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)

RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2008

The board of directors (the "Board") of the Dore Holdings Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2008 together with the comparative figures as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2008

	Notes	**2008** *HK$'000*	2007 *HK$'000* (Restated)
Continuing operations			
Turnover	*4*	**418,910**	6,353
Cost of sales		**–**	(6,159)
Gross profit		**418,910**	194
Other revenue	*4*	**6,699**	96
Other income	*5*	**200**	140
Administrative expenses		**(15,221)**	(14,825)
Equity-settled share-based payments		**(70,243)**	–
Fair value changes on investment properties		**560**	–
Fair value changes on financial assets at fair value through profit or loss		**(16,905)**	1,328
Fair value changes on derivative financial instruments		**(101,174)**	–
Impairment loss recognised in respect of intangible assets	*10*	**(778,278)**	–
Impairment loss recognised in respect of goodwill	*11*	**(210,404)**	–
Share of results of an associate		**47,895**	40,566
(Loss)/profit from operations	*5*	**(717,961)**	27,499
Finance costs	*6*	**(58,058)**	(7,136)
(Loss)/profit before taxation		**(776,019)**	20,363
Taxation	*7*	**1,021**	31
(Loss)/profit for the year from continuing operations		**(774,998)**	20,394

* *For identification purpose only*

	Notes	2008 HK$'000	2007 HK$'000 (Restated)
Discontinued operation			
Profit for the year from discontinued operation	8	**973**	694
(Loss)/profit for the year		**(774,025)**	21,088
Attributable to:			
Equity holders of the Company		**(775,976)**	21,088
Minority interests		**1,951**	–
		(774,025)	21,088
Dividends	13		
Special dividend paid		**46,762**	–
Interim dividend paid		**70,765**	–
Proposed final dividend		**–**	17,911
		117,527	17,911
(Loss)/earnings per share			
From continuing and discontinued operations			
– Basic and diluted	9	**HK (69.50) cents**	HK 3.08 cents
From continuing operations			
– Basic and diluted	9	**HK (69.59) cents**	HK 2.98 cents

CONSOLIDATED BALANCE SHEET
At 31 March 2008

	Notes	2008 HK$'000	2007 HK$'000
Non-current assets			
Property, plant and equipment		**1,899**	1,336
Intangible assets	*10*	**1,922,029**	–
Investment properties		**10,760**	10,200
Goodwill	*11*	**153,216**	1,211
Interest in an associate		**–**	541,586
		2,087,904	554,333
Current assets			
Accounts receivable		**49,026**	–
Deposits and other receivables		**26,256**	312,765
Financial assets at fair value through profit or loss		**38,220**	8,186
Derivative financial instruments		**38,651**	–
Cash and bank balances		**55,007**	101,512
		207,160	422,463
Less: Current liabilities			
Accounts payable		**–**	893
Other payables and accruals		**21,691**	2,256
Tax payable		**180**	180
		21,871	3,329
Net current assets		**185,289**	419,134
Total assets less current liabilities		**2,273,193**	973,467
Less: Non-current liabilities			
Promissory notes – due after one year		**449,003**	274,742
Convertible bonds – due after one year		**612,123**	97,284
Deferred tax liabilities		**27,000**	6,495
		1,088,126	378,521
Net assets		**1,185,067**	594,946
Capital and reserves			
Share capital		**141,286**	87,800
Reserves		**1,043,781**	489,235
Proposed dividend		**–**	17,911
Equity attributable to equity holders of the Company		**1,185,067**	594,946
Minority interests		**–**	–
Total equity		**1,185,067**	594,946

Notes:

1. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which also include Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong, the disclosure requirements of the Hong Kong Companies Ordinance and applicable disclosure provisions of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand ("HK$'000") except when otherwise indicated.

The preparation of financial statements in conformity with HKFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The measurement basis used in the preparation of the financial statements is historical cost convention except for certain financial assets, financial liabilities, derivative financial instruments and investment properties which have been carried at fair values.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied for the first time, the following new standard, amendment and interpretations ("new HKFRSs") issued by the HKICPA, which are effective for the Group's financial year beginning 1 April 2007.

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 new HKFRSs, except for HKAS 1 (Amendment) and HKFRS 7, had no material effect on how the results and 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 applied the disclosure requirements under HKAS 1 (Amendment) and HKRFS 7 retrospectively. Certain information presented in prior year under the requirements of HKAS 32 has been removed and the relevant comparative information based on the requirements of HKAS 1 (Amendment) and HKRFS 7 has been presented for the first time in the current year.

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

		Effective for accounting period beginning on or after
HKAS 1 (Revised)	Presentation of Financial Statements	1 January 2009
HKAS 23 (Revised)	Borrowing Costs	1 January 2009
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising or Liquidation	1 January 2009
HKAS 27 (Revised)	Consolidated and Separate Financial Statements	1 July 2009
HKFRS 2 (Amendment)	Share-based Payment – Vesting Conditions and Cancellations	1 January 2009
HKFRS 3 (Revised)	Business Combinations	1 July 2009
HKFRS 8	Operating Segments	1 January 2009
HK (IFRIC) – Int 12	Service Concession Arrangements	1 January 2008
HK (IFRIC) – Int 13	Customer Loyalty Programmes	1 July 2008
HK (IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2008

The management is in the process of making an assessment of the impact of these new standards, amendments and interpretations to existing standards. The directors of the Company so far has anticipated that the application of these new standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

3. BUSINESS AND GEOGRAPHICAL SEGMENTS

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.

The Group's operating businesses 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 follow:

(a) the gaming and entertainment segment receives profit streams from gaming and entertainment related business;

(b) the construction segment provides and installs fire-rated timber door sets, as well as provides interior decoration and renovation services and other carpentry works, which was discontinued during the year; and

(c) the timber segment engages in the trading of timber logs and wooden door sets.

