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**Kanstar Environmental Paper Products Holdings Limited**

**建星環保紙品控股有限公司\***

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8011)**

**PRIVATE PLACING OF NON-LISTED WARRANTS  
AND  
RESUMPTION OF TRADING**

**Financial Adviser to the Company**



**INCUB Corporate Finance Limited**

**PLACING OF WARRANTS**

The Directors are pleased to announce that on 6 June 2007, the Company separately entered into three Warrant Placing Agreements with three Subscribers and three Guarantors in relation to a private placing of an aggregate of 884,500,000 Warrants to the Subscribers, at an issue price of HK\$0.005 per Warrant.

The Warrants entitle the Subscribers to subscribe for the New Shares at an initial Subscription Price of HK\$0.38 per New Share for a period of 30 months commencing from the date of issue of the Warrants. Each Warrant carries the right to subscribe for one New Share.

Completion of each of the Warrant Placing Agreements is subject to the fulfillment of the conditions in relation thereto stated in the respective sections headed "Conditions" in this announcement. The New Shares will be issued under the General Mandate.

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the New Shares which may fall to be allotted and issued upon exercise of the subscription rights attaching to the Warrants. No listing of the Warrants will be sought on the Stock Exchange or any other stock exchanges.

**SUSPENSION AND RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares was suspended with effect from 9:30 a.m. on 6 June 2007 pending the issue of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 7 June 2007.

\* *for identification purpose only*

## **(A) INWOOD SUPPORT PLACING AGREEMENT**

**Date:** 6 June 2007

**Parties:** (i) the Company, as issuer;  
(ii) Inwood Support, as subscriber; and  
(iii) Mr. Wu, as guarantor

### **Information on Inwood Support and Mr. Wu**

Inwood Support is a company incorporated in the British Virgin Islands and is principally engaged in investment holding which is wholly and beneficially owned by Mr. Wu. Mr. Wu is entering into the Inwood Support Placing Agreement to guarantee the performance of Inwood Support under the Inwood Support Placing Agreement. Mr. Wu is currently employed by an investment company in the PRC and has over 10 years experience in mergers and acquisitions and investment in listed securities.

The Directors confirm that each of Inwood Support and its ultimate beneficial owner, Mr. Wu, are Independent Third Parties. Before entering into of the Inwood Support Placing Agreement, neither Inwood Support nor Mr. Wu has any interests in the Shares or any business dealings with the Group.

Save for being parties to the Warrant Placing Agreements, Inwood Support and Mr. Wu are independent of and not connected with each of Upper Will, Ms. Li, Favour Sky and Mr. Lau.

### **Number of Warrants**

Pursuant to the Inwood Support Placing Agreement, Inwood Support will subscribe for the Inwood Support Warrants (i.e. 530,700,000 Warrants). Further details about the Inwood Support Warrants are set out in the section headed "Information about the Warrants" below.

### **Conditions**

Completion of the Inwood Support Placing Agreement shall be subject to and conditional upon, among other things, the following:

- (1) (if required) the Listing Committee of the Stock Exchange shall have approved the issue of the Inwood Support Warrants either unconditionally or subject to conditions to which neither the Company nor Inwood Support shall reasonably object and the satisfaction of such conditions; and
- (2) the Listing Committee of the Stock Exchange granting the listing of, and the permission to deal in, the Inwood Support New Shares.

If the conditions of the Inwood Support Placing Agreement are not fulfilled on or before 4:00 p.m. 22 June 2007 (or such later date as may be agreed between the parties thereto), the Inwood Support Placing Agreement will terminate and cease to have any effect and none of the parties shall have any claim against the other save for any antecedent breaches of the provisions thereof.

To the best of the knowledge of the Directors, the issue of the Inwood Support Warrants does not require approval from the Listing Committee of the Stock Exchange.

### **Completion Date**

Completion of the Inwood Support Placing Agreement will take place within three Business Days after the fulfillment of the conditions referred to above.

