PLUS HOLDINGS LIMITED

(Provisional Liquidators Appointed)

（普納集團有限公司）*

（已委任臨時清盤人）

(Incorporated in Bermuda with limited liability)

(Stock Code: 1013)

FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2007

The Joint and Several Provisional Liquidators (the "Provisional Liquidators") of Plus Holdings Limited (Provisional Liquidators Appointed) (the "Company") announces the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2007 together with comparative figures for the year ended 31 March 2006 as follows:

CONSOLIDATED INCOME STATEMENT

		For the years ended 31 March	
		2007	2006
	Notes	***HK$'000***	*HK$'000*
Turnover	*2*	**69,060**	77,229
Cost of sales		**(59,970)**	(65,110)
Gross profit		**9,090**	12,119
Other operating income		**10,233**	12,911
Selling and distribution expenses		**(661)**	(1,161)
Administrative expenses		**(15,905)**	(19,623)
Other operating expenses		**(39,000)**	(2,438)
(Loss)/Profit from operations	*4*	**(36,243)**	1,808
Share of results of associates		**(1,069)**	(90)
Finance costs	*5*	**(17,954)**	(2,718)
Loss before taxation		**(55,266)**	(1,000)
Taxation	*6*	**1,427**	(388)
Loss for the year		**(53,839)**	(1,388)
Attributable to:			
Equity holders of the Company		**(50,480)**	(1,210)
Minority interests		**(3,359)**	(178)
		(53,839)	(1,388)
Loss per share			
Basic	*7*	**(3.63) cents**	(0.09) cents
Diluted		**N/A**	N/A

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2007

	Notes	2007 HK$'000	2006 HK$'000
Non-current assets			
Property, plant and equipment		**1,242**	1,514
Goodwill		**11,160**	22,319
Interests in associates		**3,824**	4,734
		16,226	28,567
Current assets			
Inventories		**23,096**	42,581
Trade and other receivables	8	**28,700**	43,889
Financial assets at fair value through profit or loss		**5,565**	18,622
Amounts due from related companies		**6,117**	8,396
Bank balances and cash		**1,587**	1,681
		65,065	115,169
Current liabilities			
Trade and other payables	9	**94,703**	99,344
Amount due to a related company		**3,898**	3,062
Amounts due to directors		**19**	415
Amount due to an associate		**152**	145
Tax payable		**4,043**	10,378
Borrowings – due within one year		**44,231**	16,886
Convertible bonds – due within one year		**14,040**	14,040
		161,086	144,270
Net current liabilities		**(96,021)**	(29,101)
Total assets less current liabilities		**(79,795)**	(534)
Financed by:			
Share capital		**139,116**	139,116
Reserves		**(218,911)**	(168,431)
Shareholders' funds		**(79,795)**	(29,315)
Minority interests		**–**	3,359
Total equity		**(79,795)**	(25,956)
Non-current liabilities			
Borrowings – due after one year		**–**	24,025
Deferred taxation		**–**	1,397
		–	25,422
		(79,795)	(534)

NOTES TO THE FINANCIAL STATEMENTS

1.1 Basis of preparation

The Group incurred a consolidated loss attributable to equity holders of the Company of approximately HK$50,480,000 for the year ended 31 March 2007 (2006: approximately HK$1,210,000) and as at 31 March 2007 the Group had net current liabilities of approximately HK$96,021,000 (2006: approximately HK$29,101,000) and deficiency in the shareholders' fund of approximately HK$79,795,000 (2006: approximately HK$29,315,000). The Group had overdue borrowings of approximately HK$44,231,000 (2006: approximately HK$40,911,000). These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going-concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

On 15 November 2006, Lolliman Finance Limited ("Lolliman"), petitioned for the winding up of the Company. The Company, as guarantor, is required to repay the outstanding loan owed by Holy (Hong Kong) Universal Limited, an indirect wholly owned subsidiary of the Company. Upon Lolliman application, Messrs. Liu Yiu Keung Stephen and Robert Armor Morris, both of Ernst & Young Transactions Limited, were appointed as the Provisional Liquidators of the Company on 17 May 2007 by the Court of First Instance of the High Court of the Hong Kong Special Administrative Region (the "HK High Court") so as to preserve the assets of the Group, to consider and review all restructuring proposals to maximise the recovery of the creditors and shareholders of the Company.