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

(a) Business segments

For the year ended 31 March 2008

	Continuing operations			Discontinued operation	
	Gaming and entertainment *HK$'000*	**Timber** *HK$'000*	**Total** *HK$'000*	**Construction** *HK$'000*	**Consolidated** *HK$'000*
Segment revenue:					
Profit streams from gaming and entertainment related business	**418,910**	**–**	**418,910**	**–**	**418,910**
Segment results	**(359,368)**	**(199)**	**(359,567)**	**973**	**(358,594)**
Equity-settled share-based payments			**(70,243)**	**–**	**(70,243)**
Fair value changes on financial assets at fair value through profit or loss			**(16,905)**	**–**	**(16,905)**
Fair value changes on derivative financial instruments			**(101,174)**	**–**	**(101,174)**
Impairment loss recognised in respect of goodwill			**(210,404)**	**–**	**(210,404)**
Interest income and unallocated gains			**6,899**	**–**	**6,899**
Corporate and other unallocated expenses			**(14,462)**	**–**	**(14,462)**
(Loss)/profit from operations			**(765,856)**	**973**	**(764,883)**
Finance costs			**(58,058)**	**–**	**(58,058)**
Share of results of an associate			**47,895**	**–**	**47,895**
(Loss)/profit before taxation			**(776,019)**	**973**	**(775,046)**
Taxation			**1,021**	**–**	**1,021**
(Loss)/profit for the year			**(774,998)**	**973**	**(774,025)**
Segment assets and liabilities:					
Segment assets	**2,150,191**	**–**	**2,150,191**	**–**	**2,150,191**
Unallocated					**144,873**
Consolidated total assets					**2,295,064**
Segment liabilities	**–**	**180**	**180**	**–**	**180**
Unallocated					**1,109,817**
Consolidated total liabilities					**1,109,997**

	Continuing operations			Discontinued operation		
	Gaming and entertainment *HK$'000*	**Timber** *HK$'000*	**Total** *HK$'000*	**Construction** *HK$'000*	**Unallocated** *HK$'000*	**Consolidated** *HK$'000*
Other information:						
Capital expenditure	**2,700,307**	**–**	**2,700,307**	**–**	**949**	**2,701,256**
Depreciation	**–**	**–**	**–**	**–**	**386**	**386**
Impairment loss recognised in respect of intangible assets	**778,278**	**–**	**778,278**	**–**	**–**	**778,278**
Impairment loss recognised in respect of goodwill	**210,404**	**–**	**210,404**	**–**	**–**	**210,404**

For the year ended 31 March 2007

	Continuing operation	Discontinued operation	
	Timber	Construction	Consolidated
	HK$'000	*HK$'000*	*HK$'000*
Segment revenue:			
Sales to external customers	6,353	–	6,353
Segment results	108	709	817
Interest income and unallocated gains	1,564	–	1,564
Corporate and other unallocated expenses	(14,739)	–	(14,739)
(Loss)/profit from operations	(13,067)	709	(12,358)
Finance costs	(7,136)	–	(7,136)
Share of results of an associate	40,566	–	40,566
(Loss)/profit before taxation	20,363	709	21,072
Taxation	31	(15)	16
(Loss)/profit for the year	20,394	694	21,088
Segments assets and liabilities			
Segment assets	172	9	181
Unallocated			976,615
Consolidated total assets			976,796
Segment liabilities	180	1,028	1,208
Unallocated			380,642
Consolidated total assets			381,850

	Continuing operation	Discontinued operation		
	Timber	Construction	Unallocated	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Capital expenditure	–	–	1,446	1,446
Depreciation	–	–	469	469

(b) Geographical segments

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets. During the year ended 31 March 2008, over 90% of the Group's revenue and assets were derived from operations in Macau and accordingly, no detailed analysis of the Group's geographical segment for the year ended 31 March 2008 is disclosed. During the year ended 31 March 2007, over 90% of the Group's revenue and assets were derived from operations in Hong Kong and accordingly, no detailed analysis of the Group's geographical segment for the year ended 31 March 2007 is disclosed.

4. TURNOVER AND OTHER REVENUE

An analysis of turnover and other revenue is as follows:

	2008	2007
	HK$'000	*HK$'000*
Continuing operations		
Trading of timber logs	**–**	6,353
Profit streams from gaming and entertainment related business	**418,910**	–
	418,910	6,353
Discontinued operation		
Contract revenue	**–**	–
	418,910	6,353
Other revenue		
Interest income	**6,688**	61
Dividend income	**11**	35
	6,699	96

Other revenue analysed by categories of asset is as follows:

	2008	2007
Financial instruments		
Loans and receivables (including cash and bank balances)	**6,688**	61
Financial assets at fair value through profit or loss	**11**	35
	6,699	96

5. (LOSS)/PROFIT FROM OPERATIONS

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

	Continuing operations		Discontinued operations		Total	
	2008	2007	**2008**	2007	**2008**	2007
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Depreciation	**386**	469	**–**	–	**386**	469
Auditors' remuneration	**750**	580	**–**	–	**750**	580
Minimum lease payments under operating leases in respect of land and buildings	**1,006**	914	**–**	–	**1,006**	914
Staff costs (excluding directors' remuneration)						
Salaries and wages	**3,160**	856	**–**	–	**3,160**	856
Pension scheme contributions	**45**	26	**–**	–	**45**	26
	3,205	882	**–**	–	**3,205**	882
Equity-settled share-based payments						
– employees	**5,132**	–	**–**	–	**5,132**	–
– consultants	**65,111**	–	**–**	–	**65,111**	–
	70,243	–	**–**	–	**70,243**	–
	73,448	882	**–**	–	**73,448**	882

and after crediting:

	Continuing operations		Discontinued operations		Total	
Other income						
Gain on disposal of a subsidiary	**–**	140	**–**	–	**–**	140
Gain on disposal of property, plant and equipment	**200**	–	**–**	–	**200**	–
Written-back of impairment of accounts receivable	**–**	–	**–**	712	**–**	712
	200	140	**–**	712	**200**	852

6. FINANCE COSTS

	Continuing operations		Discontinued operations		Total	
	2008	2007	**2008**	2007	**2008**	2007
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Effective interest on promissory notes wholly repayable within five years	**32,416**	5,270	**–**	–	**32,416**	5,270
Effective interest on convertible bonds wholly repayable within five years	**25,642**	1,866	**–**	–	**25,642**	1,866
	58,058	7,136	**–**	–	**58,058**	7,136

7. TAXATION

Hong Kong profits tax has been provided at the rate of 17.5% (2007: 17.5%) on the estimated assessable profits arising from Hong Kong during the year.

	Continuing operations		Discontinued operations		Total	
	2008	2007	**2008**	2007	**2008**	2007
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Current taxation						
Credited/(charged) for the year						
– Hong Kong	**–**	–	**–**	(15)	**–**	(15)
Over-provision in prior year	**–**	31	**–**	–	**–**	31
	–	31	**–**	(15)	**–**	16
Deferred taxation						
Convertible bonds	**1,113**	–	**–**	–	**1,113**	–
Revaluation of properties	**(92)**	–	**–**	–	**(92)**	–
	1,021	–	**–**	–	**1,021**	–
Total tax credited/(charged) for the year	**1,021**	31	**–**	(15)	**1,021**	16

8. DISCONTINUED OPERATION

Disposal of construction business

On 8 May 2007, the Group entered into a sale and purchase agreement to dispose of the Group's construction business. The disposal of the construction business is consistent with the Group's long-term strategy to focus its activities in the gaming and entertainment business. The disposal was completed on 8 May 2007, on which date control of the construction business was passed to the acquirer.

	2008	2007
	HK$'000	*HK$'000*
Loss for the year from discontinued operation		
Revenue	**–**	712
Expenses	**–**	(3)
Profit before taxation	**–**	709
Taxation	**–**	(15)
	–	694
Gain on disposal of discontinued operation	**973**	–
	973	694
Cash flows from discontinued operation		
Net cash flows from operating activities	**(4,230)**	3,607
Net cash flows from investing activities	**–**	–
Net cash flows from financing activities	**–**	–
Net cash flows	**(4,230)**	3,607

9. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY

From continuing and discontinued operations

Basic (loss)/earnings per share

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

	2008	2007
	HK$'000	*HK$'000*
(Loss)/earnings		
(Loss)/profits for the year attributable to the equity holders of the Company for the purpose of basic (loss)/earnings per share	**(775,976)**	21,088

	2008	2007
	'000	*'000*
Number of ordinary shares		
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share	**1,116,534**	684,936

Diluted (loss)/earnings per share

Diluted (loss)/earnings per share from both continuing and discontinued operations for the years ended 31 March 2008 and 2007 were the same as the basic (loss)/earnings per share. The Company's outstanding convertible bonds and share options were not included in the calculation of diluted (loss)/earnings per share from both continuing and discontinued operations because the effect of the Company's outstanding convertible bonds and share options were anti-dilutive.

From continuing operations

Basic (loss)/earnings per share

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

(Loss)/earnings figures are calculated as follows:

	2008	2007
	HK$'000	*HK$'000*
(Loss)/profit for the year attributable to the equity holders of the Company	**(775,976)**	21,088
Less: Profit for the year from discontinued operation	**973**	694
(Loss)/profit for the purpose of basic (loss)/earnings per share from continuing operations	**(776,949)**	20,394

The denominators used are the same as those detailed above for both basic and diluted (loss)/earnings per share.

Diluted (loss)/earnings per share

Diluted (loss)/earnings per share from continuing operations for the years ended 31 March 2008 and 2007 were the same as the basic (loss)/earnings per share. The Company's outstanding convertible bonds and share options were not included in the calculation of diluted (loss)/earnings per share from continuing operations because the effect of the Company's outstanding convertible bonds and share options were anti-dilutive.

From discontinued operation

Basic earnings per share

Basic earnings per share for the discontinued operation is HK0.09 cents per share (2007: HK0.1 cents per share) based on the profit for the year from discontinued operation of approximately HK$973,000 (2007: HK$694,000) and the denominators used are the same as those detailed above for both basic and diluted (loss)/earnings per share.

Diluted earnings per share

Diluted earnings per share from discontinued operations for the years ended 31 March 2008 and 2007 were the same as the basic earnings per share. The Company's outstanding convertible bonds and share options were not included in the calculation of diluted earnings per share from discontinued operation because the effect of the Company's outstanding convertible bonds and share options were anti-dilutive.

10. INTANGIBLE ASSETS

	Rights in sharing of profit streams *HK$'000*
Cost	
At 1 April 2006, 31 March 2007 and 1 April 2007	–
Additions on acquisition of subsidiaries	2,700,307
At 31 March 2008	2,700,307
Accumulated impairment	
At 1 April 2006, 31 March 2007 and 1 April 2007	–
Impairment loss recognised for the year	778,278
At 31 March 2008	778,278
Carrying amounts	
At 31 March 2008	**1,922,029**
At 31 March 2007	–

Details of intangible assets are as follows:

	Sands Profit Agreement *HK$'000*	Dore Profit Agreement *HK$'000*	Nove Profit Agreement *HK$'000*	Total *HK$'000*
Fair value during acquisition	528,013	614,565	1,494,640	2,637,218
Revaluation arisen from further acquisitions	62,451	–	638	63,089
	590,464	614,565	1,495,278	2,700,307
Impairment loss recognised for the year	–	–	(778,278)	(778,278)
At 31 March 2008	590,464	614,565	717,000	1,922,029

The intangible assets represent the rights in sharing of profit streams from junket business at the casinos' VIP rooms in Macau. The intangible assets are renewable. The directors of the Company are not aware of any expected impediment with respect to the renewal of the rights and consider that the possibility of failing in renewal is remote and the rights will generate net cash inflows for an indefinite period. Therefore, the rights are treated as having an indefinite useful life. Such intangible assets are carried at cost less accumulated impairment loss.

