

Neptune Group Limited

海王集團有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 70)

RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2007

The Board of Directors (the “Board”) of Neptune Group Limited (the “Company”) announces the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 30 June 2007 together with the comparative figures as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2007

	<i>Notes</i>	2007 <i>HK\$'000</i>	2006 <i>HK\$'000</i>
Turnover	3	129,959	103,134
Cost of sales		(99,085)	(79,743)
Gross profit		30,874	23,391
Other revenue	3	4,952	4,112
Other income	4	1,365	948
Distribution costs		(1,347)	(1,174)
Administrative expenses		(17,995)	(15,401)
Equity-settled share-based payments expenses		(6,068)	–
Profit from operating activities	4	11,781	11,876
Finance costs	5	(1,593)	(1,226)
Profit before taxation		10,188	10,650
Taxation	6	(797)	(1,047)
Net profit for the year		9,391	9,603
Attributable to			
– Minority interests		4,746	2,456
– Equity holders of the Company		4,645	7,147
Net profit for the year		9,391	9,603
Earnings per share attributable to equity holders of the Company	7		
– Basic and diluted		0.34 cents	0.58 cents

CONSOLIDATED BALANCE SHEET

At 30 June 2007

	<i>Notes</i>	2007 HK\$'000	2006 HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment		161,853	179,872
Investment properties		28,550	28,400
Prepaid land premiums		2,579	2,643
Goodwill		45	45
		<hr/> 193,027	<hr/> 210,960
Current assets			
Inventories		17,310	16,355
Trade and other receivables	9	50,161	34,685
Loan receivables		28,000	–
Amount due from a related company		710	710
Financial assets at fair value through profit or loss		1,782	567
Pledged bank deposits		68	4,451
Cash at securities companies		38,526	54,419
Cash and bank balances		122,840	32,374
		<hr/> 259,397	<hr/> 143,561
Total assets		<hr/> 452,424	<hr/> 354,521
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital		287,953	247,953
Reserves		(7,345)	(18,079)
		<hr/> 280,608	<hr/> 229,874
Minority interests		15,588	10,842
		<hr/> 296,196	<hr/> 240,716

	<i>Notes</i>	2007 HK\$'000	2006 <i>HK\$'000</i>
LIABILITIES			
Non-current liability			
Deferred tax liabilities		393	331
		393	331
Current liabilities			
Bank and other borrowings		374	2,092
Trade and other payables	<i>10</i>	41,258	39,065
Deposits received		81,813	–
Convertible notes		–	39,765
Amount due to a minority shareholder		29,100	29,100
Tax payable		3,290	3,452
		155,835	113,474
Total liabilities		156,228	113,805
Total equity and liabilities		452,424	354,521
Net current assets		103,562	30,087
Total assets less current liabilities		296,589	241,047

Notes:

1. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current year, the Group has applied, for the first time, a number of new standards, amendments and interpretations (“new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) which are either effective for accounting periods beginning on or after 1 December 2005, 1 January 2006, 1 March 2006 or 1 May 2006. The new HKFRSs adopted by the Group in the financial statements are set out as follows:

HKAS 19 (Amendment)	Actuarial Gains and Losses, Group Plans and Disclosures
HKAS 21 (Amendment)	Net Investment in a Foreign Operation
HKAS 39 & HKFRS 4 (Amendments)	Financial Guarantee Contracts
HKAS 39 (Amendment)	The Fair Value Option
HKAS 39 (Amendment)	Cash Flow Hedge Accounting of Forecast Intragroup Transactions
HKFRS 6	Exploration for and Evaluation of Mineral Resources
HK(IFRIC) – Int 4	Determining whether an Arrangement contains a Lease
HK(IFRIC) – Int 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
HK(IFRIC) – Int 6	Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment
HK(IFRIC) – Int 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies
HK(IFRIC) – Int 8	Scope of HKFRS 2
HK(IFRIC) – Int 9	Reassessment of Embedded Derivatives

The adoption of these new and revised standards and interpretation has had no material effect on these financial statements.

The Group and Company have not yet early applied the following new standards and interpretations that have been issued but are not yet effective. The Group is not yet in a position to determine whether these standards and interpretations will have significant impact on how the results of operations and financial position are prepared and presented. These standards and interpretations may result in changes in the future as to how the results and financial position are prepared and presented.

HKAS 1 (Amendment)	Capital Disclosures ¹
HKAS 23 (Revised)	Borrowing Costs ²
HKFRS 7	Financial Instruments: Disclosures ¹
HKFRS 8	Operating Segments ²
HK(IFRIC) – Int 10	Interim Financial Reporting and Impairment ³
HK(IFRIC) – Int 11	HKFRS 2 – Group and Treasury Share Transactions ⁴
HK(IFRIC) – Int 12	Service Concession Arrangements ⁵
HK(IFRIC) – Int 13	Customer Loyalty Programmes ⁶
HK(IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction ⁵

¹ Effective for annual periods beginning on or after 1 January 2007

² Effective for annual periods beginning on or after 1 January 2009

³ Effective for annual periods beginning on or after 1 November 2006

⁴ Effective for annual periods beginning on or after 1 March 2007

⁵ Effective for annual periods beginning on or after 1 January 2008

⁶ Effective for annual periods beginning on or after 1 July 2008

2. 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 other business segments. Summary details of the business segments are as follows:

- (a) the electrical equipment segment consisted of the manufacture and sale of electrical equipments;
- (b) the cruise segment consisted of the leasing and management of the cruise;
- (c) the listed securities segment consisted of the purchase and sale of listed securities; and
- (d) the electrical engineering and contracting services segment consisted of the provision of electrical engineering and contracting services.

