MACAU INVESTMENT HOLDINGS LIMITED
澳門投資控股有限公司*

(Incorporated in the Cayman Islands with limited liability)
Stock code: 2362
(Formerly known as Signal Media and Communications Holdings Limited)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2007

The board of directors (the "Board") of Macau Investment Holdings Limited (the "Company") is pleased to present the consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2007.

Results of operations

The Group's turnover for the year ended 31 December 2007 (the "Period") was HK$103 million, significantly increase from HK$5.4 million when compared to 2006. The increase was mainly attributable to the acquisition of CMM International Group Limited and its subsidiaries (collectively referred to as the "CMM Group") which is specialised in manufacture and trading of cosmetic and related products and provision of beauty technical and tutoring services. Consolidated loss attributable to equity holders of the Company was HK$167 million compared with a loss of HK$39.59 million in the same period last year.

The loss of HK$167 million included non-cash items of HK$129 million and non-recurring items of HK$19 million. Non-cash items were impairment of goodwill and assets of HK$89 million, and Convertible Bond deemed interest, Share options and warrant costs of HK$39 million. Non-recurring acquisition costs associated with acquisition of CMM group and Macau project amounted to HK$19 million.

Selling and distribution costs of HK$34.5 million was solely contributed by the CMM Group.

CONSOLIDATED INCOME STATEMENT
Year ended 31 December 2007

	Notes	**2007** *HK$'000*	2006 *HK$'000*
CONTINUING OPERATIONS			
REVENUE	4	**103,304**	5,392
Cost of sales		**(38,337)**	(3,962)
Gross profit		**64,967**	1,430
Other income	4	**7,312**	8,526
Selling and distribution costs		**(34,568)**	–
Administrative costs		**(72,432)**	(40,375)
Other operating expenses		**(885)**	–
Costs associated with equity-settled share options		**(11,941)**	(245)
Impairment of items of property, plant and equipment		**(25,004)**	–
Loss recognised on the remeasurement to fair value of prepaid land lease payments		**(9,607)**	–
Decrease in fair value of investment properties		**(8,195)**	(3,145)
Impairment of goodwill		**(46,636)**	–
Convertible bonds interest costs	5	**(26,258)**	(2,795)
Other finance costs	5	**(973)**	(22)
LOSS BEFORE TAX	6	**(164,220)**	(36,626)
Tax	7	**(2,815)**	(184)
LOSS FOR THE YEAR FROM CONTINUING OPERATIONS		**(167,035)**	(36,810)
DISCONTINUED OPERATION			
Loss for the year from a discontinued operation		**–**	(2,784)
LOSS FOR THE YEAR		**(167,035)**	(39,594)
Attributable to:			
Equity holders of the Company		**(167,019)**	(39,594)
Minority interests		**(16)**	–
		(167,035)	(39,594)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	9		(Restated)
Basic:			
For loss for the year		**HK$0.46**	HK$0.16
For loss from continuing operations		**HK$0.46**	HK$0.15
Diluted:			
For loss for the year		**N/A**	N/A
For loss from continuing operations		**N/A**	N/A

