ORIENTAL EXPLORER HOLDINGS LIMITED

(the "Company")

(Incorporated in Bermuda with limited liability)

(Stock Code: 430)

ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2008

CONSOLIDATED INCOME STATEMENT

Year ended 31 December 2008

	Notes	**2008** *HK$'000*	**2007** *HK$'000 (restated)*
REVENUE	2	(80,235)	41,993
Cost of sales		(2,102)	(3,454)
Gross (loss)/profit		(82,337)	38,539
Other income and gains	2	3,870	7,344
Selling and distribution costs		(205)	(157)
Operating and administrative expenses		(20,494)	(11,366)
Finance costs	4	(1,123)	(528)
Share of profits and losses of associates		5,422	(4,066)
(LOSS)/PROFIT BEFORE TAX	5	(94,867)	29,766
Tax	6	—	—
(LOSS)/PROFIT FOR THE YEAR		(94,867)	29,766
Attributable to:			
Equity holders of the Company		(94,867)	29,766
Minority interests		—	—
		(94,867)	29,766
DIVIDENDS	7	Nil	Nil
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic	8	(5.27 cents)	1.65 cents
Diluted	8	(5.27 cents)	1.61 cents

CONSOLIDATED BALANCE SHEET
31 December 2008

	Notes	**2008** *HK$'000*	**2007** *HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		3,670	5,856
Prepaid land lease payments		459	468
Investment properties		7,000	—
Interests in associates		80,854	95,296
Available-for-sale investments		75,416	48,420
Loans to investee companies		330	4,050
Total non-current assets		167,729	154,090
CURRENT ASSETS			
Inventories		595	819
Trade receivables	9	459	1,822
Prepayments, deposits and other receivables		854	1,966
Equity investments at fair value through profit or loss		52,401	91,749
Equity-linked notes		—	18,292
Pledged deposits		51,725	54,493
Cash and cash equivalents		95,982	118,971
Total current assets		202,016	288,112
TOTAL ASSETS		369,745	442,202
CURRENT LIABILITIES			
Trade payables	10	89	373
Other payables and accruals		9,304	9,581
Derivative financial instruments		21,222	—
Interest-bearing borrowings		27,879	46,458
Tax payable		5,338	5,338
Total current liabilities		63,832	61,750
NET CURRENT ASSETS		138,184	226,362
TOTAL ASSETS LESS CURRENT LIABILITIES		305,913	380,452
NON-CURRENT LIABILITIES			
Interest-bearing borrowings		3,690	—
Due to a director		16,465	—
Total non-current liabilities		20,155	—
Net assets		285,758	380,452
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital		18,000	18,000
Reserves		267,758	362,452
Total equity		285,758	380,452

NOTES TO FINANCIAL STATEMENTS

1.1 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, certain financial instruments which have been measured at fair value. These financial statements are presented in Hong Kong dollars (HK$) and all values are rounded to the nearest thousand (HK$'000) except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2008. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All income, expenses and unrealised gains and losses resulting from intercompany transactions and intercompany balances within the Group are eliminated on consolidation in full.

The acquisition of subsidiaries during the year has been accounted for using the purchase method of accounting. This method involves allocating the cost of the business combinations to the fair value of the identifiable assets acquired, and liabilities and contingent liabilities assumed at the date of acquisition. The cost of the acquisition is measured at the aggregate of the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Minority interests represent the interests of outside shareholders not held by the Group in the results and net assets of the Company's subsidiaries.

1.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The Group has adopted the following new interpretations and amendments to HKFRSs 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 interpretations and amendments has had no significant effect on these financial statements.

HKAS 39 and HKFRS 7 Amendments	*Amendments to HKAS 39 Financial Instruments: Recognition and Measurement and HKFRS 7 Financial Instruments: Disclosures — Reclassification of Financial Assets*
HK (IFRIC)-Int 11	*HKFRS 2 — Group and Treasury Share Transactions*
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 Interaction*

The principal effects of adopting these new and revised HKFRSs are as follows:

(a) *Amendments to HKAS 39 Financial Instruments: Recognition and Measurement and HKFRS 7 Financial Instruments: Disclosures — Reclassification of Financial Assets*

The amendments to HKAS 39 permit an entity to reclassify a non-derivative financial asset classified as held for trading, other than a financial asset designated by an entity as at fair value through profit loss upon initial recognition, out of the fair value through profit or loss category if the financial asset is no longer held for the purpose of selling or repurchasing in the near term, if specified criteria are met.