As such, the Provisional Liquidators do not have the same knowledge of the financial affairs of the Group as the directors of the Company would have, particularly in relation to the transactions entered into by the Group prior to the appointment date. The board of directors of the Company has also authorised the Provisional Liquidators to approve, publish and do all such acts in connection with the publication of this announcement and annual report.

The Provisional Liquidators are responsible for the accuracy and completeness of the contents of these audited financial statements for the year ended 31 March 2007 in relation to: (i) the affairs of the Group after the appointment of the Provisional Liquidators; and (ii) the preparation of the contents of these audited financial statements for the year ended 31 March 2007 based on the books and records made available to the Provisional Liquidators.

The Provisional Liquidators make no representation as to the completeness of the information contained in these financial statements.

Trading in the Company's share on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") has been suspended since 17 December 2004. The Company has been placed into the third stage of delisting procedures in accordance with Practice Note 17 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") on 24 March 2007. If no viable resumption proposal was submitted at least ten business days before 23 September 2007, the listing status of the Company would be cancelled.

The Provisional Liquidators have appointed financial advisers to the Company (the "Financial Advisers"). Since then, the Provisional Liquidators and the Financial Advisers have been in discussion and negotiation with various potential investors with a view to restructuring the Company and submitting a viable resumption proposal to the Stock Exchange.

On 5 July 2007, the Company entered into the legally binding Heads of Agreement (the "Heads of Agreement") (as varied by a side-letter dated 26 July 2007) with an investor, Wai Chun Ventures Limited (the "Investor"), in relation to the proposed restructuring of the Group. The Heads of Agreement was subsequently supplemented by a Supplemental Agreement dated 23 August 2007 (the "Supplemental Agreement").

On 12 September 2007 and 19 November 2007 respectively, the Company submitted a resumption proposal and a supplement to the resumption proposal to the Stock Exchange setting out the principal terms of the proposed restructuring of the Group and requesting the in-principle approval from the Stock Exchange to the resumption proposal (the "Resumption Proposal").

On 23 November 2007, the Stock Exchange issued a letter to the Provisional Liquidators confirming them that the Listing Committee decided to allow the Company to proceed with the Resumption Proposal, subject to compliance of certain conditions as set out in the in-principle approval letter within six months from 23 November 2007.

The proposed restructuring, if successfully implemented, will amongst other things, result in the following:

(a) a restructuring of the Company through the subscription by the Investor of subscription shares, convertible preference shares and the options, which would give rise to a funding of HK$170 million to the Company;

(b) an injection of an additional HK$200 million cash funds to the Company in the event that the Investor exercise its options in full;

(c) all the creditors discharging and waiving their claims against the Company by way of the schemes of arrangement in Hong Kong and Bermuda (the "Schemes"), as appropriate; and

(d) resumption of trading in the shares of the Company upon completion of the proposed restructuring (the "Completion").

Having received and considered the operations and affairs of the Group, the magnitude of the claims against the Company and its subsidiaries and the third-stage delisting procedures, the Provisional Liquidators concluded that the Resumption Proposal supported by the Investor represents the best means available for the Company to be returned to solvency and to continue with the development and enhancement of its business.

Should the Group be unable to achieve a successful restructuring as mentioned above, and continue in business as a going-concern, adjustments might have to be made to restate the values of assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities to current assets and liabilities, respectively.

1.2 Application of new and revised Hong Kong Financial Reporting Standards

In the current year, the Group has applied, for the first time, a number of new standards, amendments and interpretations ("New HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants that are effective for accounting periods beginning on or after 1 December 2005, 1 January 2006 or 1 March 2006. The adoption of the New HKFRSs had no material effect on how the results and the financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Group has not promptly applied the following New HKFRSs that have been issued but are not yet effective. The Group is in the process of making an assessment of what the impact of these New HKFRS is expected to be in the period of the initial application.