CONSOLIDATED BALANCE SHEET
31 December 2007

	Note	**2007** *HK$'000*	2006 *HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**39,381**	27,795
Investment properties		**–**	45,905
Prepaid land lease payments		**7,285**	9,378
Properties under development		**1,818,098**	–
Goodwill		**51,906**	19,493
Intangible asset		**99,906**	–
Available-for-sale investments		**113,691**	212,140
Deferred tax assets		**61**	61
Long term deposits		**1,298**	–
Pledged deposits		**–**	7,000
Total non-current assets		**2,131,626**	321,772
CURRENT ASSETS			
Inventories		**25,634**	–
Trade receivables		**13,379**	1,370
Prepayments, deposits and other receivables		**55,378**	47,037
Loan and receivable		**–**	11,672
Amounts due from related companies		**594**	–
Tax recoverable		**–**	494
Pledged deposits		**7,549**	–
Restricted bank balances		**42,537**	–
Cash and cash equivalents		**172,217**	111,507
		317,288	172,080
Assets of a disposal group classified as held for sale		**43,385**	–
Total current assets		**360,673**	172,080
CURRENT LIABILITIES			
Trade payables	10	**11,895**	1,229
Other payables and accruals	10	**76,076**	8,084
Interest-bearing bank borrowings		**14,155**	189
Amounts due to related companies		**540**	–
Tax payable		**2,253**	600
Convertible bonds		**47,820**	–
Finance lease payables		**495**	–
Amounts due to a minority shareholder of a subsidiary		**10,259**	–
		163,493	10,102
Liabilities directly associated with the assets classified as held for sale		**6,416**	–
Total current liabilities		**169,909**	10,102
NET CURRENT ASSETS		**190,764**	161,978
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,322,390**	483,750
NON-CURRENT LIABILITIES			
Provision for long service payments		**656**	–
Convertible bonds		**1,091,515**	44,838
Finance lease payables		**21**	–
Deferred tax liabilities		**1,944**	–
		1,094,136	44,838
Net assets		**1,228,254**	438,912
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital		**242,915**	134,365
Equity component of convertible bonds		**404,298**	8,957
Reserves		**513,694**	295,590
		1,160,907	438,912
Minority interests		**67,347**	–
Total equity		**1,228,254**	438,912

1. GENERAL

Macau Investment Holdings Limited is a limited liability company incorporated in the Cayman Islands. The name of the Company was formerly known as Signal Media and Communications Holdings Limited. Pursuant to a special resolution passed in an extraordinary general meeting held on 15 October 2007, the change of the Company name was approved. The registered office of the Company is located at Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681 GT, Zephry House, Mary Street, George Town, Grand Cayman, British West Indies. The principal place of business of the Company is located at Suites 3604-05, One Exchange Square, 8 Connaught Place, Central, Hong Kong.

During the year, the Company was involved in investment holding and the Group was involved in property development and investment, manufacture and trading of cosmetic and related products, provision of beauty technical and training services, and provision of public relation services.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties and certain equity investments, which have been measured at fair value. Disposal groups held for sale are stated at the lower of their carrying amounts and fair values less costs to sell. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

2.2 **IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS**

The Group has adopted the following new and revised HKFRSs, applicable to these financial statements, for the first time for the current year's financial statements. Except for in certain cases, giving rise to new and revised accounting policies and additional disclosures, the adoption of these new and revised standards and interpretations has had no material effect on these financial statements.

HKFRS 7	Financial Instruments: Disclosures
HKAS 1 Amendment	Capital 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

2.3 **IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS**

The Group has not applied the following new and revised HKFRSs, applicable to these financial statements, that have been issued but not yet effective, in these financial statements.

HKAS1(Revised)	Presentation of Financial Statements[1]
HKFRS 8	Operating Segments[1]
HK(IFRIC)-Int 11	HKFRS 2 – Group and Treasury Share Transactions[2]
HK(IFRIC)-Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction[3]

[1] Effective for annual periods beginning on or after 1 January 2009
[2] Effective for annual periods beginning on or after 1 March 2007
[3] Effective for annual periods beginning on or after 1 January 2008

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, it has concluded that while the adoption of HKFRS 8 may result in new or amended disclosures, these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

3. **BUSINESS INFORMATION**

(a) **Business segments**

The following tables present revenue, loss and certain asset, liability and expenditure information for the Group's business segments for the years ended 31 December 2007 and 2006.