### **(B) UPPER WILL PLACING AGREEMENT**

**Date:** 6 June 2007

**Parties:** (i) the Company, as issuer;  
(ii) Upper Will, as subscriber; and  
(iii) Ms. Li, as guarantor

### **Information on Upper Will and Ms. Li**

Upper Will is a company incorporated in the British Virgin Islands and is principally engaged in investment holding which is wholly and beneficially owned by Ms. Li. Ms. Li is entering into the Upper Will Placing Agreement to guarantee the performance of Upper Will under the Upper Will Placing Agreement. Ms. Li is currently employed as a financial controller by a private enterprise in the PRC and has over 20 years experience in accounting field.

The Directors confirm that each of Upper Will and its ultimate beneficial owner, Ms. Li, are Independent Third Parties. Before entering into of the Upper Will Placing Agreement, neither Upper Will nor Ms. Li has any interests in the Shares or any business dealings with the Group.

Save for being parties to the Warrant Placing Agreements, Upper Will and Ms. Li are independent of and not connected with each of Inwood Support, Mr. Wu, Favour Sky and Mr. Lau.

### **Number of Warrants**

Pursuant to the Upper Will Placing Agreement, Upper Will will subscribe for the Upper Will Warrants (i.e. 221,125,000 Warrants). Further details about the Upper Will Warrants are set out in the section headed "Information about the Warrants" below.

### **Conditions**

Completion of the Upper Will Placing Agreement shall be subject to and conditional upon, among other things, the following:

- (1) (if required) the Listing Committee of the Stock Exchange shall have approved the issue of the Upper Will Warrants either unconditionally or subject to conditions to which neither the Company nor Upper Will shall reasonably object and the satisfaction of such conditions; and

- (2) the Listing Committee of the Stock Exchange granting the listing of, and the permission to deal in, the Upper Will New Shares.

If the conditions of the Upper Will Placing Agreement are not fulfilled on or before 4:00 p.m. 22 June 2007 (or such later date as may be agreed between the parties thereto), the Upper Will Placing Agreement will terminate and cease to have any effect and none of the parties shall have any claim against the other save for any antecedent breaches of the provisions thereof.

To the best of the knowledge of the Directors, the issue of the Upper Will Warrants does not require approval from the Listing Committee of the Stock Exchange.

### **Completion Date**

Completion of the Upper Will Placing Agreement will take place within three Business Days after the fulfillment of the conditions referred to above.

## **(C) FAVOUR SKY PLACING AGREEMENT**

**Date:** 6 June 2007

**Parties:** (i) the Company, as issuer;  
(ii) Favour Sky, as subscriber; and  
(iii) Mr. Lau, as guarantor

### **Information on Favour Sky and Mr. Lau**

Favour Sky is a company incorporated in the British Virgin Islands and is principally engaged in investment holding which is wholly and beneficially owned by Mr. Lau. Mr. Lau is entering into the Favour Sky Placing Agreement to guarantee the performance of Favour Sky under the Favour Sky Placing Agreement. Mr. Lau was a former banker with several major international financial institutions. Mr. Lau has over 20 years experience in banking, trading and manufacturing industries and a variety of business interest in both Hong Kong and the PRC. Mr. Lau is currently a private investor managing his own diversified investments.

The Directors confirm that each of Favour Sky and its ultimate beneficial owner, Mr. Lau, are Independent Third Parties. Before entering into of the Favour Sky Placing Agreement, neither Favour Sky nor Mr. Lau has any interests in the Shares or any business dealings with the Group.

Save for being parties to the Warrant Placing Agreements, Favour Sky and Mr. Lau are independent of and not connected with each of Inwood Support, Mr. Wu, Upper Will and Ms. Li.

## **Number of Warrants**

Pursuant to the Favour Sky Placing Agreement, Favour Sky will subscribe for the Favour Sky Warrants (i.e. 132,675,000 Warrants). Further details about the Favour Sky Warrants are set out in the section headed “Information about the Warrants” below.