HKAS 1 (Amendment)	Capital Disclosures[1]
HKAS 23 (Revised)	Borrowing Costs[2]
HKFRS 7	Financial Instruments: Disclosures[1]
HKFRS 8	Operating Segments[2]
HK(IFRIC) – INT 8	Scope of HKFRS 2[3]
HK(IFRIC) – INT 9	Reassessment of Embedded Derivatives[4]
HK(IFRIC) – INT 10	Interim Financial Reporting and Impairment[5]
HK(IFRIC) – INT 11	HKFRS 2: Group and Treasury Share Transactions[6]
HK(IFRIC) – INT 12	Service Concession Arrangements[7]

Notes:

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

2. Turnover

Turnover represents the net amounts received and receivable for goods sold and services provided by the Group to outside customers during the year. Details are summarised as follows:

	2007	2006
	HK$'000	*HK$'000*
Turnover		
Sales and integration services	**50,999**	63,242
Services income	**14,555**	13,842
Contract income	**3,506**	145
	69,060	77,229

3. Business and Geographical Segments

Business segments

For management purposes, the Group is currently organised into three operating divisions – sales and integration services, services income and contract income. These divisions are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

Sales and integration services	–	income from sales and service, provision of integration services of computer and communication systems
Services income	–	income from design, consultation, production of information system software and management training services
Contract income	–	income in connection with the sale of communication systems equipment for intelligent buildings and provision of instalation services

Segment information about these businesses is presented below:

Consolidated Income Statement

For the years ended 31 March 2007 and 31 March 2006

	Sales and integration services		Services income		Contract income		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*
TURNOVER								
External sales	**50,999**	63,242	**14,555**	13,842	**3,506**	145	**69,060**	77,229
SEGMENT RESULTS	**(33,077)**	(6,299)	**(2,587)**	5,516	**1,300**	124	**(34,364)**	(659)
Unallocated corporate income							**6,966**	9,662
Unallocated corporate expenses							**(8,845)**	(7,195)
(Loss)/Profit from operations							**(36,243)**	1,808
Share of results of associates							**(1,069)**	(90)
Finance costs							**(17,954)**	(2,718)
Loss before taxation							**(55,266)**	(1,000)
Taxation							**1,427**	(388)
Loss for the year							**(53,839)**	(1,388)

Geographical segments

No geographical segment analysis is provided as substantially all of the Group's turnover and contribution to results were derived from the People's Republic of China (the "PRC").

4. (Loss)/Profit from Operations

	The Group	
	2007	2006
	HK$'000	*HK$'000*
(Loss)/Profit from operations has been arrived after charging:		
Allowance for obsolete inventories	–	1,845
Allowance for other receivables	–	315
Allowance for amounts due from related companies	**6,234**	–
Auditors' remuneration	**360**	400
Bad debts written off	**2,014**	–
Depreciation of property, plant and equipment	**302**	679
Impairment loss on goodwill	**11,159**	–
Loss on disposal of property, plant and equipment	**9**	13
Realised loss on financial assets at fair value through profit and loss	**1,937**	265
Staff costs (including directors' emoluments)		
– salaries and allowance	**8,012**	10,450
– provident fund contributions	**74**	61
Unrealised loss on financial assets at fair value through profit and loss	**327**	–
Exchange loss	**821**	–
Provision for bad and doubtful debts	**10,439**	–
Written-off of property, plant and equipment	**17**	–
Written-off of unidentified bank balances	**1,120**	–

5. Finance Costs

	The Group	
	2007	2006
	HK$'000	*HK$'000*
Interest on bank overdrafts	**–**	4
Interest on borrowings wholly repayable within five years	**17,954**	2,714
	17,954	2,718

6. Taxation

	The Group	
	2007	2006
	HK$'000	*HK$'000*
Taxation charge comprises:		
Taxation in the PRC:		
– current year	**76**	220
Deferred tax:		
– (credit)/charge for the year	**(1,503)**	168
	(1,427)	388

No Hong Kong Profits Tax has been provided for in the financial statements as the Company has sustained a loss for the year (2006: Nil).