	Continuing operations						Discontinued operation	
	Property investment and development 2007 *HK$'000*	Cosmetic and beauty 2007 *HK$'000*	Financial public relation service 2007 *HK$'000*	Others 2007 *HK$'000*	Eliminations 2007 *HK$'000*	Total 2007 *HK$'000*	Development and distribution of solvent pesticides 2007 *HK$'000*	Consolidated 2007 *HK$'000*
Segment revenue								
Sales to external customers	–	92,951	10,353	–	–	103,304	–	103,304
Intersegment sales	–	–	1,749	–	(1,749)	–	–	–
Other revenue	1,252	2,222	6	–	–	3,480	–	3,480
Total	1,252	95,173	12,108	–	(1,749)	106,784	–	106,784
Segment results	(41,924)	(41,355)	(2,536)	–	(1,749)	(87,564)	–	(87,564)
Interest and unallocated other income						3,832	–	3,832
Unallocated costs						(53,257)	–	(53,257)
Finance costs						(27,231)	–	(27,231)
Loss before tax						(164,220)	–	(164,220)
Tax						(2,815)	–	(2,815)
Loss for the year						(167,035)	–	(167,035)
Assets and liabilities								
Segment assets	1,883,505	236,897	18,886	1,216	–	2,140,504	–	2,140,504
Unallocated assets								351,795
Total assets								2,492,299
Segment liabilities	48,647	42,033	2,240	–	–	92,920	–	92,920
Unallocated liabilities								1,171,125
Total liabilities								1,264,045
Other segment information								
Depreciation	–	5,395	114	2,501	–	8,010	–	8,010
Recognition of prepaid land lease payments	–	462	–	677	–	1,139	–	1,139
Impairment of items of property, plant and equipment	25,004	–	–	–	–	25,004	–	25,004
Provision for impairment of trade receivables	–	–	727	–	–	727	–	727
Loss recognised on the remeasurement to fair value of prepaid land lease payments	9,607	–	–	–	–	9,607	–	9,607
Impairment of goodwill	–	44,443	2,193	–	–	46,636	–	46,636
Decrease in fair value of investment properties	8,195	–	–	–	–	8,195	–	8,195
Capital expenditure	7,244	4,880	63	78	–	12,265	–	12,265

	Continuing operations						Discontinued operation	
	Property investment and development 2006 *HK$'000*	Cosmetic and beauty 2006 *HK$'000*	Financial public relation service 2006 *HK$'000*	Others 2006 *HK$'000*	Eliminations 2006 *HK$'000*	Total 2006 *HK$'000*	Development and distribution of solvent pesticides 2006 *HK$'000*	Consolidated 2006 *HK$'000*
Segment revenue								
Sales to external customers	–	–	5,392	–	–	5,392	–	5,392
Intersegment sales	–	–	2,116	–	(2,116)	–	–	–
Other revenue	1,000	–	–	–	–	1,000	–	1,000
Total	1,000	–	7,508	–	(2,116)	6,392	–	6,392
Segment results	(2,145)	–	2	–	–	(2,143)	(2,584)	(4,727)
Interest and unallocated other income						7,501	–	7,501
Unallocated costs						(39,167)	–	(39,167)
Finance costs						(2,817)	–	(2,817)
Loss before tax						(36,626)	(2,584)	(39,210)
Tax						(184)	(200)	(384)
Loss for the year						(36,810)	(2,784)	(39,594)
Assets and liabilities								
Segment assets	45,905	–	22,057	11,659	–	79,621	15	79,636
Unallocated assets								414,216
Total assets								493,852
Segment liabilities	250	–	1,229	–	–	1,479	3,375	4,854
Unallocated liabilities								50,086
Total liabilities								54,940
Other segment information								
Depreciation	–	–	–	2,735	–	2,735	–	2,735
Recognition of prepaid land lease payments	–	–	–	658	–	658	–	658
Impairment of items of property, plant and equipment	–	–	–	–	–	–	1,584	1,584
Provision for impairment of trade receivables	–	–	–	–	–	–	1,000	1,000
Decrease in fair value of investment properties	3,145	–	–	–	–	3,145	–	3,145
Capital expenditure	–	–	256	903	–	1,159	–	1,159

(b) Geographical segments

The following table presents revenue information for the Group's geographical segments for the years ended 31 December 2007 and 2006.

	Continuing operations								**Discontinued operations**			
	Hong Kong		**Macau**		**Mainland China**		**Total**		**Mainland China**		**Consolidated**	
	2007 *HK$'000*	2006 *HK$'000*	**2007 *HK$'000***	2006 *HK$'000*	**2007 *HK$'000***	2006 *HK$'000*	**2007 *HK$'000***	2006 *HK$'000*	**2007 *HK$'000***	2006 *HK$'000*	**2007 *HK$'000***	2006 *HK$'000*
Segment revenue												
Sales to external customers	**29,817**	5,392	**–**	–	**73,487**	–	**103,304**	5,392	**–**	–	**103,304**	5,392
Other income	**4,636**	7,526	**52**	–	**2,624**	1,000	**7,312**	8,526	**–**	–	**7,312**	8,526
	34,453	12,918	**52**	–	**76,111**	1,000	**110,616**	13,918	**–**	–	**110,616**	13,918
Other Segment information												
Segment assets	**505,625**	448,685	**1,846,878**	–	**139,796**	45,152	**2,492,299**	493,837	**–**	–	**2,492,299**	493,837
Capital expenditure	**815**	1,159	**7,244**	–	**4,206**	–	**12,265**	1,159	**–**	–	**12,265**	1,159