Impairment loss in respect of intangible assets of approximately HK$778,278,000 was recognised during the year ended 31 March 2008 by reference to the valuation report issued by Messrs. Grant Sherman Appraisal Limited ("Grant Sherman"), independent qualified professional valuers, at 31 March 2008 which valued the intangible assets on discounted cash flow method. The main factor contributing to the impairment was the turnover generated from the intangible assets did not meet the management estimation.

11. GOODWILL

	HK$'000
Cost	
At 1 April 2006	8,536
Additions arising from acquisition of a subsidiary	1,211
At 31 March 2007 and 1 April 2007	9,747
Additions arising from acquisition of subsidiaries	362,409
At 31 March 2008	372,156
Accumulated impairment	
At 1 April 2006, 31 March 2007 and 1 April 2007	8,536
Impairment losses recognised for the year	210,404
At 31 March 2008	218,940
Carrying amounts	
At 31 March 2008	**153,216**
At 31 March 2007	1,211

The Group uses business segments as its primary segment for reporting segment information. For the purpose of impairment testing, goodwill with indefinite useful lives have been allocated to one individual cash generating unit (CGU) determined based on the related segment. The carrying amounts of goodwill (net of impairment losses) at 31 March 2008 allocated to this unit is as follows:

	HK$'000
Gaming and entertainment unit	**153,216**

During the year ended 31 March 2008, the management assessed the recoverable amount of goodwill, and determined the goodwill associated with the Group's gaming and entertainment was impaired by approximately HK$210,404,000 (2007: Nil). The main factor contributing to the impairment of goodwill was the failure of the gaming and entertainment related business segment to contribute revenue that the management had predicted.

The recoverable amount of the gaming and entertainment cash-generating units has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections is 18.87%.

The recoverable amounts of the above CGUs have been determined on the basis of value in use calculations. Their recoverable amounts are based on certain similar key assumptions. All value in use calculations use cash flow projections based on the financial budgets approved by the management covering a five-year period, which represents the management's best estimate of future cash flow from respective CGU, and a discount rate of approximately 18.87% (2007: 30%). The cash flows beyond five-year period are extrapolated using a zero growth rate for an indefinite period. Another key assumption is the budgeted revenue, which is determined based on the CGUs' past performance and management's expectations for the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of the above CGUs to exceed the aggregate recoverable amount of the above CGUs.

12. ACQUISITION OF SUBSIDIARIES

(a) On 12 June 2007, the Company acquired the entire issued share capital of Richsense Limited ("Richsense") from Rich Game Capital Inc.. The major asset of Richsense is its 51% equity interest in Worth Perfect International Limited. The consideration for the acquisition was approximately HK$766,572,000 which represented the cash paid, the fair value of convertible bonds and promissory notes and consideration shares as at the date of acquisition. The amount of goodwill arising as a result of the acquisition was approximately HK$152,005,000.

The net assets acquired in the transaction and the goodwill arising is as follows:

	Acquiree's carrying amounts *HK$'000*	**Fair value adjustment** *HK$'000*	**Fair values** *HK$'000*
Net assets acquired:			
Right in sharing of profit stream	–	614,565	614,565
Cash and bank balances	5	–	5
Other receivables	8,731	–	8,731
Other payables	(8,734)	–	(8,734)
	2	614,565	614,567
Goodwill			152,005
			766,572

	HK$'000
Total consideration satisfied by:	
Cash consideration	420,789
Issue of convertible bonds	136,800
Issue of promissory notes	165,259
Issue of shares	43,724
	766,572

Net cash outflow arising on acquisition:

	HK$'000
Cash and bank balances acquired	5
Cash consideration	(420,789)
	(420,784)

Notes:

(i) The contracted value of the acquisition was HK$765,000,000 and the difference between the fair value and the contracted value of consideration paid was approximately HK$1,572,000.

(ii) The fair value of the convertible bonds issued has been arrived at on the basis of a valuation carried out on the completion date of the acquisition by Grant Sherman, independent qualified professional valuers not connected with the Group. The valuation was arrived at by reference to Binomial Option Pricing Model.

(iii) The fair value of the consideration shares determined based on the quoted closing price of the Company's share of HK$2.49 at the date of acquisition and 17,560,000 shares.

(iv) Goodwill arose in the business combination because the cost of the combination included a control premium paid to acquire Richsense. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development of Richsense. These benefits are not recognised separately from goodwill as the future economic benefits arising from them cannot be reliably measured.

(v) During the year ended 31 March 2008, Richsense contributed approximately HK$190,667,000 to the Group's turnover for the period from the date of acquisition to the balance sheet date.

If the acquisition had been completed on 1 April 2007, total Group revenue for the year would have been approximately HK$468,761,000, and loss for the year attributable to equity holders of the Company would have been approximately HK$724,175,000. The pro forma information is for illustrative purpose only and is not necessarily an indication of revenue and results of the Group that actually would have been achieved had the acquisition been completed on 1 April 2007, nor is it intended to be a projection of future results.