Taxation in the PRC is calculated at the rates of taxation prevailing in the PRC.

The charge for the year can be reconciled to the loss per the consolidated income statement as follows:

	2007	2006
	HK$'000	*HK$'000*
Loss before taxation	**(55,266)**	(1,000)
Tax at the applicable income tax rate	**(9,672)**	(175)
Tax effect of expenses not deductible for tax purposes	**26,740**	4,248
Tax effect of income not taxable for tax purposes	**(17,672)**	(4,380)
Tax losses carried forward	**604**	307
Deferred taxation	**(1,503)**	168
Effect of PRC taxation	**76**	220
Taxation charge	**(1,427)**	388

7. Loss per Share

The calculation of the basic loss per share is based on the loss attributable to shareholders of HK$50,480,000 (2006: HK$1,210,000) and on the weighted average number of ordinary shares in issue during the year of 1,391,162,483 (2006: 1,391,162,483) shares.

Diluted loss per share amounts for the years ended 31 March 2007 and 2006 have not been calculated because the share options outstanding during these years had an anti-dilutive effect on the basic loss per share.

8. Trade and Other Receivables

According to the contracts entered into with trade customers, an average of 90% of the contract revenue is normally repayable within 90 days from the date of receipt of customers' acceptance, whereas the remaining 10% of trade receivables represent retentions held by customers which are normally due one year after a project is completed. The following is an ageing analysis of trade receivables included in trade and other receivables at the balance sheet date:

	2007	2006
	HK$'000	*HK$'000*
Trade receivables:		
0 – 30 days	**846**	1,044
31 – 90 days	**7,280**	842
Over 90 days	**9,571**	23,531
	17,697	25,417
Other receivables	**11,003**	18,472
	28,700	43,889

9. Trade and Other Payables

The following is an ageing analysis of trade payables included in trade and other payables at the balance sheet date:

	2007	2006
	HK$'000	*HK$'000*
Trade payables:		
0 – 90 days	**3,612**	2,984
91 – 180 days	**3,942**	5,618
Over 180 days	**41,291**	40,353
	48,845	48,955
Other payables	**45,858**	50,389
	94,703	99,344

AN EXTRACT OF AUDITOR'S REPORT

The Company's auditor has qualified their report on the Group's consolidated financial statements for the year ended 31 March 2007, an extract of which is as follows:

Basis for Qualified Opinion

Material Uncertainty Relating to the Going-Concern Basis

In forming the opinion, the auditors have considered the adequacy of the disclosures made in note 2 to the financial statements which explains that a Heads of Agreement (as varied by a side-letter dated 26 July 2007) and a Supplemental Agreement regarding a proposal for the resumption of trading in the Company's shares and the restructuring of the Group (the "Resumption Proposal") were entered into on 5 July 2007 and 23 August 2007 respectively, between the Investor and the Company. The Resumption Proposal involves capital reorganisation, debt restructuring, subscription of new shares, convertible preference shares and options, a whitewash wavier and group restructuring.

The financial statements have been prepared on a going-concern basis on the assumption that the Resumption Proposal will be successfully completed and that, following the financial restructuring, the Group will continue to meet in full its financial obligations as they fall due in the foreseeable future. The financial statements do not include any adjustments that would result from a failure to complete the financial restructuring or to obtain other funding. However, in view of the extent of the material uncertainty relating to the completion of the financial restructuring, the auditors qualify their opinion in respect of the material uncertainty relating to the going-concern basis.