4. **REVENUE AND OTHER INCOME**

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts; and the value of services rendered. An analysis of the Group's revenue and other income is as follows:

	2007 HK$'000	2006 HK$'000
Revenue		
Sale of goods	**77,967**	–
Rendering of services	**25,337**	5,392
	103,304	5,392
Attributable to continuing operations reported in the consolidated income statement	**103,304**	5,392
Other income		
Bank interest income	**3,666**	7,167
Management fee income	**271**	–
Rental income	**1,252**	1,000
Consultancy fee income	**829**	–
Others	**1,294**	359
	7,312	8,526
Attributable to continuing operations reported in the consolidated income statement	**7,312**	8,526

5. **FINANCE COSTS**

	2007 HK$'000	2006 HK$'000
Interest on bank loans and overdrafts wholly repayable within five years	**946**	22
Interests on convertible bonds	**26,258**	2,795
Interest on finance leases	**27**	–
Attributable to continuing operations reported in the consolidated income statement	**27,231**	2,817

6. **LOSS BEFORE TAX**

The Group's loss before tax is arrived at after charging/(crediting):

	2007 HK$'000	2006 HK$'000
Impairment of items of property, plant and equipment	**–**	1,584
Depreciation	**8,010**	2,735
Recognition of prepaid land lease payments	**67,390**	658
Capitalised in properties under development	**(66,251)**	–
	1,139	658
Impairment of trade receivables	**727**	1,000
Provision of inventories	**1,185**	–
Write-off of inventories	**2,334**	–
Loss on disposal of items of property, plant and equipment	**158**	–

7. **TAX**

Hong Kong profits tax has been provided at the rate of 17.5% (2006: 17.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable in Mainland China have been calculated at the rate of tax prevailing in Mainland China, based on existing legislation, interpretations and practices in respect thereof.

	2007 HK$'000	2006 HK$'000
Group:		
Current		
– Hong Kong	**109**	(16)
– Mainland China	**2,845**	200
Underprovision in prior years		
– Mainland China	**–**	200
Deferred	**(139)**	–
Total tax charge for the year	**2,815**	384
Represented by:		
Tax charge attributable to a discontinued operation	**–**	(200)
	2,815	184

8. **DIVIDENDS**

No dividend has been paid or declared by the Company in 2007 (2006: Nil).

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of basic loss per share amounts is based on the loss for the year attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares in issue during the year. The weighted average number of shares in 2006 is adjusted to reflect the changes in the number of ordinary shares as a result of share consolidation of the Company's ordinary share.

Diluted loss per share amounts for the years ended 31 December 2007 and 2006 have not been disclosed as warrants, share options and convertible bonds outstanding during these years had an anti-dilutive effect on the basic loss per share for these years.

The calculation of basic and diluted loss per share are based on:

	2007	2006
	HK$'000	*HK$'000*
Loss		
Loss attributable to ordinary equity holders of the Company, used in the basic loss per share calculation:		
From continuing operations	**167,019**	36,810
From a discontinued operation	**–**	2,784
	167,019	39,594

	Number of shares	
	2007	2006 (Restated)
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic loss per share calculation	**364,380,880**	244,767,529

10. TRADE PAYABLES

An aged analysis of the trade payables as at the balance sheet date, based on the invoice date, is as follows:

	Group	
	2007	2006
	HK$'000	*HK$'000*
Current to 3 months	**9,777**	1,032
4 to 6 months	**175**	10
7 to 12 months	**864**	12
Over 1 year	**1,079**	175
	11,895	1,229
Other payables and accruals	**76,076**	8,084
	87,971	9,313

The trade payables are non-interest-bearing and are normally settled on 90-day terms. The carrying amounts of the Group's trade payables approximate their fair values.