A debt instrument that would have met the definition of loans and receivables (if it had not been required to be classified as held for trading at initial recognition) may be classified out of the fair value through profit or loss category or (if it had not been designated as available for sale) may be classified out of the available-for-sale category to the loans and receivables category if the entity has the intention and ability to hold it for the foreseeable future or until maturity.

In rare circumstances, financial assets that are not eligible for classification as loans and receivables may be transferred from the held-for-trading category to the available-for-sale category or to the held to maturity category (in the case of a debt instrument), if the financial asset is no longer held for the purpose of selling or repurchasing in the near term.

The financial asset shall be reclassified at its fair value on the date of reclassification and the fair value of the financial asset on the date of reclassification becomes its new cost or amortised cost, as applicable. The amendments to HKFRS 7 require extensive disclosures of any financial asset reclassified in the situations described above. The amendments are effective from 1 July 2008.

As the Group has not reclassified any of its financial instruments, the amendments have had no impact on the financial position or results of operations of the Group.

(b) *HK (IFRIC)-Int 11 HKFRS 2 — Group and Treasury Share Transactions*

HK(IFRIC)-Int 11 requires arrangements whereby an employee is granted rights to the Group's equity instruments to be accounted for as an equity-settled scheme, even if the Group buys the instruments from another party, or the shareholders provide the equity instruments needed. HK(IFRIC)-Int 11 also addresses the accounting for share-based payment transactions involving two or more entities within the Group. As the Group currently has no such transactions, the interpretation has had no impact on the financial position or results of operations of the Group.

(c) *HK(IFRIC)-Int 12 Service Concession Arrangements*

HK(IFRIC)-Int 12 applies to service concession operators and explains how to account for obligations undertaken and the rights received in service concession arrangements. No member of the Group is an operator and, therefore, this interpretation has had no impact on the financial position or results of operations of the Group.

(d) *HK(IFRIC)-Int 14 HKAS 19 — The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*

HK(IFRIC)-Int 14 addresses how to assess the limit under HKAS 19 *Employee Benefits*, on the amount of a refund or a reduction in future contributions in relation to a defined benefit scheme that can be recognised as an asset, including situations when a minimum funding requirement exists. As the Group has no defined benefit scheme, the interpretation has had no effect on these financial statements.

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

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

HKFRS 1 and HKAS27 Amendments	Amendments to HKFRS 1 *First-time Adoption of HKFRSs* and HKAS 27 *Consolidated and Separate Financial Statements — Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*[1]
HKFRS 2 Amendments	Amendments to HKFRS 2 *Share-based Payment — Vesting Conditions and Cancellations*[1]
HKFRS 1 (Revised)	*First-time Adoption of HKFRS*
HKFRS 3 (Revised)	*Business Combination*[2]
HKFRS 8	*Operating Segments*[1]
HKAS 1 (Revised)	*Presentation of Financial Statements*[1]
HKAS 23 (Revised)	*Borrowing Costs*[1]
HKAS 27 (Revised)	*Consolidated and Separate Financial Statements*[2]
HKAS 32 and HKAS 1 Amendments	Amendments to HKAS 32 *Financial Instruments: Presentation* and HKAS *1 Presentation of Financial Statements — Puttable Financial Instruments and Obligations Arising on Liquidation*[1]
HKAS 39 Amendment	Amendment to HKAS 39 *Financial Instruments: Recognition and Measurement — Eligible Hedged Items*[2]
HK(IFRIC)-Int 13	*Customer Loyalty Programmes*[3]
HK(IFRIC)-Int 15	*Agreements for the Construction of Real Estate*[1]
HK(IFRIC)-Int 16	*Hedges of a Net Investment in a Foreign Operation*[4]
HK(IFRIC)-Int 17	*Distribution of Non-cash Assets to Owners*[2]
HK(IFRIC)-Int 18	*Transfer of Assets from customers*[5]

Apart from the above, the HKICPA has also issued *Improvements to HKFRSs** which sets out amendments to a number of HKFRSs primarily with a view to removing inconsistencies and clarify wording. Except for the amendment to HKFRS 5 which is effective for the annual periods beginning on or after 1 July 2009, other amendments are effective for annual periods beginning on or after 1 January 2009 although there are separate transitional provisions for each standard.