Qualified Opinion Arising from Limitation of Audit Scope

In the auditors' opinion, except for the effects of any adjustments, if any, as might have been determined to be necessary had they been able to satisfy themselves as to the material uncertainty relating to the going-concern basis as described above, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 March 2007 and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly in accordance with the disclosure requirements of the Companies Ordinance (Cap 32 of the Laws of Hong Kong).

BUSINESS REVIEW

The Company acts as an investment holding company. The principle activities of its subsidiaries and associates are:

– Provision of solutions on software and service;

– Trading of communication products;

– Provision of financial services;

– Investment holding; and

– Provision of telecommunication infrastructure solution service.

Most of the Group's business activities and revenue are generated by two PRC subsidiaries of the Company, Beijing HollyBridge System Integration Company Limited (北京合力金橋系統集成技術有限公司)* ("Beijing HollyBridge") and Plus Financial Management Services Limited (北京普納天成理財諮詢服務有限公司)* ("Plus FMS"). The remaining subsidiaries of the Company are generally inactive, except for Telecom Plus Investment Limited, a Hong Kong incorporated company which holds shares in a listed company in Hong Kong.

The Company was struck off in the Register of Companies by the Registrar of Companies in Bermuda on 20 October 2006 due to non-payment of its 2006 annual government fees and late penalties. Upon their appointment, the Provisional Liquidators settled the outstanding annual government fees and late penalties and filed an affirmation to the Supreme Court of Bermuda (the "Bermuda Court") to reinstate the Company's registration status in Bermuda. On 7 February 2008, the Bermuda Court ordered to restore the Company to the Register of Companies in Bermuda and pursuant to section 261 of the Companies Act 1981 of Bermuda, the Company is deemed to have continued in existence as if its name had not been struck off.

WINDING-UP PETITION AND RESTRUCTURING OF THE GROUP

On 15 November 2006, Lolliman, a loan creditor of Holy (Hong Kong) Universal Limited, the indirect wholly owned subsidiary of the Company, presented a winding-up petition against the Company. Upon Lolliman application, Messrs. Liu Yiu Keung Stephen and Robert Armor Morris, both of Ernst & Young Transactions Limited, were appointed by the HK High Court as the Provisional Liquidators on 17 May 2007 so as to preserve the assets of the Group and to consider and review all restructuring proposals to maximise the recovery of the creditors and shareholders of the Company.

The Company was put into the third and final stage of the delisting procedures pursuant to Practice Note 17 of the Listing Rules and if no viable resumption proposal was submitted on or before 12 September 2007, being ten business days before 23 September 2007, the listing status of the Company would be cancelled. Since then, the Provisional Liquidators have been in various discussions with various investors with a view to restructure the Group.

On 5 July 2007, the Company entered into the legally binding Heads of Agreement (as varied by a side-letter dated 26 July 2007) with the Investor in relation to the proposed restructuring of the Group. The Heads of Agreement was subsequently supplemented by the Supplemental Agreement.

On 12 September 2007 and 19 November 2007 respectively, the Company submitted the Resumption Proposal and a supplement to the Resumption Proposal to the Stock Exchange setting out the principal terms of the proposed restructuring of the Group and requesting in-principle approval from the Stock Exchange to the Resumption Proposal.

On 23 November 2007, the Stock Exchange issued a letter to the Provisional Liquidators confirming that the Listing Committee decided to allow the Company to proceed with the Resumption Proposal, subject to compliance of certain conditions as set out in the in-principle approval letter within six months from 23 November 2007.

The proposed restructuring, if successfully implemented, will amongst other things, result in the following:

(a) a restructuring of the Company through the subscription by the Investor of subscription shares, convertible preference shares and the options, which would give rise to a funding of HK$170 million for the Company;

(b) an injection of an additional HK$200 million cash funds to the Company in the event that the investor exercises its options in full;

(c) all the creditors discharging and waiving their claims against the Company by way of the schemes of arrangement in Hong Kong and Bermuda, as appropriate; and

(d) resumption of trading in the shares of the Company upon the Completion.

