Fortune Sun (China) Holdings Limited
富陽(中國)控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 352)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2008

The board (the "Board") of directors (the "Directors") of Fortune Sun (China) Holdings Limited (the "Company") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2008 together with the comparative figures in 2007 as follows:

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Condensed Consolidated Income Statement

For the six months ended 30 June 2008

	Notes	Six months ended 30 June **2008** ***RMB'000*** ***(Unaudited)***	 2007 *RMB'000* *(Unaudited)*
Turnover	*4*	**17,436**	42,406
Business tax and other levies		**(886)**	(2,028)
Cost of services		**(17,450)**	(20,852)
Gross (loss)/profit		**(900)**	19,526
Other income		**1,137**	347
Operating and administrative expenses		**(15,043)**	(14,626)
(Loss)/Profit before income tax	*5*	**(14,806)**	5,247
Income tax credit/(expense)	*6*	**403**	(2,259)
(Loss)/Profit for the period		**(14,403)**	2,988
(Loss)/Profit attributable to:			
Equity holders of the Company		**(14,331)**	3,394
Minority interests		**(72)**	(406)
		(14,403)	2,988
Dividends	*7*	**—**	—
(Loss)/Earnings per share for (loss)/profit attributable to equity holders of the Company	*8*		
— Basic (RMB: cent(s))		**(7.2)**	1.7
— Diluted (RMB: cent)		**N/A**	N/A

CONDENSED CONSOLIDATED BALANCE SHEET
As at 30 June 2008

	Notes	30 June 2008 RMB'000 (Unaudited)	31 December 2007 RMB'000 (Audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**1,443**	1,596
Investment properties		**3,359**	5,032
Prepaid premium for land leases		**3,461**	4,950
Deposits for leasehold buildings	*9*	**10,000**	—
Golf club membership		**291**	291
		18,554	11,869
Current assets			
Trade receivables	*10*	**42,791**	42,307
Trade deposits	*11*	**62,397**	38,341
Prepayments and other deposits		**7,594**	7,015
Other receivables		**7,592**	4,356
Tax recoverables		**424**	—
Cash and cash equivalents		**14,427**	73,009
		135,225	165,028
Current liabilities			
Accrued expenses and other payables		**5,186**	9,882
Tax payables		**—**	4,368
Dividend payable		**4,682**	—
		9,868	14,250
Net current assets		**125,357**	150,778
Total assets less current liabilities		**143,911**	162,647
Non-current liabilities			
Deferred tax liabilities		**5,672**	6,059
Net assets		**138,239**	156,588
Capital and reserves			
Share capital		**20,644**	20,624
Reserves		**117,595**	135,892
Equity attributable to equity holders of the Company		**138,239**	156,516
Minority interests		**—**	72
Total equity		**138,239**	156,588

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 28 January 2003 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 5 July 2006.

The principal activity of the Company is investment holding. The Group is principally engaged in providing property consultancy and agency services for the primary property market in the People's Republic of China (the "PRC").

2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2008 (the "Condensed Financial Report") have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange.

The Condensed Financial Report should be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2007 (the "2007 Annual Financial Statements").

The preparation of the Condensed Financial Report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The measurement basis used in the preparation of the Condensed Financial Report is historical cost convention.

3. PRINCIPAL ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of the Condensed Financial Report are consistent with those adopted in the 2007 Annual Financial Statements, except for the adoption of the following new and revised Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards ("HKFRS"), HKAS and Interpretations ("Int") issued by the HKICPA.

HK(IFRIC) — Int 12	Service Concession Arrangements
HK(IFRIC) — Int 14	HKAS 19 — The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interactions

There was no material impact on the basis of preparation of the Condensed Financial Report arising from the abovementioned accounting standards.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of Financial Statements[1]
HKAS 23 (Revised)	Borrowing Costs[1]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[4]
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations[1]
HKFRS 3 (Revised)	Business Combinations[4]
HKFRS 8	Operating Segments[1]
HK(IFRIC) — Int 13	Customer Loyalty Programmes[2]
HK(IFRIC) — Int 15	Agreements for the Construction of Real Estate[1]
HK(IFRIC) — Int 16	Hedges of a Net Investment in Foreign Operation[3]
Amendments to HKAS 1 (Revised)	Presentation of Financial Statements — Puttable Financial Instruments and Obligations Arising on Liquidation[1]
Amendments to HKAS 32	Financial Instruments: Presentation — Puttable Financial Instruments and Obligations Arising on Liquidation[1]
Amendments to HKAS 39	Financial Instruments: Recognition and Measurement — Puttable Financial Instruments and Obligations Arising on Liquidation[1]
Amendments to HKFRS 7	Financial Instruments: Disclosures — Puttable Financial Instruments and Obligations Arising on Liquidation[1]

[1] Effective for annual periods beginning on or after 1 January 2009
[2] Effective for annual periods beginning on or after 1 July 2008
[3] Effective for annual periods beginning on or after 1 October 2008
[4] Effective for annual periods beginning on or after 1 July 2009

The Directors are currently assessing the impact of these HKFRSs but are not yet in a position to state whether they would have material financial impact on the Condensed Financial Report.