(b) On 10 December 2007, Team Jade Enterprises Limited ("Team Jade"), a wholly owned subsidiary of the Company acquired 60% of the total issued share capital of Triple Gain Group Limited ("Triple Gain") from Power Rush Holdings Limited ("Power Rush"). The consideration for the acquisition was approximately HK$937,451,000 which represented the cash paid, the fair value of convertible bonds and consideration shares as at the date of acquisition. The amount of goodwill arising as a result of the acquisition was approximately HK$40,923,000.

	Acquiree's carrying amounts *HK$'000*	**Fair value adjustment** *HK$'000*	**Fair values** *HK$'000*
Net assets acquired:			
Right in sharing of profit stream	–	1,494,217	1,494,217
Cash and bank balances	1	–	1
Other payables	(5)	–	(5)
100% equity interest of Triple Gain	(4)	1,494,217	1,494,213
Acquisition of 60% equity interest in Triple Gain	(2)	896,530	896,528
Goodwill			40,923
			937,451

	HK$'000
Total consideration satisfied by:	
Cash consideration	526,710
Issue of convertible bonds	275,411
Issue of shares	161,250
Adjustment to the total consideration on acquisition *(note (vi))*	(25,920)
	937,451

Net cash outflow arising on acquisition:

	HK$'000
Cash consideration	(526,710)

Notes:

(i) The contracted value of the acquisition was HK$993,600,000 and the difference between the fair value and the contracted value of consideration paid was approximately HK$113,240,000.

(ii) The fair value of the convertible bonds issued has been arrived at on the basis of a valuation carried out on the completion date of the acquisition by Grant Sherman, independent qualified professional valuers not connected with the Group. The valuation was arrived at by reference to Binomial Option Pricing Model.

(iii) The fair value of the consideration shares determined based on the quoted closing price of the Company's share of HK$2.15 at the date of acquisition and 75,000,000 shares.

(iv) Goodwill arose in the business combination because the cost of the combination included a control premium paid to acquire Triple Gain. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development of Triple Gain. These benefits are not recognised separately from goodwill as the future economic benefits arising from them cannot be reliably measured.

(v) During the year ended 31 March 2008, Triple Gain contributed approximately HK$45,053,000 to the Group's turnover for the period from the date of acquisition to the balance sheet date.

If the acquisition had been completed on 1 April 2007, total Group revenue for the year would have been approximately HK$472,956,000, and loss for the year attributable to equity holders of the Company would have been approximately HK$719,981,000. The pro forma information is for illustrative purpose only and is not necessarily an indication of revenue and results of the Group that actually would have been achieved had the acquisition been completed on 1 April 2007, nor is it intended to be a projection of future results.

(vi) In relation to the acquisition of Triple Gain from Power Rush, the Group, Mr. Chen Yi Ming, Nove Sociedade Unipessoal Limitada entered into an Nove Profit Agreement. Pursuant to the Nove Profit Agreement, Mr. Chen Yi Ming has irrevocably and unconditionally guaranteed to Triple Gain that (i) the profit for the period from 28 August 2007 to 31 March 2008 ("First Profit Guarantee") shall not be less than HK$163,000,000; (ii) the profit for the year ending 31 March 2009 ("Second Profit Guarantee") shall not be less than HK$304,000,000; and (iii) the profit for the period from 1 April 2009 to 27 August 2009 ("Third Profit Guarantee") shall not be less than HK$133,000,000. In the event the profit guarantee is not achieved, Mr. Chen Yi Ming has undertaken to pay to Triple Gain the difference between the actual profit received and/or receivable by Triple Gain and the guaranteed profit for the same period.

At the end of First Guarantee Period, the actual profit received and/or receivable by Triple Gain as at the balance sheet date was approximately HK$137,080,000 and therefore, a receivable of approximately HK$25,920,000 is recognised and such amount was deducted from the investment cost in Triple Gain.

(c) On 18 December 2007, Team Jade acquired the remaining 40% of the total issued share capital of Triple Gain from Power Rush. The consideration for the acquisition was approximately HK$769,545,000 which represented the cash paid, the fair value of convertible bonds and consideration shares as at the date of acquisition. The amount of goodwill arising as a result of the acquisition was approximately HK$169,481,000.

	Acquiree's carrying amounts *HK$'000*	**Fair value adjustment** *HK$'000*	**Fair values** *HK$'000*
Net assets acquired:			
Right in sharing of profit stream	–	1,495,275	1,495,275
Other receivables	4,889	–	4,889
Cash and bank balances	1	–	1
Other payables	(5)	–	(5)
100% equity interest of Triple Gain	4,885	1,495,275	1,500,160
Acquisition of 40% equity interest in Triple Gain	1,954	598,110	600,064
Goodwill			169,481
			769,545

	HK$'000
Total consideration satisfied by:	
Cash consideration	448,400
Issue of convertible bonds	249,945
Issue of shares	71,200
	769,545

Net cash outflow arising on acquisition:

	HK$'000
Cash consideration	(448,400)

Notes:

(i) The contracted value of the acquisition was HK$806,400,000 and the difference between the fair value and the contracted value of consideration paid was approximately HK$20,236,000.

(ii) The fair value of the convertible bonds issued has been arrived at on the basis of a valuation carried out on the completion date of the acquisition by Grant Sherman, independent qualified professional valuers not connected with the Group. The valuation was arrived at by reference to Binomial Option Pricing Model.

(iii) The fair value of the consideration shares determined based on the quoted closing price of the Company's share of HK$1.78 at the date of acquisition and 40,000,000 shares.

(iv) Goodwill arose in the business combination because the cost of the combination included a control premium paid to acquire Triple Gain. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development of Triple Gain. These benefits are not recognised separately from goodwill as the future economic benefits arising from them cannot be reliably measured.

(v) During the year ended 31 March 2008, Triple Gain contributed approximately HK$45,053,000 to the Group's turnover for the period from the date of acquisition to the balance sheet date.