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

(a) **Business segments**

THE GROUP

2007

	Sale of electrical equipments <i>HK\$'000</i>	Cruise leasing <i>HK\$'000</i>	Trading of listed securities <i>HK\$'000</i>	Electrical engineering and contracting services <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Segment revenue:					
Sales/services to external customers	<u>73,663</u>	<u>36,000</u>	<u>–</u>	<u>20,296</u>	<u>129,959</u>
Segment results	<u>16,485</u>	<u>18,138</u>	<u>–</u>	<u>(3,749)</u>	<u>30,874</u>
Other revenue					4,952
Other income					1,365
Distribution costs	(1,347)	–	–	–	(1,347)
Administrative expenses	(6,025)	(287)	(675)	(2,060)	(9,047)
Unallocated administrative expenses					(8,948)
Equity-settled share-based payments expenses					(6,068)
Profit from operating activities					<u>11,781</u>
Finance costs					<u>(1,593)</u>
Profit before taxation					<u>10,188</u>
Taxation					<u>(797)</u>
Net profit for the year					<u>9,391</u>
Segment assets	54,647	207,612	3,237	1,790	267,286
Unallocated assets					<u>185,138</u>
Total assets					<u>452,424</u>
Segment liabilities	11,659	116,504	4,920	4,448	137,531
Unallocated liabilities					<u>18,697</u>
Total liabilities					<u>156,228</u>
Other segment information:					
Capital expenditure	177	117	–	–	294
Unallocated amounts					6
					<u>300</u>
Depreciation and amortisation	398	17,862	1	–	18,261
Unallocated amounts					<u>122</u>
					<u>18,383</u>
Other non-cash expenses:					
Impairment loss recognised on obsolescence of inventories	963	–	–	–	963
Impairment loss recognised in respect of trade receivables	304	–	–	472	776
Impairment loss recognised in respect of other receivables	–	–	477	–	477
Written off on trade receivables	6	–	–	7	13

THE GROUP

2006

	Sale of electrical equipments <i>HK\$'000</i>	Cruise leasing <i>HK\$'000</i>	Trading of listed securities <i>HK\$'000</i>	Electrical engineering and contracting services <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Segment revenue:					
Sales/services to external customers	<u>59,828</u>	<u>27,000</u>	<u>–</u>	<u>16,306</u>	<u>103,134</u>
Segment results	<u>10,592</u>	<u>11,996</u>	<u>–</u>	<u>803</u>	23,391
Other revenue					4,112
Other income					948
Distribution costs	(1,174)	–	–	–	(1,174)
Administrative expenses	(4,981)	(1,400)	(611)	(1,313)	(8,305)
Unallocated administrative expenses					<u>(7,096)</u>
Profit from operating activities					11,876
Finance costs					<u>(1,226)</u>
Profit before taxation					10,650
Taxation					<u>(1,047)</u>
Net profit for the year					<u>9,603</u>
Segment assets	55,930	197,205	32,030	9,385	294,550
Unallocated assets					<u>59,971</u>
Total assets					<u>354,521</u>
Segment liabilities	12,737	48,625	7,839	2,909	72,110
Unallocated liabilities					<u>41,695</u>
Total liabilities					<u>113,805</u>
Other segment information:					
Capital expenditure	69	94,131	–	–	94,200
Unallocated amounts					<u>569</u>
					<u>94,769</u>
Depreciation and amortisation	599	15,004	82	–	15,685
Unallocated amounts					<u>219</u>
					<u>15,904</u>
Other non-cash expenses:					
Impairment loss recognised on obsolescence of inventories	203	–	–	–	203
Impairment loss recognised in respect of other receivables	–	–	264	–	<u>264</u>

(b) Geographical segments

During the year ended 30 June 2007 and 2006, the Group's entire turnover was derived from sales or services to customers in Hong Kong and more than 90% of the Group's assets were located at Hong Kong. Therefore, no geographical segmental information on revenue and assets was presented.