Having considered the operations and affairs of the Group, the magnitude of the claims against the Company and its subsidiaries and the third-stage of delisting procedures, the Provisional Liquidators concluded that the Resumption Proposal represents the best means available for the Company to restore its solvency status and to continue with the development and enhancement of its business.

PROSPECTS

Beijing HollyBridge, a 51%-owned subsidiary of the Company, is engaged in the manufacturing of software, the provision of solutions and related services, and the provision of telecommunication infrastructure solution service in the PRC. The existing operations of the Group are principally carried out through Beijing HollyBridge.

Since the Stock Exchange has already granted the in-principle approval to the Resumption Proposal submitted by the Company, the transactions contemplated under the Resumption Proposal include, inter alia, a scheme of arrangement between the Company and the creditors to settle the debt due to them and also injection of cash through subscription of new shares, convertible preference shares and options.

With the settlement of the debt in full upon completion of the Resumption Proposal and the injection of additional cash, it is expected that following Completion, the financial and trading position of the Group will be substantially improved.

Since the entering into of the Heads of Agreement and the Supplemental Agreement, the Group, with the support of the Investor, is gradually rebuilding its trading position via Beijing HollyBridge. Upon the Completion, the Group will be in a better position to further expand and develop the system integration business carried out by Beijing HollyBridge.

On the basis of the above, it is expected that the trading position of the Group will also be substantially improved following the Completion. The higher level of activities of Beijing HollyBridge since the signing of the Heads of Agreement and the Supplemental Agreement and the new and future contracts all bode well for the future prospect of the Group.

SUSPENSION OF TRADING

Trading in the shares of the Company on the Main Board of the Stock Exchange has been suspended since 17 December 2004.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2007, the Group had net current liabilities of approximately HK$96 million, compared with the net current liabilities of approximately HK$29.1 million as at 31 March 2006, an increase of approximately HK$66.9 million or 230%.

As at 31 March 2007, the Company had outstanding convertible bonds amounted to US$1.8 million (equivalent to HK$14,040,000).

The Group's total borrowings amounted to approximately HK$44.2 million (2006: approximately HK$40.9 million). Borrowings due for payment within one year is approximately HK$44.2 million (2006: approximately HK$16.9 million). Borrowings due for payment within two to five years is HK$ Nil (2006: approximately HK$24 million).

The Group had bank balances and cash of approximately HK$1.6 million (2006: approximately HK$1.7 million) as at 31 March 2007.

As at 31 March 2007, the Group's current ratio of current assets to current liabilities was 0.40 (2006: 0.80). The gearing ratio, as a ratio of total liabilities to total assets, was 1.98 (2006: 1.18).

The Group had limited exposure to foreign exchange rate fluctuations as most of its transactions, including borrowings, were mainly conducted in Hong Kong dollars, US dollars or Renminbi, and the exchange rates of these currencies were relatively stable throughout the year.

DIVIDEND

The Provisional Liquidators do not recommend payment of any dividend for the year ended 31 March 2007 (2006: Nil).

PLEDGE OF ASSETS

As at 31 March 2007, financial assets at fair value through profit or loss of HK$5,565,000 (2006: HK$11,520,000) were pledged to secure the other borrowings of the Group.

EMPLOYMENT AND REMUNERATION POLICIES

As at 31 March 2007, the Group had approximately 50 (2006: 66) employees. Total staff cost (including directors' emoluments) incurred during the year amounted to approximately HK$8.09 million (2006: HK$10.5 million). Remuneration packages are generally structured by reference to market terms and individuals merits. Salaries are normally reviewed and bonuses paid on an annual basis based on performance appraisals and other relevant factors. Staff benefit plans maintained by the Group include a mandatory provident fund scheme, a share option scheme and medical insurance.