If the acquisition had been completed on 1 April 2007, total Group revenue for the year would have been approximately HK$456,892,000, and loss for the year attributable to equity holders of the Company would have been approximately HK$736,044,000. The pro forma information is for illustrative purpose only and is not necessarily an indication of revenue and results of the Group that actually would have been achieved had the acquisition been completed on 1 April 2007, nor is it intended to be a projection of future results.

13. DIVIDENDS

No final dividend (2007: HK2 cents per share) was proposed by the directors for the year ended 31 March 2008. The special dividend of HK4 cents per share (2007: Nil) and an interim dividend of HK1.5 cents per share in cash and HK4 cents per share in scrip dividend (2007: Nil) were paid during the year.

MANAGEMENT DISCUSSION AND ANALYSIS

Year 2007/08 was a productive year for the Group as we delivered a solid financial performance before impairments and continued to successfully execute our corporate strategy of becoming a leading player in the gaming and entertainment sector in Macau, the world's largest gaming city. While the profit contribution from Worth Perfect International Limited ("Worth Perfect"), the profit receiving company from the leading junkets at Sands Macao and Wynn Macau respectively is progressing, the Group has acquired Triple Gain Group Limited ("Triple Gain"), the profit receiving company from Nove Sociedade Unipessoal Limitada ("Nove"), one of the leading junkets at Venetian Macao. This has effectively positioned the Group for having the profit streams from the three leading hotels/casinos at Macau which path the way for growth both at Macau and possibly regionally and for diversifying its reliance on a single casino.

Financial Review

For the year ended 31 March 2008, the Group was engaged in two business streams: (i) gaming and entertainment sector; and (ii) trading sector. To capitalize on the fast-growing Macau gaming market, the Group would focus on the highly profitable gaming and entertainment business in the years to come.

Turnover of the Group was HK$418,910,000 representing a 6,494% increase over the corresponding figure of HK$6,353,000 in 2007. The Group's revenue was significantly higher than that of last year reflecting the significant expansion in the gaming and entertainment operations. The increase in turnover was a result of (a) the series of acquisitions that further strengthen the Group's presence in the Macau gaming and entertainment sector, (b) the continuous growth in performance of the acquiree companies, and (c) the acquisition of the acquiree company the 100% interest instead of less than 50%, resulting in consolidating the whole profit stream of the acquiree company rather than treating as an associate.

Loss for the year attributable to the equity holders of the Company amounted to approximately HK$776.0 million, as compared to a profit of HK$21.1 million for 2007. On the other hand, had the non-cash items been stripping out, the Group is operated at a profit of HK$419.0 million.

	Year ended 31 March 2008 *HK$'000*
Loss attributable to the equity holders of the Company	(775,976)
Add: Non-cash items	
Equity-settled share-based payments	70,243
Fair value changes on investment properties	(560)
Fair value changes on financial assets at fair value through profit or loss	16,905
Fair value changes on derivative financial instruments	101,174
Impairment of intangible assets	778,278
Impairment of goodwill	210,404
Notional interest cost convertible bonds and promissory notes	18,549
Profit after stripping out non-cash items	**419,017**

Basic and diluted loss per share for the year under review were HK69.50 cents (2007: basic and diluted earnings per share of HK3.08 cents).

As the Group's revenue is derived from the sharing of profit streams from investments in gaming business in Macau, there is no cost directly associated with it and hence, no cost of sales has been incurred. Gross profit margin is 100% vs. 3.1% in the year of 2007. The Group's operating cost is restricted to administrative expenses.

Administrative expenses increased to HK$15,221,000 in the year ended 31 March 2008 from HK$14,825,000 in the year ended 31 March 2007. The increase was mainly attributed, the increase in salary to HK$5,111,000 as we have recruited the owners of the three junkets as the general managers for supervising their respective operations and to provide update market information (see section of "Employees" below). In fact, had it not for this factors, the Group is still maintaining a low level of operating costs via implementing a set of stringent cost control procedures in its operation through streamlining its operation and reduction in unnecessary headcount.

Finance costs for the year ended 31 March 2008 amounted to HK$58,058,000, a 713.60% increase from HK$7,136,000 as comparing to the corresponding figure for the previous year. The substantial increase in finance costs was attributed to the issue of convertible bonds and the promissory notes to Rich Game Capital Inc. ("Rich Game") and Power Rush Holdings Limited ("Power Rush") in relation to the acquisitions of Worth Perfect and Triple Gain and the adoption of HKAS39 *Financial Instruments: Recognition and Measurement* where the interest expenses on the convertible bonds and the promissory notes were calculated at the prevailing market interest rate of similar instruments of 8%, instead of the actual coupon rates of 5%. The difference in interest thereon amounted to HK$18,549,000.

The Group would also like to point out that it does not involve or invest in any derivative instrument. The "Derivative Financial Instruments" category in the balance sheet is just an accounting classification whereby the value of the convertible bonds are divided into several items, one of which is "Derivative Financial Instruments".

Liquidity and Financial Resources

The financial position of the Group has remained strong during the year. During the year ended 31 March 2008, total assets of the Group were HK$2,295.1 million (2007: HK$976.7 million) which were financed by shareholders' funds of HK$1,185.1 million (2007: HK$594.9 million), current liabilities of HK$21.9 million (2007: HK$3.3 million) and non-current liabilities of HK$1,088.1 million (2007: HK$378.5 million). The Group funded its operation by cash generated from its operating activities, convertible bonds, promissory notes and issues of new shares.

The age of accounts receivable is restricted to one month which in fact is less than 15 days, represented by the payment of profit streams paid out by the junkets within 15 days following the end of the month in operation.

The Group's liquidity position remains strong and the Group is confident that sufficient resources could be secured to meet its commitments, working capital requirements and future assets acquisitions, if any.

