



# **Yuxing InfoTech Investment Holdings Limited**

**裕興科技投資控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

Stock Code: 8005

## *Third Quarterly Report 2011*



\*for identification purposes only

## CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “EXCHANGE”)

**GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.**

*This report, for which the directors of Yuxing InfoTech Investment Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The directors of the Company (the “Directors”), having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this report misleading.*

## HIGHLIGHTS FOR THE NINE-MONTH PERIOD

For the nine months and three months ended 30th September 2011, turnover of the Group was approximately HK\$393.3 million and HK\$116.4 million respectively, representing an increase of 74.4% and 67.0% respectively in comparison to the corresponding periods in 2010.

For the nine months and three months ended 30th September 2011, gross profit of the Group increased by 75.1% and 61.4% respectively to approximately HK\$58.4 million and HK\$15.0 million as compared with the corresponding periods of last year.

Profit attributable to owners of the parent for the nine months and three months ended 30th September 2011 amounted to approximately HK\$30.2 million and HK\$24.7 million respectively, representing an increase of 148.0% and 10.9% respectively as compared with the corresponding periods of last year.

Basic earnings per share of the Group for the nine months and three months ended 30th September 2011 were HK1.74 cents and HK1.42 cents respectively.

The Board does not recommend the payment of any interim dividend for the nine months ended 30th September 2011.

## NINE-MONTH RESULTS (UNAUDITED)

The board of directors of the Company (the “Board”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the “Group”) for the nine months and three months ended 30th September 2011 together with the comparative unaudited figures for the corresponding periods in 2010, prepared in accordance with generally accepted accounting principles in Hong Kong, as follows:

### CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	Notes	For the nine months ended 30th September		For the three months ended 30th September	
		2011 HK\$'000	2010 HK\$'000	2011 HK\$'000	2010 HK\$'000
Turnover	2	<b>393,272</b>	225,491	<b>116,424</b>	69,701
Cost of sales		<b>(334,826)</b>	(192,110)	<b>(101,380)</b>	(60,378)
Gross profit		<b>58,446</b>	33,381	<b>15,044</b>	9,323
Other revenue and net income		<b>38,229</b>	32,061	<b>35,788</b>	28,077
Distribution and selling expenses		<b>(11,787)</b>	(7,680)	<b>(3,454)</b>	(2,561)
General and administrative expenses		<b>(43,897)</b>	(40,708)	<b>(13,962)</b>	(11,824)
Other operating expenses		<b>(12,292)</b>	(2,084)	<b>(7,443)</b>	(31)
Fair value gain/(loss) on investment properties		<b>4,940</b>	(1,160)	–	–
Profit from operations		<b>33,639</b>	13,810	<b>25,973</b>	22,984
Finance costs		<b>(3,106)</b>	(1,652)	<b>(1,155)</b>	(723)
Profit before taxation		<b>30,533</b>	12,158	<b>24,818</b>	22,261
Taxation	3	<b>(383)</b>	–	<b>(121)</b>	–
Profit attributable to owners of the parent		<b>30,150</b>	12,158	<b>24,697</b>	22,261
Earnings per share	4				
– Basic		<b>1.74 cents</b>	0.75 cent	<b>1.42 cents</b>	1.37 cents
– Diluted		<b>1.71 cents</b>	0.73 cent	<b>1.40 cents</b>	1.34 cents

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	For the nine months ended		For the three months ended	
	30th September		30th September	
	2011	2010	2011	2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Profit attributable to owners of the parent	30,150	12,158	24,697	22,261
Other comprehensive (loss)/income:				
Change in fair value of available-for-sale financial assets	(1,253,766)	310,059	(1,006,480)	396,852
Exchange differences arising on translation of PRC subsidiaries	141,311	50,962	67,182	27,079
Other comprehensive (loss)/income for the period	(1,112,455)	361,021	(939,298)	423,931
Total comprehensive (loss)/income attributable to owners of the parent	(1,082,305)	373,179	(914,601)	446,192

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the nine months ended 30th September 2011