Included in other payables and accruals as at 31 December 2007 is an amount of HK$42,537,000 received from the former owners of Sociedade for settlement of the land premium.

11. POST BALANCE SHEET EVENT

On 11 December 2007, the Company entered into an agreement with an independent third party, to dispose of 100% equity interests in Goldigit Limited and its subsidiaries (collectively, the "Goldigit Group") in exchange for media operations in Mainland China with a fair value of approximately HK$36,969,000. The principal activity of the Goldigit Group is property investment. As at 31 December 2007, the assets and liabilities of the Goldigit Group was classified as a disposal group held for sale. The disposal of the Goldigit Group was completed on 14 January 2008.

MANAGEMENT DISCUSSION AND ANALYSIS

Business review

I am pleased to report that during the year your Company's size, growth potential and investor profile was significantly enhanced.

On 26 June 2007, the Company announced the increase in ownership of the landmark Macau Nam Van Lake luxury residential project from 8.69% to 95% in a HK$1,553,580,000 deal. Since then further significant progress has been made with successful government approval of the building plans and issuance of the construction permit. The project comprises a prime south facing waterfront residential site on Nam Van Lake located at Lot 9 Zone A, Baia de Praia Grande, Central District of the Macau Peninsula in close proximity to Wynn Resort, Lisboa, AIA Tower and Bank of China. The approved plan is for a luxury residential tower which, at over 50 stories, will be the tallest residential building in the area. Sitting over the water and with stunning sea views, the project is being developed to the highest international standards in every respect to target the top end international clientele.

Management has noted that Macau's GDP growth of 16% per annum places it amongst the highest growth of all developed economies worldwide and in 2007 its GDP per capita has overtaken Hong Kong's for the first time. This rapid wealth creation has resulted in high demand for ultra luxurious exclusive residences that have more in common with Las Vegas strip luxury condos than with existing housing stock. The Company intends to operate in this newly created ultra luxury sector of which the Nam Van project is a leading example.

With the successful execution of the Nam Van Lake project acquisition, the company changed its name to Macau Investment Holdings Limited to better describe the value of its asset base and major growth driver.

On 1 May 2007, the Company successfully completed the 100% acquisition of CMM Group, an established PRC nationwide cosmetics and skin care brand. Since joining the group, CMM Group has embarked on investment programs that will bear fruit with new distribution channels, new products and services and an improved operation. In particular the CMM Group has developed and begun to launch a line of branded spas to target the newly affluent PRC local market.

While focusing on and enhancing the growth strategy, the Company has also been winding down non-core activities such as the legacy pesticide business. Management is pleased to report that the remaining legacy business will be sold in early 2008 and the balance sheet rationalized to focus on future performance and shareholder value.

As a result of the Company's growth strategy, we have attracted investment from leading institutional investors including Lotus Capital Management, Keywise Capital Management, Greenwoods Assets Management, Sunshine Asset Management and Fair Capital Management, who together hold the majority of the Companies' shares and convertible bonds measured by value.

Prospect

With the opening of the Macau Venetian in August 2007, Macau's growth continues from strength to strength. Results achieved since then, whether measured by tourist arrivals, hotel rooms occupied, betting revenue or tourist spending or GDP continue to beat all previous records, demonstrating the validity of the Macau story. The Company, with significant investments in some of the very best sites in Nam Van and around the Cotai Strip is well positioned to profit from this exciting growth. Looking forward, the Company continues to actively explore opportunities to invest in prime Macau property and to further establish itself as a leading player in the prime residential sector.

Liquidity and Financial Resources
As at 31 December 2007, the Group had cash and bank balances of HK$222,303,000 placed in banks mainly as fixed deposits. The interest-bearing bank and other borrowings of the Group amounted to HK$14,671,000, which is mainly due within one year. The directors believe that the Group has sufficient working capital to meet its present requirements.

Capital structure of the Company
The Group is financed by the issue of convertible bonds shares issued during the Period and the Group's cash reserves. On 30 April 2007, 670,000,000 new shares were issued as part of the consideration for the acquisition of the CMM Group. In August 2007, part of the consideration for the acquisition of an additional 86.31% interests in Sociedade de Investimento Imobiliario Pun Keng Van S.A.R.L ("Sociedade") was satisfied by issuance of convertible bonds of HK$1,463,580,000 and by the allotment and issue of 500,000,000 new shares. During the period from August to September 2007, the Company issued an aggregate of 1,001,000,000 new shares to independent investors to raise an aggregate of HK$180,180,000 in cash. Save as the aforesaid, there was no change in the capital structure of the Company during the Period.

