supervisory role. As such, neither Mr. Tang nor Mr. Scolari is defined as a chief executive of the Group.

The same applies to Mr. Chen, who would be the general manager of the Group upon the completion of the acquisition of the 100% interest in Triple Gain. As his role is the same as Mr. Tang and Mr. Scolari, i.e. in supervising only the business volume and progress of Triple Gain and monitoring the development of Macau gaming industry. On the other hand, he would not be appointed director of the Group nor carrying out any other supervisory role. As such, Mr. Chen is also not a chief executive of the Group.

Total staff cost (including directors' remuneration) amounted to HK\$5.9 million in the six months ended 30 September 2007, a 391.66% increase as compared to HK\$1.2 million. The increase is due to the extra headcount involved resulted in the Group's acquiring 100% interest in Worth Perfect and the engagement of Mr. Tang and Mr. Scolari as the general managers of the Group.

The remuneration policy and packages of the Group's employees are regularly reviewed by the Board. Apart from provident fund scheme, medical insurance and discretionary bonuses, share options are also awarded to employees according to the assessment of individual performance.

Prospects

2006/07 saw the Group's venturing into a new, booming market – the Macau entertainment and gaming sector and the Board is glad to note that the investment decision has proved to be an excellent one. As the Group has entered into the Macau entertainment and gaming sector with a good start and is striving to work hard to gain more ground, the Board is confident in the future outlook of the captioned line of business.

In fact, based on the statistics in relation to "Gross revenue from different gaming activities" as published in the official website of Gaming Inspection and Coordination Bureau of the Government of Macau, the revenue generated by the gaming activities is growing steadily at an average growth rate of approximately 23% each year for the period between 2001 and 2006 with the gaming revenue for the year of 2006 amounted to MOP57.52 billion. In the first three quarters of the year 2007, the actual reported gross gaming revenues of Macau have grown further by about 45.8% comparing with the corresponding period of 2006. The economic outlook of the Macau entertainment and gaming sector is positive.

The outlook for the junkets (the gaming promoters) as commented by various investment bankers as well as newspapers would even be more positive vis-à-vis that of the concession holders based on:

- (1) the competition amongst the concession holders for business means the commission rate given/to be given to junkets would be on an increasing trend; and
- (2) the cost would be restricted to minimal while the concession holders have to take care of the construction, the recurrent repair and maintenance cost, not to mention the continuous upgrading requirement from time to time in response to competition and the enormous headcount expenses irrespective whether there is business or not.

Given the turnaround of the Group's overall results in the year ended 31 March 2007 followed by the extremely encouraging result for the six months ended 30 September 2007, the Board believes that that the Group's strategy is a right direction. The completion of the balance 51% acquisition of Worth Perfect and the entering into of the acquisition of the 100% interest in Triple Gain represents steps for the Group to secure a even stronger foothold in the captioned field. In fact, the aggregate rolling turnover of the Group's investee companies at the three casinos for the months of October and November 2007 amounted to HK\$33.96 billion. The Group will continue to seek opportunities for expansion and/or acquisition to extend its market share in the entertainment and gaming sector in Macau.

INTERIM DIVIDEND

The directors have resolved to declare an interim dividend of HK5.5 cents (2007: HK0 cents) per share for the six months ended 30 September 2007. Out of which, HK1.5 cents would be in the form of cash and the balance of HK4.0 cents would be in the form of scrip dividend by allotment of new shares credited as fully paid in lieu of cash. The interim dividend will be payable on 7 March 2008 to shareholders whose names appear on the register of members of the Company on 18 February 2008.

This, together with the special dividend of HK4.0 cents per share paid in November 2007, means that a total of HK9.5 cents per share have/would be paid for the six months ended 30 September 2007.

A circular containing details of the scrip dividend scheme will be sent to the shareholders of the Company as soon as practicable. The scrip dividend scheme is subject to the following conditions: (a) the issue price of a new share of the Company to be issued pursuant thereto being not less than the nominal value of a share of the Company; and (b) the granting by the Listing Committee of The Stock Exchange of Hong Kong Limited of the listing of and permission to deal in the new shares of the Company to be issued pursuant thereto.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 14 February 2008 to Monday, 18 February 2008, both days inclusive, during which period no transfer of shares will be registered. To qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates should be lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Rooms 1901-02, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, not later than 4:00 p.m. on Wednesday, 13 February 2008.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares during the six months ended 30 September 2007.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with all applicable code provision of the Code on Corporate Governance Practices (the "Code") 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"), throughout the six months ended 30 September 2007, except for the deviation from Code A.2.1 and Code A.4.1 of the CG Code as described below in the sections of "Chairman and Chief Executive Officer" and "Appointments, Re-election and Removal of Directors". Following sustained development of the Company, the Board and senior management will continue to monitor the corporate governance practices of the Company to ensure that daily business activities and decision making processes are regulated in a proper and prudent manner.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “Model Code”) as its own code of conduct regarding directors’ securities transactions on terms no less exacting than the required standard under the Model Code. Having made specific enquiry of all directors, the directors of the Company confirmed that they had complied with the required standard set out in the Model Code for the six months ended 30 September 2007.

AUDIT COMMITTEE

The Company has an audit committee which was established in accordance with the requirements of the Code as set out in Appendix 14 of the Listing Rules. The primary duties of the Audit Committee is for the purposes of reviewing and providing supervision over the Group’s financial reporting process and internal controls. These interim financial statements have been reviewed by the audit committee. The Audit Committee comprises three independent non-executive directors of the Company, namely Mr. Leung Chi Hung as the Chairman and Mr. Tsui Robert Che Kwong and Mr. Cheung Yim Kong Johnny.

The Audit Committee has reviewed the interim report and the unaudited condensed consolidated interim financial statements for the six months ended 30 September 2007 and agreed to the accounting principles and practices adopted by the Company. The Company’s external auditors have reviewed the unaudited condensed consolidated interim financial statements in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

BOARD OF DIRECTORS

As at the date of this announcement, the directors of the Company are Mr. Lum Chor Wah, Richard, Mr. Pun Yuen Sang and Mr. Tang Hin Keung, Alfred who are executive directors and Mr. Leung Chi Hung, Mr. Tsui Robert Che Kwong and Mr. Cheung Johnny Yim Kong who are independent non-executive directors.

DISCLOSURE OF INFORMATION ON THE WEBSITE OF THE STOCK EXCHANGE AND THE COMPANY

The interim report of the Company, which contains all the information required by the Listing Rules, will be published on the website of the Stock Exchange at www.hkex.com and on the website of the Company at www.teemfoundationgroup.com in due course.

APPRECIATION

On behalf of the Board, I would like to express our gratitude to our shareholders for their continuing support, and extend our sincere appreciation to all management and staff for their ongoing dedication, commitments and contributions.

By order of the Board
Lum Chor Wah, Richard
Chairman

Hong Kong, 21 December 2007