4. TURNOVER

The Group is principally engaged in providing property consultancy and agency services for the primary property market in the PRC. Turnover during the period represents income from the following services:

	Six months ended 30 June	
	2008	2007
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Comprehensive property consultancy and sales agency service projects	**16,931**	42,336
Pure property consultancy service projects	**505**	70
	17,436	42,406

The Group carries on a single business in a single geographical segment, which is the provision of agency services for the sale of properties and property consultancy services in the PRC, and therefore no segment information has been presented.

5. (LOSS)/PROFIT BEFORE INCOME TAX

(Loss)/Profit before income tax is arrived at after crediting and charging the following:

	Six months ended 30 June	
	2008	2007
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Crediting:		
Exchange gain, net	**—**	1
Interest income	**307**	346
Gain on disposals of investment properties and prepaid premium of land leases	**830**	—
	1,137	347
Charging:		
Amortisation of prepaid premium of land leases	**58**	50
Auditors' remuneration	**193**	176
Depreciation of property, plant and equipment	**319**	464
Depreciation of investment properties	**59**	56
Exchange loss, net	**97**	—
Loss on disposals of property, plant and equipment	**38**	4
Staff costs		
— Wages and salaries	**4,946**	4,841
— Pension costs (defined contribution plan) and other social benefits	**775**	820
— Employee share option benefits	**593**	1,058
Operating lease rentals in respect of buildings	**2,737**	2,217
Provision for/(Write-back of) impairment loss		
— Trade receivables	**825**	(29)
— Other receivables	**—**	(230)
— Trade deposits	**3,697**	3,632

6. INCOME TAX CREDIT/(EXPENSE)

Income tax credit/(expense) represents:

	Six months ended 30 June	
	2008	2007
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Current income tax		
— PRC enterprise income tax	**16**	(1,991)
Deferred tax assets	**24**	—
Deferred tax liabilities	**363**	(268)
Income tax credit/(expense)	**403**	(2,259)

The Company and its wholly-owned subsidiaries, namely Millstone Developments Limited ("Millstone"), High Color Investments Limited and Fortune Sun Assets Management Company Limited, are not subject to income tax during the period.

The Company's PRC operating subsidiaries, namely Shanghai Fu Yang Property Consultant Co., Ltd. ("Shanghai Fortune Sun") and Cornerstone Investment Management & Consultancy Co., Limited (formerly known as SinoCity Asset Management Consultancy (Shanghai) Limited) ("Cornerstone"), are foreign investment enterprises registered in Pudong Xin District of Shanghai, the PRC. Both Shanghai Fortune Sun and Cornerstone were subject to a preferential tax rate of 15% PRC enterprise income tax for the year ended 31 December 2007.

In March 2007, the National People's Congress approved the Corporate Income Tax Law of the PRC (the "new CIT Law"), which became effective from 1 January 2008, under which, for those subsidiaries incorporated in the PRC and originally subject to a preferential enterprise income tax rate of 15%, the applicable enterprise income tax rate gradually increases to 25% over the next five years from 1 January 2008.

According to the Notice on the Implementation Rules of the Grandfather Relief under the New CIT Law, Guofa (2007) No. 39 issued on 26 December 2007 by the State Council, the transitional treatment for the preferential enterprise income tax rate of 15% under the old laws, applicable to the foreign investment enterprises registered in Pudong Xin District of Shanghai is 18% in 2008 and the applicable tax rate shall gradually increase from 18% to 25% from 2008 to 2012. Accordingly, both Shanghai Fortune Sun and Cornerstone are subject to 18% PRC enterprise income tax during the period.

The Company's other operating subsidiary, namely, Full Sincerity Advertising Company Limited ("Full Sincerity") was incorporated in Taiwan and does not have any assessable income during the period.

No Hong Kong profits tax has been provided as the Group did not derive any assessable profit from Hong Kong during the period.