Material acquisitions and disposals of investments
During the Period, the Group acquired CMM Group and Socidedade. CMM Group is a leader in manufacture and trading of cosmetic and related products and provision of beauty technical and tutoring services whereas Socidedade is principally engaged in property investment business. Other than these acquisitions, the Group had no other material acquisitions or disposals of subsidiaries or affiliated companies during the Period.

Significant capital expenditures
Save as mentioned above, there were no significant capital expenditures during the Period.

Details of charges on the Group's assets
The Group had charges on the fixed deposit of HK$7,549,000 and the Group's buildings and prepaid land lease payments of approximately HK$18,676,000 and HK$7,506,000, respectively, made to banks to secure banking facilities granted to the Group. An amount of HK$42,537,000 was restricted for use for future payment of the land premium.

Contingent liabilities
The Group had no material contingent liabilities at 31 December 2007.

Indebtedness
Borrowings and Gearing ratio
As at 31 December 2007, total interest-bearing bank and other borrowings were HK$14,671,000, comprising bank loans and overdraft of HK$14,155,000 and finance lease payables of HK$516,000. The Group's gearing ratio, measured by total borrowings to the shareholders' fund, was 4.7%.

Foreign exchange exposure
Since most of the revenue generated from the sale of goods and payments for purchases of materials and salaries are either made in Hong Kong dollars, Renminbi, or Hong Kong dollars pegged currencies, the use of financial instruments for hedging purposes is not considered necessary and the exposure to exchange rate fluctuations is minimal.

EMPLOYEES
As at 31 December 2007, the Group had 700 employees. Employees receive competitive remuneration packages including salary and medical benefits. Key staff may also be entitled to performance bonus and share options to provide extra incentive to increase shareholder value.

AUDIT COMMITTEE
The Audit Committee aims at providing an independent and objective review of the financial reporting process, internal controls, and the audit functions of the Group. The current members are Mr. Sun Juyi, Ms. Hin Yat Ha and Ms. Chiu Ching, Katie and they all have extensive experience in accounting, commercial and probate matter. The Committee held periodic meetings to review the accuracy of the interim and annual financial results before the reports were sent to the Board for approval.

The Committee has reviewed the Group's annual results for the year ended 31 December 2007.

REMUNERATION COMMITTE
The remuneration Committee was set up to review the remuneration package of the Directors and senior management of the Company. All the Remuneration Committee members are Independent Non-executive Directors.

MODEL CODE FOR SECURITIES TRANSACTIONS
The Board and the Company has adopted the Model code for Securities Transactions. Having made specific enquiry of all Directors, during the year ended 31 December 2007, the Directors of the Company have complied with required standards as set out in the Model Code for Securities Transactions.

CODE ON CORPORATE GOVERNANCE PRACTICES
The Company has complied throughout the year ended 31 December 2007 with the applicable provisions of the Code on Corporate Governance Practices set out in Appendix 14 to the Listing Rules, except that:

Under provision A.4.2 of the Code, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. The Directors of the Company were not appointed for a specific term but one-third of the Directors are subject to retirement by rotation at each annual general meeting as stated in the Articles of Association of the Company.

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES
During the year ended 31 December 2007, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

FINANCIAL RESULTS OF THE GROUP PUBLISHED ON THE EXCHANGE'S WEBSITE
All the information required by paragraphs 45(1) to 45(3) of Appendix 16 of the Listing Rules will be published on the Stock Exchange's website in due course.

By order of the Board
Edmund Kwok King Yan
Director

Hong Kong, 3 March 2008

As at the date of this announcement, the Board consists of one executive Director, namely Mr. Edmund Kwok King Yan, one non-executive Director, namely Professor Cheng Ho Ming, and three independent non-executive Directors, namely Mr. Sun Juyi, Ms. Hin Yat Ha and Ms. Chiu Ching, Katie.

Please also refer to the published version of this announcement in International Herald Tribune.