## **Conditions**

Completion of the Favour Sky Placing Agreement shall be subject to and conditional upon, among other things, the following:

- (1) (if required) the Listing Committee of the Stock Exchange shall have approved the issue of the Favour Sky Warrants either unconditionally or subject to conditions to which neither the Company nor Favour Sky shall reasonably object and the satisfaction of such conditions; and
- (2) the Listing Committee of the Stock Exchange granting the listing of, and the permission to deal in, the Favour Sky New Shares.

If the conditions of the Favour Sky Placing Agreement are not fulfilled on or before 4:00 p.m. 22 June 2007 (or such later date as may be agreed between the parties thereto), the Favour Sky Placing Agreement will terminate and cease to have any effect and none of the parties shall have any claim against the other save for any antecedent breaches of the provisions thereof.

To the best of the knowledge of the Directors, the issue of the Favour Sky Warrants does not require approval from the Listing Committee of the Stock Exchange.

## **Completion Date**

Completion of the Favour Sky Placing Agreement will take place within three Business Days after the fulfillment of the conditions referred to above.

## **(D) INFORMATION ABOUT THE WARRANTS**

### **Warrant Issue Price**

HK\$0.005 per Warrant

### **Subscription Price**

HK\$0.38 per New Share, subject to adjustment based on prescribed formulas as set out in the instrument creating the Warrants for the happening of the following adjustment events:

- (i) an alteration of the nominal amount of each Share by reason of any consolidation or subdivision;
- (ii) an issue (other than pursuant to a scrip dividend scheme in lieu of a cash dividend) by the Company of Shares credited as fully paid by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve fund);

- (iii) a capital distribution other than the issue of Shares credited as fully paid on partly paid out of profits or reserves and issued in lieu of a cash dividend being made by the Company, whether on a reduction of capital or otherwise, to the Shareholders;
- (iv) a grant by the Company to Shareholders (in their capacity as such) of rights to acquire for cash assets of the Company or any of its subsidiaries;
- (v) an offer of new Shares for subscription by way of rights, or a grant of options or warrants to subscribe for new Shares, at a price which is less than 80% of the market price of the Shares on the date of the announcement of the terms of the offer or grant (whether or not such offer or grant is subject to the approval of the Shareholders or other persons) being made by the Company to the Shareholders;
- (vi) an issue wholly for cash being made by the Company or any of its subsidiaries of securities convertible into or exchangeable for or carrying rights of subscription for new Shares, if in any case the total effective consideration per new Share initially receivable for such securities is less than 80% of the market price of the Shares on the date of the announcement of the terms of issue of such securities (whether or not such issue is subject to the approval of the Shareholders), or the conversion, exchange or subscription rights of any such issue are altered so that the said total effective consideration is less than 80% of such market price;
- (vii) an issue of Shares being made wholly for cash at a price less than 80% of the market price of the Shares on the date of the announcement of the issue (whether or not such issue is subject to the approval of the Shareholders); and
- (viii) the purchase by the Company of Shares or securities convertible into Shares or any rights to acquire Shares (excluding any such purchase made on the Stock Exchange or any recognised stock exchange, being a stock exchange recognised for this purpose by the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong and the Stock Exchange) in circumstances where the Directors consider that it may be appropriate to make an adjustment to the Subscription Price.

Every adjustment to the Subscription Price shall be certified either (at the option of the Company) by the auditors of the Company or by an approved merchant bank.

The Subscription Price represents (i) a discount of approximately 1.30% to the closing price of HK\$0.385 per Share as quoted on the Stock Exchange on 5 June 2007, being the last trading day before the date of the Warrant Placing Agreements; and (ii) a discount of approximately 1.04% to the average closing price of approximately HK\$0.384 per Share as quoted on the Stock Exchange for the last five trading days up to and including 4 June 2007.