1 Effective for annual periods beginning on or after 1 January 2009
2 Effective for annual periods beginning on or after 1 July 2009
3 Effective for annual periods beginning on or after 1 July 2008
4 Effective for annual periods beginning on or after 1 October 2008
5 Effective for transfers of assets from customers received on or after 1 July 2009

* Improvements to HKFRSs contains amendments to HKFRS 5, HKFRS 7, HKAS 1, HKAS 8, HKAS 10, HKAS 16, HKAS 18, HKAS 19, HKAS 20, HKAS 23, HKAS 27, HKAS 28, HKAS 29, HKAS 31, HKAS 34, HKAS 36, HKAS 38, HKAS 39, HKAS 40 and HKAS 41.

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 and HKAS 1 (Revised) may result in new or amended disclosures and the adoption of HKFRS 3 (Revised), HKAS 27 (Revised) and HKAS 23 (Revised) may result in changes in accounting policies, these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

2. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue, other income and gains is as follows:

	2008	**2007**
	HK$'000	*HK$'000*
		(restated)
Revenue		
Sale of goods	5,862	7,934
Rental income from property letting	153	—
Dividend income from listed investments	4,304	2,668
Net fair value (losses)/gains:		
Equity-linked notes	(4,363)	(12,147)
Equity investments at fair value through profit or loss	(67,161)	41,786
Derivative financial instruments	(21,222)	—
Interest income from available-for-sale investments	1,824	708
Interest income from equity-linked notes	368	1,044
	(80,235)	41,993
Other income and gains		
Fair value gains on investment properties	820	—
Gain on disposal of items of property, plant and equipment	116	—
Interest income from loans and receivables	2,934	7,344
	3,870	7,344
	(76,365)	49,337

3. **SEGMENT INFORMATION**

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

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

(a) the electronic products segment is a supplier of electronic components mainly for use in the manufacture of electronic products;

(b) the trading and investment segment includes the trading of securities and investment income from securities investment and investment holding;

(c) the property investment segment mainly comprises rental income from investment properties; and

(d) the corporate and others segment.

In determining the Group's geographical segments, revenue is 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.

There are no sales or other transactions between the business segments during the year (2007: Nil)

(a) **Business segments**

The following tables present revenue, profit and certain asset, liability and expenditure information for the Group's business segments for the years ended 31 December 2008 and 2007.

Group

	Electronic products		**Property investment**		**Trading and investments**		**Corporate and others**		**Consolidated**	
	2008	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**
	HK$'000	*HK$'000* (*restated*)	*HK$'000*	*HK$'000* (*restated*)	*HK$'000*	*HK$'000* (*restated*)	*HK$'000*	*HK$'000* (*restated*)	*HK$'000*	*HK$'000* (*restated*)
Segment revenue:										
Sales to external customers	5,862	7,934	153	—	(86,250)	34,059	—	—	(80,235)	41,993
Segment results	(2,369)	(684)	137	—	(104,144)	29,099	3,340	(1,399)	(103,036)	27,016
Other income and gains									3,870	7,344
Finance costs									(1,123)	(528)
Share of profits and losses of associates									5,422	(4,066)
(Loss)/profit before tax									(94,867)	29,766
Tax									—	—
(Loss)/profit for the year									(94,867)	29,766

	Electronic products		**Property investment**		**Trading and investments**		**Corporate and others**		**Consolidated**	
	2008	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**
	HK$'000	*HK$'000* (*restated*)	*HK$'000*	*HK$'000* (*restated*)	*HK$'000*	*HK$'000* (*restated*)	*HK$'000*	*HK$'000* (*restated*)	*HK$'000*	*HK$'000* (*restated*)
Assets and labilities:										
Segment assets	6,856	6,133	7,334	—	141,088	243,563	94,323	54,200	249,601	303,896
Unallocated assets									39,290	43,010
Interests in associates									80,854	95,296
									369,745	442,202
Total assets										
Segment liabilities	3,496	3,877	171	—	21,340	133	22,073	5,944	47,080	9,954
Unallocated liabilities									36,907	51,796
Total liabilities									83,987	61,750
Other segment information:										
Depreciation	74	85	—	—	—	—	1,240	859	1,314	944
Change in fair value of investment properties	—	—	820	—	—	—	—	—	820	—
Capital expenditure	64	44	6,180	—	—	—	336	5,573	6,580	5,617
Impairment losses recognised in the income statement	—	—	—	—	3,842	—	—	—	3,842	—

(b) **Geographical segments**

The following table presents revenue and certain asset and expenditure information for the Group's geographical segments for the years ended 31 December 2008 and 2007.