	Attributable to owners of the parent								
	Share capital HK\$'000	Share premium HK\$'000	Statutory reserves HK\$'000	Contributed surplus HK\$'000	Share option reserves HK\$'000	Investment revaluation reserves HK\$'000	Translation reserves HK\$'000	Retained profits HK\$'000	Total equity HK\$'000
At 1st January 2011	43,355	36,691	20,190	234,621	30,398	2,363,238	524,624	72,387	3,325,504
<b>Profit for the period</b>	-	-	-	-	-	-	-	30,150	30,150
<b>Other comprehensive loss:</b>									
Change in fair value of available-for-sale financial assets	-	-	-	-	-	(1,253,766)	-	-	(1,253,766)
Exchange differences arising on translation of PRC subsidiaries	-	-	-	-	-	-	141,311	-	141,311
<b>Total other comprehensive loss</b>	-	-	-	-	-	(1,253,766)	141,311	-	(1,112,455)
<b>Total comprehensive loss for the period</b>	-	-	-	-	-	(1,253,766)	141,311	30,150	(1,082,305)
<b>Transactions with owners:</b>									
Issue of shares under share option scheme	8	87	-	-	-	-	-	-	95
<b>Total transactions with owners</b>	8	87	-	-	-	-	-	-	95
<b>At 30th September 2011</b>	<b>43,363</b>	<b>36,778</b>	<b>20,190</b>	<b>234,621</b>	<b>30,398</b>	<b>1,109,472</b>	<b>665,935</b>	<b>102,537</b>	<b>2,243,294</b>
At 1st January 2010	40,757	7,767	20,190	234,621	30,751	1,790,142	434,402	57,578	2,616,208
<b>Profit for the period</b>	-	-	-	-	-	-	-	12,158	12,158
<b>Other comprehensive income:</b>									
Change in fair value of available-for-sale financial assets	-	-	-	-	-	310,059	-	-	310,059
Exchange differences arising on translation of PRC subsidiaries	-	-	-	-	-	-	50,962	-	50,962
<b>Total other comprehensive income</b>	-	-	-	-	-	310,059	50,962	-	361,021
<b>Total comprehensive income for the period</b>	-	-	-	-	-	310,059	50,962	12,158	373,179
<b>Transactions with owners:</b>									
Issue of shares under share option scheme	3	37	-	-	-	-	-	-	40
<b>Total transactions with owners</b>	3	37	-	-	-	-	-	-	40
<b>At 30th September 2010</b>	<b>40,760</b>	<b>7,804</b>	<b>20,190</b>	<b>234,621</b>	<b>30,751</b>	<b>2,100,201</b>	<b>485,364</b>	<b>69,736</b>	<b>2,989,427</b>

Notes:

## 1 Basis of preparation

The Group's unaudited condensed consolidated financial statements for the nine months ended 30th September 2011 have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and with applicable disclosure provisions of the Rules Governing The Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited. The accounts are unaudited but have been reviewed by the Company's audit committee.

These unaudited financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31st December 2010. The accounting policies and methods of computation applied in preparation of these unaudited financial statements are consistent with those applied in preparing the Group's financial statements for the year ended 31st December 2010. The adoption of the new/revised Hong Kong Financial Reporting Standards ("HKFRS"), which collective term includes all applicable individual HKFRS. HKAS and Interpretations issued by the HKICPA that are relevant to the Group and effective from the current period, did not have any significant effect on the financial position or performance of the Group.

At the date of authorisation of these unaudited financial statements, the HKICPA has issued a number of new/revised HKFRS that are not yet effective for the current period, which the Group has not early adopted. The Group is in the process of assessing the possible impact on the future adoption of these new/revised HKFRS, but are not yet in a position to reasonably estimate their impact on the Group's consolidated financial statements.

## 2 Turnover

Turnover, which is stated net of value added tax where applicable, is recognised when goods are delivered and the related risks and rewards of ownership have passed.

The Group is principally engaged in manufacturing, sales and distribution of information home appliances and complementary products to consumer markets.

### 3 Taxation

The taxation charged to profit or loss represents:

	For the nine months ended 30th September		For the three months ended 30th September	
	2011	2010	2011	2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
PRC enterprise income tax	<u>383</u>	<u>–</u>	<u>121</u>	<u>–</u>

The income tax provision in respect of operations in the PRC is calculated at the applicable tax rate of 25% on the estimated assessable profits for the nine months and three months ended 30th September 2011 based on existing legislation, interpretations and practices in respect thereof. No PRC enterprise income tax has been provided for the nine months and three months ended 30th September 2010 as the Group did not have any assessable profit from the PRC for both periods.

No Hong Kong Profits Tax has been provided for the nine months and three months ended 30th September 2011 and 2010 as the Group did not have any assessable profit from Hong Kong for both periods.