The aggregate of the Warrant Issue Price and the Subscription Price represents (i) the closing price of HK\$0.385 per Share as quoted on the Stock Exchange on 5 June 2007; and (ii) a premium of approximately 0.26% over the average closing price of approximately HK\$0.384 per Share as quoted on the Stock Exchange for the last five trading days up to and including 4 June 2007.

The Board considers that both the Subscription Price and the aggregate of it with the Warrant Issue Price are fair and reasonable, which are determined after arm's length negotiations between the Company and the Subscribers with reference to the recent trading prices of the Shares, and are in the interests of the Company and the Shareholders as a whole.

### **Transferability**

The Warrants are transferable only to Independent Third Parties, in integral multiples of 5,000,000 Warrants (or if at the time of transfer, the outstanding number of Warrants are less than 5,000,000 Warrants, the whole but not part of the outstanding Warrants). Apart from the aforesaid, there are no restrictions on the transfer of the Warrants from the Subscriber to other parties, and no consent from the Company is required before such transfer is to take place.

### **Rights of the Warrants**

The Warrants will be issued to the Subscribers upon Completion in registered form and constituted by a deed poll. The Warrants will rank *pari passu* in all respects among themselves.

Each Warrant carries the right to subscribe for one New Share at the Subscription Price and is issued at the Warrant Issue Price.

The subscription rights attaching to the Warrants may be exercised at any time during a period of 30 months commencing from the date of issue of the Warrants at integral multiples of 5,000,000 Warrants. Where the number of the outstanding Warrants is less than 5,000,000 Warrants, the Subscribers shall have the right to exercise the whole but not part of the outstanding number of Warrants to subscribe for the New Shares in cash at the Subscription Price per New Share. The New Shares, when fully paid and allotted, will rank *pari passu* in all respects with the then existing issued Shares. The Warrants are not convertible into further rights to subscribe for other securities of the Company.

A total of 884,500,000 Warrants are proposed to be issued. Upon full exercise of the subscription rights attaching to the Warrants, a total of 884,500,000 New Shares, representing (i) approximately 18.43% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 15.56% of the issued share capital of the Company as enlarged by the allotment and issue of the New Shares from the full exercise of the subscription rights attaching to the Warrants. The nominal value of the New Shares in total is HK\$1,769,000. Further details of the Warrants when exercised in full are set out in the section headed "Changes in Shareholding Structure" below.

### **Voting rights for the holders of the Warrants**

A holder of the Warrants will not have any right to attend or vote at any meeting of the Company by virtue of it being a holder of the Warrants. The holder of the Warrants shall not have the right to participate in any distributions and/or offers of further securities made by the Company prior to the Warrants being exercised.



## **Mandate to issue the New Shares**

The General Mandate was granted to the Directors pursuant to an ordinary resolution of the Company passed at its annual general meeting on 18 May 2007 to allot and issue up to 20% of the aggregate nominal amount of the share capital of the Company in issue on that date, being HK\$1,920,000 and divided into 960,000,000 Shares.

The New Shares to be allotted and issued upon the exercise in full of the subscription rights attaching to the Warrants will be allotted and issued under the General Mandate. The 884,500,000 New Shares to be allotted and issued would utilise approximately 92.14% of the General Mandate. The General Mandate has not been previously utilised prior to the Warrant Placing.

## **Application for listing**

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the New Shares which may fall to be allotted and issued upon exercise of the subscription rights attaching to the Warrants. No listing of the Warrants will be sought on the Stock Exchange or any other stock exchanges.

## **REASONS FOR THE WARRANT PLACING**

The Group is currently principally engaged in the development, manufacture and sale of pulp and paper products. As referred to in the announcement of the Company dated 26 January 2007, the Group has entered into an agreement to further acquire 30% equity interest in Polyard Petroleum International Co., Ltd., an investment holding company incorporated in the Macau Special Administrative Region of the PRC whose principal investment is its 70% interest in Chinaoil USA (Macao) Company Limited. Chinaoil USA (Macao) Company Limited is a company incorporated in the Macau Special Administrative Region of the PRC with its principal business being exploration of crude oil and natural gas in Brunei. After completion of the said acquisition, the Group will also be engaged in the exploration of oil and natural gas business.