During the year ended 31 March 2008, the Group recorded a net cash outflow of HK$46.5 million (2007: inflow of HK$71.5 million). This is mainly a result of the cash considerations paid for acquisition, mainly,

	Date	Amount *(HK$'000)*
Acquiring the remaining 51% interest in Worth Perfect	10 June 2007	420,789
Acquiring 60% interest in Triple Gain	10 December 2007	526,710
Acquiring 40% interest in Triple Gain	18 December 2007	448,400
Total cash portion of consideration		1,395,899

The Group has cash and cash equivalents of HK$55,007,000 at 31 March 2008 (2007: HK$101,512,000). At 31 March 2008, the Group had a net current asset of HK$185,289,000 (2007: HK$419,134,000). The current ratio calculated on the basis of current assets divided by current liabilities of the Group was 9.47 at 31 March 2008 (2007: 126.9). The strong Group's cash position and current ratio were attributed to the monthly profit streams paid by Worth Perfect and Triple Gain and the issuance of 534,855,000 new shares in the year ended 31 March 2008 as detailed below.

In July 2007, the Company entered into a placing agreement with a placing agent and Smart Town Holdings Limited ("Smart Town"), a then substantial shareholder of the Company, and a subscription agreement with Smart Town. Pursuant to the placing agreement, the placing agent placed 206.28 million existing shares to professional and institutional investors at a price of HK$2.65 per share on behalf of Smart Town. Pursuant to the subscription agreement, the Company raised HK$538 million (net of expenses) by issuing 206.28 million new shares to Smart Town at a price of HK$2.65 per share to finance the acquisition of Triple Gain.

At 31 March 2008, the face value of the Group's total outstanding borrowings, amounted to HK$1,379,800,000 (2007: HK$539,000,000), the fair values of which were HK$1,258,921,000 (2007: HK$372,026,000), representing the convertible bond of HK$252,000,000, with a conversion price of HK$3.20 per share, HK$270,000,000, with a conversion price of HK$3.20 per share, HK$118,800,000, with a conversion price of HK$2.20 per share and HK$134,400,000, with a conversion price of HK$1.00 per share. All of which are unsecured, interest bearing at 5% per annum and maturing on 17 December 2017, 9 December 2017, 10 June 2017, and 3 January 2017 respectively the promissory notes issued to Rich Game of HK$200,000,000 which are unsecured, interest bearing at 5% per annum and maturing on 11 June 2017; the promissory notes issued to Rich Game of HK$244,600,000 which are unsecured, interest bearing at 5% per annum and maturing on 3 January 2017; the promissory note issued to Smart Town of HK$160,000,000 which is unsecured, non-interest bearing and maturing on 3 January 2017. The Group's gearing ratio calculated on the basis of total debt divided by shareholders' equity was 0.90 at 31 March 2008 (2007: 0.63).

Capital Structure

During the year ended 31 March 2008, the Company issued:

(i) 17,560,000 new shares in June 2007, being the consideration shares for the acquisition of the 51% interest in Worth Perfect;

(ii) 161,280,000 new shares in July 2007 at HK$2.65 per share, being the top up shares following the placing;

(iii) 45,000,000 new shares in October 2007 at HK$2.65 per share, being the top up shares following the placing;

(iv) 75,000,000 new shares in December 2007, being the consideration shares for the acquisition of the 60% interest in Triple Gain;

(v) 40,000,000 new shares in December 2007, being the consideration shares for the acquisition of the balance of 40% interest in Triple Gain;

(vi) 46,827,000 new shares in March 2008, being the scrip dividends paid to shareholders; and

(vii) 149,188,000 new shares in May 2007, June 2007, November 2007 and February 2008 at HK$1, HK$2.45, HK$2.362, HK$1.13 and HK$1.15 per share, being the option exercised under the staff option scheme.

Charges on Group Assets

At 31 March 2008, no assets of the Group has been pledged (2007: Nil).

Contingent Liabilities

At 31 March 2008, the Group does not have any significant contingent liabilities.

Foreign Exchange Exposure

As the majority of the cash 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. The surplus funds are all placed as bank deposits in Hong Kong dollars either at banks in Hong Kong or Macau.

MATERIAL ACQUISITIONS

During the year under review, the Group had entered into and completed the following acquisitions.

On 11 June 2007, the Group has completed the acquisition of the remaining 51% interest in Worth Perfect. Hence, for the year under review, the Group has two and one third of the month, 49% contribution from Worth Perfect (HK$47.9 million) and nine and two third of the months having 100% contribution from Worth Perfect (HK$374.3 million).

On 24 August 2007, the Group has entered into a major acquisition (the "Acquisition") in acquiring 60% interest in Triple Gain which in turn receive the profit stream from the Nove Profit Agreement. Nove is one of the leading junkets at Venetian Macao. Details of the terms are:

The consideration for the Acquisition was satisfied by the Group:

(l) paying a refundable deposit in a sum of HK$460 million to Power Rush, the holding company of Triple Gain in the following manner:

(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% of shares of Triple Gain to the Group, which has effect on and from completion of the 60% acquisition and shall be exercisable by the Group at any time within twelve months from the date of completion of the 60% 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 60% acquisition had taken place on 10 December 2007.

On 10 December 2007, the Group has exercised 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 40% Further Acquisition had taken place on 18 December 2007. As such, the Group has contribution from Triple Gain during the year as to 60% from 10 December 2007 till 31 March 2008 and 100% from 18 December 2007 till 31 March 2008.

EMPLOYEES

The Group has adopted the need only approach in recruiting employees. As at 31 March 2008, the Group has a total of 8 staff, of which 3 are executive directors, 3 are general managers, 1 qualified accountant and 1 account officer. The 3 general managers are respectively Mr. Tang, Mr. Scolari and Mr. Chen who are the owners of the respective junkets at Sands Macao, Wynn, Macau and Venetian Macao respectively and they are responsible for overseeing the business volume and progress of Worth Perfect and Triple Gain and monitoring the development of Macau gaming industry which are relevant and crucial to the continuous success of the Group. On the other hand, they would not be appointed directors of the Company nor carry out any other supervisory role. As such, none of them is defined as a chief executive of the Company.