SIGNIFICANT POST-BALANCE SHEET EVENTS

Details of significant events which took place subsequent to 31 March 2007 are set out as follows:

1) Appointment of the Provisional Liquidators

On 2 April 2007, an inter-parties summons was filed and served onto the Company by Lolliman for the appointment of provisional liquidators of the Company. The matter was heard in HK High Court on 17 May 2007. On the same date, Messrs. Liu Yiu Keung Stephen and Robert Armor Morris, both of Ernst & Young Transactions Limited, were appointed by the HK High Court as the Provisional Liquidators. By the HK High Court order, the Provisional Liquidators will, inter alia, take into their custody and protect all the assets of the Group and manage the Group until such time as further order is made. The Provisional Liquidators are independent third parties not connected with the Company or any of the directors, chief executive and substantial shareholders of the Company or its subsidiaries or their respective associates (as defined in the Listing Rules). Notice on the appointment of Provisional Liquidators of the Company was published in the Government Gazette, The Standard and Sing Tao Daily on 25 May 2007.

2) Proposed restructuring of the Group

On 5 July 2007, the Company entered into the legally binding Heads of Agreement (as varied by a side-letter dated 26 July 2007 (the "Side Letter")) in relation to the proposed restructuring. The parties subsequently entered into the Supplemental Agreement (refer to section 4 below). Pursuant to the Side Letter and the Supplemental Agreement, the Investor agreed to advance payments to the total sum of RMB700,000 in the form of prepayment for the payment of deposit under a project contract successfully bided by Beijing HollyBridge.

The Heads of Agreement (as supplemented by the Supplemental Agreement) set out the intentions and understandings of the Company and the Investor in relation to the restructuring. The Investor has undertaken in principle to provide the funds (being a total sum of HK$170 million) to the Company in the form of equity to assist with the restructuring. The Investor has paid a non-refundable deposit of HK$3 million in cleared funds on the date of signing of the Heads of Agreement to the Provisional Liquidators to cover part of the costs of the Provisional Liquidators and their professional parties for the restructuring. The Investor has further paid the further restructuring expenses (being a sum of HK$5 million) on even date to the Provisional Liquidators to enable the Provisional Liquidators and their professional parties to implement the restructuring agreements within an agreed period upon the obtaining of the in-principle approval from the Stock Exchange.

3) Change of legal representative of Beijing HollyBridge and Plus FMS (collectively referred to as "Beijing Subsidiaries")

The Provisional Liquidators also announced on 23 August 2007 that Mr. Zou Yishang has been removed as the authorised legal person of Beijing Subsidiaries as a result of entering into of the Heads of Agreement. Mr. Liu Yiu Keung Stephen, one of the Provisional Liquidators, was appointed as the new authorised legal person of Beijing Subsidiaries on 17 July 2007. His appointments for Beijing HollyBridge and Plus FMS have been approved and registered with Beijing Administration for Industry and Commerce and Beijing Municipal Bureau of Commerce under the relevant rules and regulations of the PRC.

The operation of the Group is currently under the control of the Provisional Liquidators, and appropriate steps have been undertaken by the Provisional Liquidators in the change of the board of directors of the respective members of the Group.

4) Supplemental Agreement in respect of the restructuring

Further to the announcement made by the Company on 23 August 2007, the Company announced on 28 August 2007 that it entered into the Supplemental Agreement with the Investor on 23 August 2007 to vary and amend certain terms and conditions to the Heads of Agreement, including:

(a) the revision of the total cash injection to be provided by the Investor to the Company from HK$200 million to HK$170 million (the "Revised Fund");

(b) the adjustment of the application of the amount of the Revised Fund by the Company in the manner as stated in the sub-section headed "Funds and Revised Funds" in the announcement dated 28 August 2007;

(c) the application of the Revised Funds for the subscription of the new shares, convertible preference shares and options upon the principal terms and conditions as stipulated in the sub-section headed "Principal terms of the Convertible Preference Shares and Principal terms of the Options" in the announcement; and

(d) the adjustment of the indebtedness due to the creditors to the lower (i) 30% of the aggregate of all indebtedness owed by the Company to its creditors; or (ii) HK$25 million will be paid to all creditors of the Company.