The Group may raise funds to strengthen its financial position through the Warrant Placing and upon full exercise of the subscription rights attaching to the Warrants, the Group may utilise the proceeds therefrom for capturing suitable investment opportunities as and when they arise.

It is intended that the net proceeds from the Warrant Placing of approximately HK\$3.6 million will be applied as general working capital of the Group and any proceeds from the issue of the New Shares upon full exercise of the subscription rights attaching to the Warrants in future will be applied towards the general working capital of the Group and as funds for future investments of the Group when such investment opportunities arise. As at the date of this announcement, save for its further investment in Polyard Petroleum International Co., Ltd., the Group has not identified any specific investment plans.

The Directors consider that the terms of the Warrant Placing Agreements are fair and reasonable and the entering into of the Warrant Placing Agreements is in the interest of the Company and Shareholders as a whole.



## EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE-MONTH PERIOD

There had not been any fund raising activity conducted by the Group for the 12 months immediately preceding the date of this announcement.

### CHANGES IN SHAREHOLDING STRUCTURE

As at the date of this announcement, the Company has 4,800,000,000 Shares in issue. The shareholding structure of the Company before and after the full exercise of the subscription rights attaching to the Warrants are as follows:

Shareholders	Shareholding structure as at the date of this announcement		Shareholding structure upon full exercise of the subscription rights attaching to the Warrants	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Siko Venture Limited ( <i>Note 1</i> )	2,233,350,000	46.53	2,233,350,000	39.29
Silver Star Enterprises Holdings Inc. ( <i>Note 2</i> )	800,000,000	16.67	800,000,000	14.07
<b>Subscribers:</b>				
Inwood Support ( <i>Note 3</i> )	—	—	530,700,000	9.34
Upper Will ( <i>Note 3</i> )	—	—	221,125,000	3.89
Favour Sky ( <i>Note 3</i> )	—	—	132,675,000	2.33
Public Shareholders	<u>1,766,650,000</u>	<u>36.80</u>	<u>1,766,650,000</u>	<u>31.08</u>
<b>Total</b>	<b><u>4,800,000,000</u></b>	<b><u>100.00</u></b>	<b><u>5,684,500,000</u></b>	<b><u>100.00</u></b>

#### Notes:

1. The entire issued share capital of Siko Venture Limited is wholly and beneficially owned by Mr. Chim Kim Kiu, Jacky, a Director and the chairman of the Company.
2. The entire issued share capital of Silver Star Enterprises Holdings Inc. is wholly and beneficially owned by Mr. Lam Nam.
3. Based on the Subscription Price and the present number of Shares which may be issued upon full exercise of the subscription rights attaching to the Warrants, all of the Subscribers will be regarded as public Shareholders upon the Warrants having been fully exercised.

The Directors confirm that other than 75,500,000 Pre-IPO Share Options, there are no other warrants, options or similar rights outstanding that confers rights to subscribe for or purchase shares of the Company that requires disclosure under Chapter 21 of the GEM Listing Rules.

The Directors further confirm that the total number of Shares to be issued pursuant to the full exercise of the Warrants (884,500,000 Shares) and the Pre-IPO Share Options (75,500,000 Shares), in aggregate, will not exceed 20% of the issued share capital of the Company.

## **SUSPENSION AND RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares was suspended with effect from 9:30 a.m. on 6 June 2007 pending the issue of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 7 June 2007.