Total staff costs, including directors' remuneration but excluding equity-settled share-based payments amounted to HK$5.1 million (2007: HK$2.7 million). The increase is due to the extra headcount involved in the engagement of the 3 general managers and a consultant.

The objective of the Group's remuneration policy is to attract, motivate and retain talented employees to achieve the Group's long-term corporate goals and objectives. In order to achieve this, the Group has committed to remunerating its employees in the manner that is market competitive, consistent with good industry practices as well as meeting the interests of shareholders. The remuneration policy and packages of the Group's employees are regularly reviewed by the Board. Apart from fixed compensation which are normally reviewed on an annual basis based on performance and other relevant factors, provident fund scheme, medical insurance and discretionary bonuses, share options are also awarded to employees according to the assessment of individual performance with reference to the value of share option, market positioning, job seniority and the individual contribution to the Group. As the Group sees the staff as the most valuable asset, the Group has committed to the development and growth of all employees and considered training and development a life-long process. Appropriate courses would be offered to the suitable employees.

INVESTOR RELATIONS

The Group believes that maintenance of communication and operational transparency is vital to building good investor relations. During the year, the Group actively participated in more than 10 investor conferences organized by well known securities houses and regularly met with analysts and institution investors. Various site visits to our partners' operation in Macau were also organized for investors.

The Group would continue to actively enhance communication with investors to foster investor relations. The Group would like to thank all investors for their continuous support over the years.

PROSPECTS

Macau's gaming revenue has continued to grow at an unprecedently high pace in 2007 and the first six months in 2008 and it is believed that the growth trend would persist in the coming years based on historic experience – the growth would be at a much faster pace when there is a major/predominate casino opens which would kick off by the opening of the Four Seasons Hotel by late September 2008. This would be followed by the hotels operated by City of Dream, the Galaxy, the St Regis Hotel of the Venetian resort expansion and the Wynn. The Macau gaming and entertainment business unit looks ever more promising.

The Board is at all times identifying suitable projects and/or investments that would be reasonably expected to generate profits and/or have potential for capital appreciation. Material capital expenditure will be incurred when the Group continues to pursue projects that are beneficial to the Group in its short, medium and long term growth strategy. The Company expects the respective projects to secure required funding themselves using different financing options available. The Company will also provide the required equity capital to the new projects coming ahead, if it be deemed appropriate.

We are highly confident that the Group's partners at Macau are well positioned to execute its long term strategy of providing a high quality gaming and resort experience for their customers so as to deliver strong returns to our shareholders. 2007/08 was a very successful year for the Group had it not for the drastic changes in the mechanism of the Macau junkets behavior. While we believe that the Macau market will continue to evolve at a rapid pace in 2008/09 as the market absorbs the impact of recent and new properties and competition intensifies across all business segments. We are prepared to address these challenges and look forward to a rewarding year in 2008/09 in both operation and the bottom line point of view.

Looking forward, the Company will continue to response promptly to changing market dynamics with vibrant, innovative services and models that meet the demands and expectations of the increasingly affluent generation who is the growing segment of the VIP sector and whose preferential hotels are those with quality and services. While pursuing these ambitious goals and continuing to strive for the highest possible returns for shareholders, the Company will still be abided to the highest corporate governance standards and honor its corporate responsibility.

CORPORATE GOVERNANCE PRACTICES

In the opinion of the Board, the Company had complied with all code provisions set out in the Code on Corporate Governance Practices ("CG Code") contained in Appendix 14 of the Rules Governing the listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") during the year ended 31 March 2008, except for the deviation from Code A.2.1 and Code A.4.1 of CG Code as described below:

i. Code A.2.1 of CG Code

Code A.2.1 of CG Code provides, inter alia, that the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

The Company does not officially have a position of Chief Executive Officer. However, Mr. Lum Chor Wah, Richard has been assuming the roles of both the Chairman and Chief Executive Officer of the Company. In this regard, the Company has deviated from Code A.2.1 of CG Code. The Board intends to maintain this structure in the future as it believes that it would provide the Group with strong and consistent leadership and allow the Group's business operations, planning and decision making as well as execution of long-term business strategies to be carried out more effectively and efficiently. Nonetheless, the Board would review and monitor the situation on a regular basis and would ensure that the present structure would not impair the balance of power in the Company.

ii. Code A.4.1 of CG Code

Code A.4.1 of CG Code provides that non-executive directors should be appointed for a specific term, subject to re-election.

Mr. Leung Chi Hung, Mr. Tsui Robert Che Kwong and Mr. Cheung Yim Kong, Johnny, being the independent non-executive directors of the Company, were not appointed for a specific term but are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's Bye-laws.

MODEL CODES OF DIRECTORS' 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 throughout the year ended 31 March 2008.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 March 2008.

AUDIT COMMITTEE

The Company has an audit committee, which was established in compliance with rule 3.21 of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee comprises the three independent non-executive directors of the Company.

The audit committee has reviewed the consolidated financial results of the Company for the year ended 31 March 2008.

DIRECTORS

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

PUBLICATION OF FINANCIAL INFORMATION

This results announcement is published on the websites of The Stock Exchange of Hong Kong Limited (www.hkex.com.hk) and the Company (www.dore-holdings.com.hk). The Company's annual report for 2008 will be dispatched to the shareholders of the Company and available on the above websites in due course.

By Order of the Board
Dore Holdings Limited
Lum Chor Wah, Richard
Chairman

Hong Kong, 25 July 2008