7. DIVIDENDS

At the annual general meeting held on 20 June 2008, final dividend for the year ended 31 December 2007 of HK$2.5 cents per share, totalling approximately HK$5,000,000 (equivalent to approximately RMB4,682,000) was approved by the shareholders. The dividend was paid out of the retained earnings account on 28 August 2008.

At the annual general meeting held on 13 June 2007, final dividend for the year ended 31 December 2006 of HK$2.4 cents per share, totalling approximately HK$4,800,000 (equivalent to approximately RMB4,747,000) was approved by the shareholders. The dividend was paid out of the share premium account on 16 July 2007.

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2008 (six months ended 30 June 2007: Nil).

8. (LOSS)/EARNINGS PER SHARE

The calculation of the basic (loss)/earnings per share is based on the unaudited consolidated net loss attributable to equity holders of the Company of approximately RMB14,331,000 (six months ended 30 June 2007: profit of RMB3,394,000) and the weighted average number of 200,263,758 shares in issue (six months ended 30 June 2007: 200,000,000 shares) throughout the period.

Diluted loss per share for the six months ended 30 June 2008 was not presented because the impact of the exercise of the share options was anti-dilutive. As there were no dilutive potential ordinary shares for the six months ended 30 June 2007, diluted earnings per share was not presented.

9. DEPOSITS FOR LEASEHOLD BUILDINGS

During the period, Shanghai Fortune Sun, a wholly-owned subsidiary of the Company, entered into a non-binding sale and purchase contract (the "Non-binding Contract") with an independent third party, Shanghai Hongqiao Linkong Technology Development Company Limited (上海虹橋臨空科技發展有限公司) ("Hongqiao Linkong"), for the acquisition (the "Acquisition") of office premises in Shanghai which is intended to be used as the Group's headquarters. During the period, a deposit of RMB10 million was made to Hongqiao Linkong. According to supplemental agreement to the Non-binding Contract dated 20 June 2008, in the event where either party fails to agree on the final terms of the Acquisition and to enter into a binding agreement in respect thereof on or before 31 December 2008, the deposit, together with an interest at 8% per annum thereon, is fully refundable to the Group.

10. TRADE RECEIVABLES

The credit period granted to customers generally ranges from 1 month to 3 months.

	30 June 2008 *RMB'000* ***(Unaudited)***	31 December 2007 *RMB'000* *(Audited)*
Trade receivables	**45,605**	44,296
Provision for impairment	**(2,814)**	(1,989)
	42,791	42,307

Ageing analysis of trade receivables (net of provision for impairment) is as follows:

	30 June 2008 *RMB'000* *(Unaudited)*	31 December 2007 *RMB'000* *(Audited)*
Within 90 days	**11,545**	19,327
Between 91 and 180 days	**1,129**	3,414
Between 181 and 365 days	**13,267**	5,265
Between 1 and 2 years	**15,920**	13,648
Over 2 years	**930**	653
	42,791	42,307

Receivables related to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no further impairment allowance is necessary as there has not been a significant change in credit quality and the balances are considered fully recoverable.

11. TRADE DEPOSITS

Trade deposits represent the amounts paid for comprehensive property consultancy and sales agency service contracts, which are usually refunded to the Group in stages according to various contract terms when the sales volumes specified in the contracts are met.

Ageing analysis of trade deposits is as follows:

	30 June 2008 *RMB'000* *(Unaudited)*	31 December 2007 *RMB'000* *(Audited)*
Within 90 days	**2,000**	900
Between 91 and 180 days	**29,500**	4,722
Between 181 and 365 days	**4,723**	15,400
Between 1 and 2 years	**22,268**	16,069
Over 2 years	**12,404**	6,051
	70,895	43,142
Provision for impairment	**(8,498)**	(4,801)
	62,397	38,341

12. SHARE OPTION SCHEMES

The Group recognises the fair value of the share options or shares granted as an expense over the vesting period and the corresponding amount is recognised in the employee share-based compensation reserve under equity. When the eligible participants choose to exercise share options, the respective amount in employee share-based compensation reserve is transferred to share capital and share premium, together with exercise price. At each balance sheet date, the Group revises its estimates of the number of share options or shares that are expected to become vested. The impact of the revision of original estimates, if any, is recognised in the income statement with a corresponding adjustment to the employee share-based compensation reserve over the remaining vesting period.