## **DEFINITIONS**

Terms or expressions used in this announcement shall, unless the context otherwise requires, have the meanings ascribed to them below:

“Board”	the board of Directors
“Business Day”	any day (not being a Saturday, Sunday or public or statutory holiday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Company”	Kanstar Environmental Paper Products Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on GEM
“Completion”	completion of the Warrant Placing in accordance with the terms and conditions of the Warrant Placing Agreements
“Directors”	the directors, including independent non-executive directors, of the Company
“Favour Sky”	Favour Sky Limited
“Favour Sky New Shares”	132,675,000 New Shares
“Favour Sky Placing Agreement”	the conditional subscription agreement dated 6 June 2007 and entered into among the Company, Favour Sky and Mr. Lau in relation to the subscription of the Favour Sky Warrants
“Favour Sky Warrants”	132,675,000 Warrants to be issued and subscribed under the Favour Sky Placing Agreement

“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the annual general meeting of the Company convened and held on 18 May 2007
“Group”	the Company and its subsidiaries
“Guarantors”	collectively, Mr. Wu, Ms. Li and Mr. Lau, being guarantors to the respective Warrant Placing Agreements
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(Parties)”	independent third party (parties) who is (are) not connected person(s) (as defined in the GEM Listing Rules) of the Company and is (are) independent of and not connected with the connected persons of the Company
“Inwood Support”	Inwood Support Limited
“Inwood Support New Shares”	530,700,000 New Shares
“Inwood Support Placing Agreement”	the conditional subscription agreement dated 6 June 2007 and entered into among the Company, Inwood Support and Mr. Wu in relation to the subscription of the Inwood Support Warrants
“Inwood Support Warrants”	530,700,000 Warrants to be issued and subscribed under the Inwood Support Placing Agreement
“Mr. Lau”	Mr. Lau Kim Hung, Jack
“Mr. Wu”	Mr. Wu Bo
“Ms. Li”	Ms. Li Qiyun
“New Share(s)”	new Share(s) which may fall to be allotted and issued upon the exercise of the subscription rights attaching to the Warrant(s)
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan

“Pre-IPO Share Options”	the share options granted under the share option scheme adopted on 26 June 2002 by the Company prior to its shares being listed on GEM which summary provisions have been set out in the prospectus of the Company dated 5 July 2002
“Share(s)”	ordinary share(s) of HK\$0.002 each in the capital of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	collectively, Mr. Wu, Ms. Li and Mr. Lau, being subscribers to the respective Warrant Placing Agreements
“Subscription Price”	an initial Subscription Price of HK\$0.38 per New Share (subject to adjustment) at which holder of the Warrants may subscribe for the New Shares
“Upper Will”	Upper Will Limited
“Upper Will New Shares”	221,125,000 New Shares
“Upper Will Placing Agreement”	the conditional subscription agreement dated 6 June 2007 and entered into among the Company, Upper Will and Ms. Li in relation to the subscription of the Upper Will Warrants
“Upper Will Warrants”	221,125,000 Warrants to be issued and subscribed under the Upper Will Placing Agreement
“Warrant(s)”	an aggregate of 884,500,000 non-listed warrants to be issued and subscribed at the Warrant Issue Price, each entitles the holder thereof to subscribe for one New Share at the Subscription Price of HK\$0.38 (subject to adjustment) at any time during a period of 30 months commencing from the date of issue of the Warrants pursuant to the Warrant Placing Agreements
“Warrant Issue Price”	HK\$0.005 per Warrant to be issued pursuant to the Warrant Placing Agreements
“Warrant Placing”	a private placing of the Warrants at the Warrant Issue Price pursuant to the Warrant Placing Agreements
“Warrant Placing Agreements”	collectively, Inwood Support Placing Agreement, Upper Will Placing Agreement and Favour Sky Placing Agreement

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“%” per cent.

By order of the Board  
**Kanstar Environmental Paper Products Holdings Limited**  
**Cheng Kwok Hing, Andy**  
*Executive Director*

Hong Kong, 6 June 2007

*As at the date of this announcement, Mr. Chim Kim Kiu, Jacky, Mr. Sun Tak Keung, Mr. Cheng Kwok Hing, Andy and Mr. Kwok Ching Chung are executive Directors; and Mr. Chan Chi Hung, Anthony, Mr. Wan Hon Keung and Mr. Wang Ai Guo are the independent non-executive Directors.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least seven days from the date of its posting.*