Group

	Hong Kong		Mainland China		Consolidated	
	2008	**2007**	**2008**	**2007**	**2008**	**2007**
	HK$'000	*HK$'000* *(restated)*	*HK$'000*	*HK$'000* *(restated)*	*HK$'000*	*HK$'000* *(restated)*
Segment revenue:						
Sales to external customers	(80,235)	39,325	—	—	(80,235)	39,325
Other segment information:						
Segment assets	212,776	308,453	156,969	133,749	369,745	442,202
Capital expenditure	6,516	5,573	64	44	6,580	5,617

4. FINANCE COSTS

	2008	**2007**
	HK$'000	*HK$'000*
Interest on bank loans, overdrafts and other loans wholly repayable within five years	1,062	528
Interest on bank loans not wholly repayable within five years	61	—
	1,123	528

5. (LOSS)/PROFIT BEFORE TAX

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

	2008	**2007**
	HK$'000	*HK$'000* *(restated)*
Cost of inventories sold	2,102	3,454
Depreciation of owned assets	1,314	944
Minimum lease payments under operating leases for land and buildings	780	708
Auditors' remuneration	250	250
Loss on disposal of items of property, plant and equipment*	—	36
Impairment on available-for-sale investments*	3,842	—
Foreign exchange differences, net	8,276	774
Employee benefits expense, including directors' remuneration:		
Salaries, wages and other benefits	5,391	5,676
Pension scheme contributions (defined contribution scheme) *(Note)*	56	68
	5,447	5,744

* Included in "Operating and administrative expenses" on the face of the consolidated income statement.

Note: At 31 December 2008, the Group had no forfeited contributions available to reduce its contributions to the pension scheme in future years (2007: Nil).

6. TAX

No provision for Hong Kong profits tax and overseas income tax has been made for the year ended 31 December 2008 (2007: Nil) as the Company and its subsidiaries did not generate any assessable profits for the year.

7. DIVIDENDS

The Board of Directors has resolved not to recommend the payment of any dividend in respect of the year ended 31 December 2008 (2007: Nil).

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

The calculation of basic (loss)/earnings per share amounts is based on the loss for the year attributable to equity holders of the Company of approximately HK$94,867,000 (Profit for the year ended 31 December 2007: HK$29,766,000), and the weighted average number of 1,800,000,000 (2007: 1,800,000,000) ordinary shares in issue during the year.

The calculation of diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of the ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

	2008	**2007**
	HK$'000	*HK$'000*
Earnings		
(Loss)/Profit attributable to ordinary equity holders of the Company used in the basic earnings per share calculation	(94,867)	29,766

	Number of shares	
	2008	**2007**
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	1,800,000,000	1,800,000,000
Effect of dilution — weighted average number		
Share options	—	47,216,370
	1,800,000,000	1,847,216,370

9. TRADE RECEIVABLES

For the Group's property rental business, the tenants are usually required to settle the rental payments on the first day of the rental period, and are required to pay rental deposits with two months' rentals in order to secure any default in their rental payments.

The Group's trading terms with customers are mainly on credit. Invoices are normally payable within two months of issuance, except for certain well established customers, where the terms are extended to three to six months in some cases, subject to the approval of senior management. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are regularly reviewed by senior management. Trade receivables are non-interest-bearing.

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

	2008	**2007**
	HK$'000	*HK$'000*
Within 1 month	132	692
1 to 2 months	190	620
2 to 3 months	128	510
Over 3 months	9	—
	459	1,822

10. TRADE PAYABLES

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

	2008	**2007**
	HK$'000	*HK$'000*
Within 1 month	53	164
1 to 2 months	36	104
2 to 3 months	—	105
	89	373

Trade payables are non-interest-bearing and are normally settled on 60-day terms.

11. COMPARATIVE AMOUNTS

During the year ended 31 December 2008, the Group has undertaken the trading of securities and investment holding as a principal activity of the Group. Certain comparative figures have been reclassified to conform with the current year's presentation.

REVIEW OF OPERATION

For the year ended 31 December 2008, the Group recorded a net loss attributable to equity holders of the Company of about HK$95 million (2007: a profit of HK$30 million). The overall performance of the Group was affected by the outbreak of global financial crisis.

TRADING AND INVESTMENTS

The Group undertakes portfolio investments (Trading and investment segment) during the year under review. Owing to the global financial crisis, the Hong Kong and other overseas stock markets were very volatile. As a result, the Group's portfolio investments recorded a net fair value losses of HK$93 million when marking the portfolios investment to market valuation as at 31 December 2008.

ELECTRONICS

The electronics division reported a net loss of about HK$2.3 million (2007: HK$0.7 million) based on a turnover of HK$5.9 million (2007: HK$7.9 million). In view of the continuing loss, the Group has intention to seek a potential buyer to dispose of the related business or close down the division.