A pre-IPO share option scheme (the "Pre-IPO Share Option Scheme") was adopted pursuant to a written resolution passed by all shareholders of the Company on 10 June 2006. The purpose of the Pre-IPO Share Option Scheme is to recognise and reward the contribution of certain directors, senior management, employees, consultants and advisers of the Group to the growth and development of the Group and the Listing.

A post-IPO share option scheme (the "Share Option Scheme") was also adopted pursuant to the written resolution passed by all shareholders of the Company on 10 June 2006. The purpose of the Share Option Scheme is to enable the Group to grant options to selected participants as incentives or rewards for their contribution to the Group. The Share Option Scheme remains in force for a period of 10 years commencing from 10 June 2006.

The exercise price of the options is determinable by the directors, but shall not be less than the highest of (i) the closing price of the Company's shares as quoted on the Stock Exchange's daily quotation sheets on the date of the offer for grant of the options, and (ii) the average closing price of the Company's shares as quoted on the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of offer for grant of the options, and (iii) the nominal value of the Company's shares.

For the six months ended 30 June 2007, other than those share options with the rights to subscribe for an aggregate of 350,000 shares of the Company which have lapsed due to cessation of employments of certain employees of the Group, no share option issued under the Pre-IPO Share Option Scheme was exercised up to and as at 30 June 2007.

On 12 March 2008, options to subscribe for an aggregate of 6,000,000 shares of the Company have been granted by the Company to the existing directors and certain key employees of the Group under the Share Option Scheme. 50% of the share options have an exercise period from 12 March 2009 to 11 March 2018 ("Share Option 1") and the remaining share options have an exercise period from 12 March 2010 to 11 March 2018 ("Share Option 2"). A total of RMB593,000 was charged as employee share option benefits in the unaudited condensed income statement for the six months ended 30 June 2008 (six months ended 30 June 2007: RMB1,058,000).

The fair values of the options granted under the Pre-IPO Share Option Scheme and Share Option Scheme are determined at the date of grant under the Binominal Option Pricing Models by the independent valuers and the following assumptions were used to calculate the fair value of the options:

	Pre-IPO Share Option	**Share Option 1**	**Share Option 2**
Option value	HK$0.41	HK$0.671	HK$0.718
Exercise price	HK$0.795	HK$1.12	HK$1.12
Risk-free interest rate	4.84%	2.88%	2.88%
Expected volatility	45%	92%	92%
Dividend yield	3.5%	2.5%	2.5%
Life of options	9 years	10 years	10 years

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

For the six months ended 30 June 2008, the austerity measures over the property market and tightened monetary policy adopted by the PRC government and the global economy downturn has dampened the market sentiment of the property market in Mainland China. The sales commencement date of some new projects engaged by the Group have been postponed due to the current unsatisfactory market condition while their respective pre-commencement costs for the sales and marketing procedures have been incurred. In addition, most of the projects which were sold during the period were close-to-complete projects which in turn contributed less to revenue. The Group, as a result, recorded an unaudited turnover of approximately RMB17.4 million, which represented a drop of approximately 59% as compared with the unaudited turnover of approximately RMB42.4 million for the corresponding period in 2007.

For the six months ended 30 June 2008, the gross loss margin of the Group was approximately 5.2% which was lower than the gross margin of 46.1% as achieved during the corresponding period in 2007. The substantial drop in gross margin was mainly a result of the high costs brought in by the close-to-complete projects and the pre-commencement costs of postponed new projects and a reduced turnover. Accordingly, given the gross loss margin in the period, the Group suffered a significant loss after accounting for the general and administrative expenses incurred. The unaudited loss attributable to the equity holders of the Company during the period under review was approximately RMB14.3 million as compared with the unaudited profit attributable to the equity holders of the Company of approximately RMB3.4 million for the corresponding period in 2007. Such significant loss was principally due to the significant drop in the turnover and gross loss margin as mentioned above.

Comprehensive property consultancy and agency business

During the period under review, the Group mainly provided comprehensive property consultancy and agency services for the primary residential and commercial property market in the PRC. For the six months ended 30 June 2008, the Group had 21 projects in operation, out of which it generated revenue from 17 (six months ended 30 June 2007: 21) comprehensive property consultancy and agency projects and approximately 0.26 million square metres (six months ended 30 June 2007: 0.34 million square metres) of gross floor areas of the relevant underlying properties under these comprehensive property consultancy and agency projects were sold through the Group.

Total unaudited revenue generated from these comprehensive property consultancy and agency projects of approximately RMB16.93 million contributed almost the entire unaudited turnover of the Group during the period under review, accounting for approximately 97.1% of the total unaudited turnover of the Group.