5) Submission of the Resumption Proposal

The Resumption Proposal was submitted to the Stock Exchange on 12 September 2007 requesting the resumption of trading of the Company. A supplement to the Resumption Proposal was submitted on 19 November 2007.

On 23 November 2007, the Listing Committee had granted in-principle approval to the Resumption Proposal, subject to the fulfilment of certain conditions on or before 22 May 2008, being six months from the date of the in-principle approval letter. The Provisional Liquidators published the announcement dated 17 December 2007.

6) Postponement of signing of restructuring agreement

According to the Heads of Agreement, the restructuring agreement should be signed between the Company and the Investor (the "Parties") within 30 days, or such other date as may be agreed between the Parties, from the Listing Committee granting in-principle approval to the Resumption Proposal (i.e. on or before 23 December 2007).

As stated in the announcement dated 21 December 2007, the Parties entered into a letter agreement dated 21 December 2007 agreeing to the postponement of the deadline for the signing of the Restructuring Agreement to be extended from 23 December 2007 to on or before 31 January 2008 (the "First Extension Date").

Since the Parties considered that more time was needed to finalize the terms and conditions of the Restructuring Agreement, in particular, arrangements in relation to the creditors' claims, the parties therefore entered into a second letter agreement on 31 January 2008 agreeing to further extend the date of the signing of the Restructuring Agreement from the First Extension Date to on or before 29 February 2008 (or such other later date as agreed by the Parties). This second postponement was announced by the Provisional Liquidators on 31 January 2008.

As at the date of this announcement, the Parties decided to further postpone the date of the signing of the restructuring agreement to on or before 14 March 2008 as they are currently seeking creditors' confirmation on the proposed Schemes. The announcement of the postponement was published by the Provisional Liquidators on 29 February 2008.

7) Change of principal place of business

The current lease for the principal place of business of the Company has been surrendered to the landlord on 31 August 2007. The principal place of business of the Company has been changed to the office of the Provisional Liquidators, at 18th Floor, Two International Finance Centre, 8 Finance Street, Central, Hong Kong.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Provisional Liquidators were appointed to the Company on 17 May 2007. Consequently, the Provisional Liquidators are unable to comment as to whether the Company complied with the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules throughout the financial year ended 31 March 2007.

AUDIT COMMITTEE

To the best knowledge of the Provisional Liquidators, the Company had set up an audit committee comprising three former independent non-executive directors ("INEDs"), namely Messrs. Wang Xiangfei, Xu Xiaosheng and Zhao Renwei, until their resignation as directors. At the Company's board meeting held on 4 December 2007, the audit committee was resumed comprising the three newly appointed INEDs, namely Messrs. Choi Man On (who also acts as the chairman of the audit committee), Young Meng Cheung Andrew and Chan Kin Sang. The audit committee will consider the Group's financial reporting and internal control and to maintain an appropriate relationship with the auditors of the Company in accordance with the requirements of the Code on Corporate Governance Practices.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

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

PUBLICATION OF INFORMATION ON WEBSITES

This results announcement is available for viewing on the website of Stock Exchange at www.hkex.com.hk and on the website of the Company at http://www.equitynet.com.hk/plusholdings.

For and on behalf of
Plus Holdings Limited
(Provisional Liquidators Appointed)
Liu Yiu Keung Stephen
Robert Armor Morris
Provisional Liquidators of the Company
without personal liability

Hong Kong, 29 February, 2008

* *For identification purpose only*

As at the date of this announcement, the board of directors comprises six executive directors, namely Mr. Zou Yishang, Mr. Hu Jian, Mr. Zou Yicheng, Mr. Cui Jingya, Mr. Liu Yiquan and Mr. Zhang Yi, one non-executive director, Mr. Weng Xianding, and three independent non-executive directors, namely Mr. Choi Man On, Mr. Young Meng Cheung Andrew and Mr. Chan Kin Sang. However, the power of the directors of the Company have been exercised by the Provisional Liquidators of the Company since their appointment pursuant to the order of the HK High Court dated 17 May 2007.