PROPERTY INVESTMENT

During the year under review, the Group had diversified its business into property market. The investment properties were fully occupied.

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cash flow and banking facilities provided by principal bankers in Hong Kong. As at 31 December 2008, the Group had outstanding bank loans amounting to approximately HK$32 million which were secured by certain cash and securities with investment bankers. As at 31 December 2008, about HK$28 million out of HK$32 million is repayable with one year. The Group's cash and cash equivalents as at 31 December 2008 amounted to HK$148 million. Based on the total bank loans of HK$32 million and the aggregate of the shareholder funds, minority interest and total bank borrowings of approximately HK$318 million, the Group's gearing ratio as at 31 December 2008 was around 10%.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2008, the Group had approximately 50 employees in Hong Kong and China. Remuneration is reviewed annually. In addition to the basic salaries, the Group also provides staff benefits including discretionary bonus, provident fund and tuition/training subsidies in order to retain competent employees.

PROSPECT

Given the adverse effect of financial crisis, the global economic condition will remain challenging in the coming year and major developed economies are going into a synchronized recession. Proactive policy responses from various governments are expected to support the global economy. The economy of the PRC is expected to grow steadily this year as the central government adjusted its macro-economic policies to boost markets. The economic stimulus package worth RMB4 trillion, supplemented by reductions in interest rates was a very clear signal that the central government moved quickly to foster stability and healthy development of the economy.

The Group believes that Hong Kong will remain fairly resilient during the downturn as a result of strong backing of Mainland China and its strong economic growth. The Group remains optimistic about the prospect for local property market in the medium and long term because of its strong fundamentals.

The Group will adhere to its prudent financial policy and maintain high liquidity and low gearing. The Group will continue to monitor market conditions and look for attractive investment opportunities as appropriate. We strongly believe that we have the necessary skills and expertise to enable us to work towards the goal of maximizing our shareholder's wealth through restructuring our business mix and strengthening the competitiveness of our business.

CORPORATE GOVERNANCE REPORT

In the opinion of the directors of the Company, save as disclosed below, the Company has complied with the code provisions set out in the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the year ended 31 December 2008.

(a) Under code provisions of A.4.1 and A.4.2, (i) non-executive directors should be appointed for a specific term and subject to re-election; and (ii) all directors appointed to fill a causal vacancy should be subject to election by shareholders at the first general meeting after their appointment, and every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

    Non-executive directors do not have a specific term of appointment and under the bye-laws of the Company, at each general meeting, one-third of the directors for the time being, or if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office by rotation save any director holding office as chairman and managing director. The Company intends to propose any amendment of relevant bye-laws of the Company, if necessary, in order to ensure compliance with the Code.

(b) Under code provision of A.2, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual.

    The Company does not at present have any officer with the title of "chief executive officer". Mr. Lau Chi Yung, Kenneth is the chairman and managing director of the Company. The board of directors of the Company (the "Board") will meet regularly to consider major matters affecting the operations of the Company. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company and is conductive to strong and consistent leadership, enabling the Company to respond promptly and efficiently.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules as its own code of conduct regarding directors' securities transactions. Based on specific enquiry of all the directors of the Company, the directors of the Company have complied with the required standard as set out in the Model Code for the year ended 31 December 2008.

AUDIT COMMITTEE

The audit committee, comprising of four independent non-executive directors of the Company, has already discussed with management of the Company about the accounting policies and internal controls system adopted by the Group and has reviewed the consolidated financial statements of the Group for the year ended 31 December 2008 before submitting to the Board for approval.

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

During the year, there were no purchase, sale or redemption of the Company's listed securities by the Company or by any of its subsidiaries.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

The annual results announcement of the Company is published on the websites of the Company (www.irasia.com/listco/hk/orientalexplorer/index.htm) and Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk). The annual report of the Company for 2008 containing all the information required by the Listing Rules will be dispatched to the shareholders of the Company and made available on the above websites in due course.

BOARD OF DIRECTORS

As at the date of this announcement, the executive directors of the Company are Mr. Lau Chi Yung, Kenneth and Mr. Lau Michael Kei Chi and the independent non-executive directors of the Company are Mr. Choy Tak Ho, Mr. Lo Yick Wing, Mr. Wong Yim Sum and Mr. Lee Siu Man, Ervin.

By Order of the Board
Lau Chi Yung, Kenneth
Chairman

Hong Kong, 17 April 2009