As at 30 June 2008, the Group had 43 comprehensive property consultancy and agency projects on hand with a total of approximately 4.61 million square metres of unsold gross floor areas. Among these 43 projects, the sales of the underlying properties of 22 projects have not yet commenced as at 30 June 2008.

FUTURE PROSPECTS

The Group anticipated that the current sluggish economic conditions in Mainland China may last for certain period of times given the continuance of credit controls in banking sectors. However, the continuous domestic demand in both the primary and secondary (or second-hand) market still can be the driving force for steady market growth in the coming future. The Group will aim to broaden its revenue stream in other consulting business, such as assets management services and property investment consulting services in view of increasing the earning power and cultivating the branding of the Company.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2008, the Group had unaudited net current assets of approximately RMB125.36 million, unaudited total assets of approximately RMB153.78 million and unaudited shareholders' funds of approximately RMB138.24 million.

As at 30 June 2008, the unaudited cash balance of the Group amounted to approximately RMB14.43 million.

On 3 February 2007, Shanghai Fortune Sun entered into a loan agreement with a bank in respect of a RMB15,000,000 loan facility. The loan facility was secured by a deposit of RMB15,000,000 of the Company. The loan facility had not been utilised and duly expired on 31 January 2008 with no renewal. The Group had no borrowing as at 30 June 2008.

The Group had no material contingent liabilities and capital commitments as at 30 June 2008.

FOREIGN EXCHANGE EXPOSURE

As the Group's sales are predominantly in Renminbi and the purchases and expenses are mainly in Renminbi, the currency fluctuation risk is considered insignificant. The Group currently does not have a foreign currency hedging policy. However, the management continuously monitors the Group's foreign exchange exposure and will consider hedging significant currency risk exposure should the need arise.

STAFF

As at 30 June 2008, the Group had a total of 276 staff, whose remuneration and benefits were determined based on the prevailing market rates, the PRC's state policies, the domestic statutory requirements and individual performance.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

During the period under review, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company.

CORPORATE GOVERNANCE

None of Directors is aware of any information which would reasonably indicate that the Company is not, or was not, in compliance with the code provisions set out in the Code on Corporate Governance Practices ("CG Code") as set out in Appendix 14 to the Listing Rules during the period under review, except for Code Provision A2.1 of the CG Code regarding the responsibilities between the chairman and chief executive officer ("CEO") which have not been segregated.

The Company does not have a separate chairman and CEO and Mr. Chiang Chen Feng currently performs these two roles. The Board believes that vesting the roles of both chairman and CEO in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and efficiently.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by the Directors of Listed Issuers ("Model Code") as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, all Directors have confirmed that they have fully complied with the required standard set out in the Model Code during the six months ended 30 June 2008.

AUDIT COMMITTEE

Pursuant to the requirements of the CG Code and Rule 3.21 of the Listing Rules, the Company has established an audit committee (the "Audit Committee") comprising all three existing independent non-executive Directors, namely Mr. Ng Wai Hung, Mr. Cui Shi Wei, and Dr. Cheng Chi Pang. The Audit Committee has reviewed the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2008 including the accounting, internal control and financial reporting issues. In carrying out this review, the Audit Committee has relied on a review conducted by the Group's external auditors in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA as well as obtaining reports from the management. The Audit Committee has not undertaken detailed independent audit checks.

REMUNERATION COMMITTEE

The Company has established a remuneration committee (the "Remuneration Committee") in compliance with the CG Code as set out in Appendix 14 to the Listing Rules. The primary duties of the Remuneration Committee are to review and determine the terms of remuneration packages, bonuses and other compensation payable to the Directors and senior management of the Group. The Remuneration Committee consists of three members comprising all three independent non-executive Directors, namely Mr. Ng Wai Hung, Mr. Cui Shi Wei, and Dr. Cheng Chi Pang.

REVIEW OF ACCOUNTS

At the request of the Directors, the Group's external auditors, Grant Thornton, has carried out a review on the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2008 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA.

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2008 were approved by the Board on 24 September 2008.

By order of the Board
Chiang Chen Feng
Chairman

Hong Kong, 24 September 2008

As at the date of this announcement, the executive Directors are Mr. Chiang Chen Feng, Ms. Chang Hsiu Hua and Mr. Han Lin; the non-executive Director is Ms. Lin Chien Ju; and the independent non-executive Directors are Mr. Ng Wai Hung, Mr. Cui Shi Wei, and Dr. Cheng Chi Pang.