### 4 Earnings per share

The calculation of the basic and diluted earnings per share attributable to owners of the parent is based on the following data:

	For the nine months ended 30th September		For the three months ended 30th September	
	2011	2010	2011	2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Consolidated profit attributable to owners of the parent	<u>30,150</u>	<u>12,158</u>	<u>24,697</u>	<u>22,261</u>



4 **Earnings per share** (Continued)

	For the nine months ended 30th September		For the three months ended 30th September	
	2011	2010	2011	2010
	'000	'000	'000	'000
Issued ordinary shares at 1st January	<b>1,734,200</b>	1,630,272	–	–
Issued ordinary shares at 1st July	–	–	<b>1,734,256</b>	1,630,408
Effect of share options exercised	<b>58</b>	98	<b>90</b>	–
Weighted average number of ordinary shares for basic earnings per share	<b>1,734,258</b>	1,630,370	<b>1,734,346</b>	1,630,408
Effect of dilutive potential ordinary shares:				
Exercise of share options	<b>28,071</b>	32,470	<b>28,077</b>	32,432
Weighted average number of ordinary shares for diluted earnings per share	<b>1,762,329</b>	1,662,840	<b>1,762,423</b>	1,662,840
Earnings per share:				
– Basic	<b>1.74 cents</b>	0.75 cent	<b>1.42 cents</b>	1.37 cents
– Diluted *	<b>1.71 cents</b>	0.73 cent	<b>1.40 cents</b>	1.34 cents

\* The calculation of diluted earnings per share for the nine months and three months ended 30th September 2011 is based on the profit attributable to owners of the parent of approximately HK\$30,150,000 and HK\$24,697,000 (for the nine months and three months ended 30th September 2010: approximately HK\$12,158,000 and HK\$22,261,000) respectively, and the weighted average number of ordinary shares issued during the periods of approximately 1,734,258,000 shares and 1,734,346,000 shares (for the nine months and three months ended 30th September 2010: approximately 1,630,370,000 shares and 1,630,408,000 shares) respectively after adjusting for the number of dilutive potential ordinary shares arising from the outstanding share options granted under the Company's share option scheme.

## RESERVES

Movements in the reserves of the Group for the nine months ended 30th September 2011 (the "Period") are set out in the unaudited condensed consolidated statement of changes in equity of the financial statements.

## DIVIDENDS

The Board does not recommend the payment of any interim dividend for the Period (for the nine months ended 30th September 2010: Nil).

## FINANCIAL AND BUSINESS REVIEW

During the period under review, the Group's business achieved remarkable performance, with the overall turnover and gross profit amounted to approximately HK\$393.3 million and HK\$58.4 million respectively for the Period, representing a substantial increase of 74.4% and 75.1% as compared with the same period of last year. This increase was mainly attributable to the rapid growth of the global Internet Protocol Television ("IPTV") market as well as rebound of the PRC domestic market, which together with the right positioning of the Group's products, had successfully captured the demand of users.

During the period under review, the PRC market grew at a stunning pace. Accurate positioning of the Group's products captured the users' demands. Meanwhile, the Group, with its established technology and premium customer service, has won long-lasting reliance and trust from its business partners and customers. During the period under review, the Group, through partnership with one of the largest telecom equipment and system providers in the PRC, expanded its several kinds of set-top boxes ("STB") products to diverse cities and provinces in the PRC. As a result, this led to a substantial expansion of the Group's PRC market share and a record total sales of approximately HK\$267.3 million, representing a significant increase of 106.1% as compared with the same period of last year.

## FINANCIAL AND BUSINESS REVIEW *(Continued)*

As for the international market, the Group continued to maintain good cooperation with a number of telecom operators and system integrators as their products and service supplier or strategic partner, thus achieved excellent sales. During the period under review, the Group made smooth progress in expanding the international market, with sustainable and stable supply of various products. This contributed a turnover of approximately HK\$75.4 million for the Period to the Group, an increase of 45.8% as compared with the same period of last year.

The satisfactory growth of sales was achieved in the Hong Kong region as well. The turnover in Hong Kong amounted to approximately HK\$49.8 million for the Period, representing an increase of 21.6% as compared with the same period of last year. The Group conducted marketing activities with a Hong Kong customer to launch high digital STB products to the market one after another so as to provide quality entertainment experience and on-line services to end users.

With the significant increase of the Group's turnover, the Group's selling expenses for the Period increased by 53.5% to approximately HK\$11.8 million as compared with the same period of last year. At the same time, the Group's general and administrative expenses for the Period increased by 7.8% to approximately HK\$43.9 million as compared with the corresponding period in 2010. Moreover, to further expand and develop business, the Group has increased its short-term bank borrowings during the period under review, causing an increase in the finance costs of the Group to approximately HK\$3.1 million for the Period (for the nine months ended 30th September 2010: approximately HK\$1.7 million).

The main reason for the increase in the Group's other operating expenses to approximately HK\$12.3 million for the Period (for the nine months ended 30th September 2010: approximately HK\$2.1 million) was that the Group recorded realized and unrealized losses on certain financial assets totaling approximately HK\$10.3 million for the Period (for the nine months ended 30th September 2010: approximately HK\$0.9 million).

## FINANCIAL AND BUSINESS REVIEW *(Continued)*

In addition, the other revenue and net income of the Group for the Period increased by 19.2% to approximately HK\$38.2 million as compared with the corresponding period in the last year (for the nine months ended 30th September 2010: approximately HK\$32.1 million). This was mainly due to the dividend incomes recorded by the Group from its indirect investment in 51 million A shares of Ping An Insurance (Group) Company of China Limited of approximately HK\$33.6 million for the Period (for the nine months ended 30th September 2010: approximately HK\$26.2 million), which was a major contribution to the profit of the Group for the Period. Furthermore, as disclosed in the Company's announcement dated 22nd October 2009, the Intermediate People's Court of Foshan, Guangdong Province in the PRC issued a Notice of Enforcement to Shenzhen Jiangnan Industrial Development Co., Ltd. ("JI") on 4th September 2009, ordering JI to assist in freezing the 36.66% equity interest held by Beijing Golden Yuxing Electronics and Technology Company Limited ("Golden Yuxing"), a wholly owned subsidiary of the Company, in JI and its dividend entitlements and suspending the payment of dividends attributable to Golden Yuxing in respect of its equity interest in JI for a period from 7th September 2009 to 6th September 2011. According to the Company's announcement dated 27th October 2011, this freezing period was extended from September of 2011 to September of 2012. According to the legal opinion dated 7th November 2011 from the Group's PRC lawyers, Golden Yuxing was entitled to receive the dividends from JI but the suspension of the dividend payment is still in force.

In relation to the litigation between Guangdong Jianlibao Group Company Limited, Sanshui Jianlibao Health Industry Investment Co., Ltd. and Golden Yuxing in respect of the 36.66% equity interest in JI, the Group has not received any judgment from the Higher People's Court of the Guangdong Province in the PRC as at the date of this report.

## BUSINESS PROSPECT

As one of the world's leading IPTV terminal suppliers, the Group has a strong research and development ("R&D") team of software and hardware for IPTV STB in the PRC, and has been focusing on the IPTV and home broadband entertainment markets for ten years. Today, the global IPTV market has entered into a stage of steady growth, in particular the high PRC market is set to bring satisfactory returns to the Group.

The Group will continue to improve its technology R&D and customer service and deliver products of cutting-edge technology and more competitive prices. With the continual expansion of the market, the Group is fully optimistic over the future and believes that its IPTV STB business will find a fairly large room to grow.

## INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30th September 2011, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meanings of Part XV of the Securities and Futures Ordinance (“SFO”)) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as required, pursuant to the minimum standards for dealing by Directors as referred to in Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Exchange were as follows:

### (1) Long positions in the ordinary shares of the Company

Name of Director	Nature of interests	Number of ordinary		Percentage of the total issued share capital of the Company
		shares	Capacity	
Mr. Zhu Wei Sha	Corporate (Note 1)	660,000,000	Interest of a controlled corporation	38.05%
	Personal (Note 2)	300,000	Beneficial owner	0.02%
Mr. Chen Fu Rong	Corporate (Note 1)	660,000,000	Interest of a controlled corporation	38.05%
Mr. Shi Guang Rong	Personal	26,000,000	Beneficial owner	1.50%
Mr. Wang An Zhong	Personal	5,136,756	Beneficial owner	0.30%

*Notes:*

- Messrs. Zhu Wei Sha and Chen Fu Rong held these shares through Super Dragon Co., Ltd. (“Super Dragon”), a company in which Messrs. Zhu Wei Sha and Chen Fu Rong held 63.6% and 36.4% of the entire issued share capital respectively. Both Mr. Zhu Wei Sha and Mr. Chen Fu Rong are directors of Super Dragon.
- Dragon Treasure Ltd. (“Dragon Treasure”) is a nominee company and acts as a trustee for holding the shares in the Company on behalf of the past and present employees of the Group, including Mr. Zhu Wei Sha.

## INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES AND DEBENTURES *(Continued)*

### (2) Long positions in the underlying shares of the Company

Pursuant to the share option scheme approved by the shareholders of the Company on 18th May 2003, the Directors in the capacity as beneficial owners were granted unlisted and physically settled share options to subscribe for shares of the Company, details of which as at 30th September 2011 were as follows:

Name of Director	Date of grant	Exercise price per share HK\$	Exercisable period	Number of share options				At 30th September 2011
				At 1st January 2011	Exercised during the period	Granted during the period	Forfeited during the period	
Mr. Wang An Zhong	26th December 2006	0.2975	26th December 2006 – 17th May 2013	1,600,000	-	-	-	1,600,000
Mr. Wu Jia Jun	26th December 2006	0.2975	26th December 2006 – 17th May 2013	960,000	-	-	-	960,000
Mr. Zhong Peng Rong	26th December 2006	0.2975	26th December 2006 – 17th May 2013	1,600,000	-	-	-	1,600,000
Ms. Shen Yan	26th December 2006	0.2975	26th December 2006 – 17th May 2013	960,000	-	-	-	960,000
				<u>5,120,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,120,000</u>

Save as disclosed above, none of the Directors or chief executive of the Company had, as at 30th September 2011, any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as required to be notified to the Company and the Exchange pursuant to the minimum standards for dealing by Directors as referred to in Rule 5.46 to the GEM Listing Rules.

## INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

So far as is known to any Director or chief executive of the Company, as at 30th September 2011, the following is a list of the substantial shareholders (other than Directors or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO:

### Long positions in the ordinary shares of the Company

Name of shareholders	Nature of interests	Number of ordinary shares	Capacity	Percentage of the total issued share capital of the Company
Super Dragon (Note 1)	Corporate	660,000,000	Beneficial owner	38.05%
Dragon Treasure (Note 2)	Corporate	134,651,740	Trustee	7.76%

Notes:

1. Super Dragon is beneficially owned by Mr. Zhu Wei Sha, as to 63.6%, and Mr. Chen Fu Rong, as to 36.4% respectively. Both Mr. Zhu Wei Sha and Mr. Chen Fu Rong are directors of Super Dragon.
2. Dragon Treasure is a nominee company and acts as a trustee for holding the shares in the Company on behalf of the past and present employees of the Group, including Mr. Zhu Wei Sha, whose interests in the shares and underlying shares of the Company is disclosed in the section "Interests and short positions of Directors and chief executive in the shares, underlying shares and debentures" above.

Save as disclosed above, as at 30th September 2011, the Company had not been notified by any person (other than Directors or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

## MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed for the nine months ended 30th September 2011.

## COMPETING INTERESTS

None of the Directors or the management shareholders of the Company and their respective associates (as defined in the GEM Listing Rules) had an interest in a business which competes or may compete with the business of the Group or has any other conflict of interest with the Group for the nine months ended 30th September 2011.

## AUDIT COMMITTEE

The Company established an audit committee on 20th November 1999 with written terms of reference in compliance with the GEM Listing Rules.

The primary duties of the audit committee are to review and supervise the financial reporting process of the Group. It also reviews the effectiveness of both the external audit and the internal controls and risk evaluation. The audit committee comprises three independent non-executive Directors, namely Mr. Wu Jia Jun, Mr. Zhong Peng Rong and Ms. Shen Yan (chairman of audit committee).

The Group's unaudited consolidated results for the nine months ended 30th September 2011 have been reviewed by the audit committee.

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities for the nine months ended 30th September 2011.



## SECURITIES TRANSACTIONS BY THE DIRECTORS

Although the Company has not adopted any code of conduct regarding the Directors' securities transactions, it has made specific enquiry with the Directors and the Directors have confirmed that they have complied with all the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules for the nine months ended 30th September 2011.

By Order of the Board  
**Yuxing InfoTech Investment Holdings Limited**  
**Zhu Wei Sha**  
*Chairman*

Hong Kong, 9th November 2011

*As at the date of this report, the executive directors of the Company are Mr. Zhu Wei Sha, Mr. Chen Fu Rong, Mr. Shi Guang Rong and Mr. Wang An Zhong; the independent non-executive directors are Mr. Wu Jia Jun, Mr. Zhong Peng Rong and Ms. Shen Yan.*