3. TURNOVER AND OTHER REVENUE

	2007 <i>HK\$'000</i>	2006 <i>HK\$'000</i>
Turnover		
Manufacturing and trading of electrical equipments	73,663	59,828
Provision of electrical engineering and contracting services	20,296	16,306
Rental income from leasing of the cruise	36,000	27,000
	<u>129,959</u>	<u>103,134</u>
Other revenue		
Interest income	4,678	2,864
Commission received	50	83
Dividend income – listed securities	3	2
Gains on disposal of financial assets at fair value through profit or loss	–	582
Rental income	–	133
Sundry income	221	448
	<u>4,952</u>	<u>4,112</u>

4. PROFIT FROM OPERATING ACTIVITIES

The Group's profit from operating activities is arrived at after charging:

	2007 <i>HK\$'000</i>	2006 <i>HK\$'000</i>
Amortisation of development costs	–	330
Amortisation of prepaid land premiums	64	71
Auditors' remuneration	753	723
Depreciation of property, plant and equipment	18,319	15,503
Loss on disposal of property, plant and equipment	–	198
Operating lease charges in respect of land and buildings	1,007	628
Salaries and other benefits	13,059	10,887
Equity-settled share-based payments expenses	2,058	–
Mandatory provident fund contributions	537	468
Total staff costs	<u>15,654</u>	<u>11,355</u>
Consultancy fee paid by share-based payments	3,828	–
Impairment loss recognised on obsolescence of inventories	963	203
Impairment loss recognised in respect of trade receivables	776	–
Impairment loss recognised in respect of other receivables	477	264
Written off on trade receivables	13	–
Cost of inventories	<u>54,141</u>	<u>41,587</u>
and after crediting:		
Other income:		
Fair value gain on investment properties	150	700
Fair value gain on financial assets at fair value through profit or loss	1,215	155
Gain on disposal of property, plant and equipment	–	40
Gain on disposal of a subsidiary	–	53
	<u>1,365</u>	<u>948</u>

5. FINANCE COSTS

	2007 <i>HK\$'000</i>	2006 <i>HK\$'000</i>
Interest on bank overdrafts and other borrowings wholly repayable within five years	27	92
Interest on finance leases	–	36
Interest on convertible notes	1,566	1,098
	<u>1,593</u>	<u>1,226</u>

6. TAXATION

Taxation in the consolidated income statement represents:

	THE GROUP	
	2007	2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current year provision:		
Hong Kong	636	699
Under-provision in previous year	99	17
	<hr/>	<hr/>
	735	716
Deferred taxation	62	331
	<hr/>	<hr/>
	797	1,047
	<hr/> <hr/>	<hr/> <hr/>

7. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of the basic and diluted earnings per share attributable to the equity holders of the Company is based on the following data:

	2007	2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
Earnings attributable to the equity holders of the Company	4,645	7,147
	<hr/> <hr/>	<hr/> <hr/>
	Number of shares	
	2007	2006
	<i>'000</i>	<i>'000</i>
Weighted average number of ordinary shares	1,355,927	1,239,763
	<hr/> <hr/>	<hr/> <hr/>

Basic and diluted earnings per share for the year ended 30 June 2006 have been presented in a single line as the effect of the assumed conversion of the Company's outstanding convertible notes would increase earnings per share and therefore the conversion of convertible notes would be anti-dilutive.

Basic and diluted earnings per share for the year ended 30 June 2007 have been presented in a single line as the average market price of ordinary shares, at no time during the period, exceeds the exercise price of the option, therefore, the conversion of share option would be anti-dilutive.

8. DIVIDENDS

No dividend has been declared or proposed by the directors of the Company in respect of the year ended 30 June 2007 (2006: Nil).

9. TRADE AND OTHER RECEIVABLES

At 30 June 2007, the balances of trade and other receivables included trade receivables of approximately HK\$41,341,000 (2006: HK\$29,490,000). Aging analysis of trade receivables net of provision is set out below:

	THE GROUP	
	2007	2006
	HK\$'000	HK\$'000
0 - 30 days	17,006	12,199
31 - 60 days	9,895	7,725
61 - 90 days	5,537	5,980
Over 90 days	8,903	3,586
	<u>41,341</u>	<u>29,490</u>

The Group allows an average credit period of 30-60 days (2006: 30-60 days) to its trade customers. The directors of the Company considered that the carrying amounts of trade and other receivables approximate their fair values.

10. TRADE AND OTHER PAYABLES

At 30 June 2007, the balances of trade and other payables included trade payables of approximately HK\$9,421,000 (2006: HK\$9,077,000). Aging analysis of trade creditors is set out below:

	THE GROUP	
	2007	2006
	HK\$'000	HK\$'000
0 - 30 days	5,136	3,536
31- 60 days	1,989	2,919
61- 90 days	2,295	2,591
Over 90 days	1	31
	<u>9,421</u>	<u>9,077</u>

The directors of the Company considered that the carrying amounts of trade and other payables approximate their fair values.

BUSINESS OVERVIEW

The audited net profit of the Group for the year ended 30 June 2007 amounted to HK\$9,391,000 (2006: HK\$9,603,000).

The Board is at all times identifying suitable projects and/or investments that would be reasonably expected to generate profits and/or have potential for capital appreciation. Should they be materialised, the consideration for such projects and/or investments would be satisfied by means of the issue of new ordinary shares of the Company and/or by being granted new and/or additional banking facilities.

MANUFACTURING AND TRADING OF ELECTRICAL EQUIPMENTS AND PROVISION OF ELECTRICAL ENGINEERING AND CONTRACTING SERVICES

For the year ended 30 June 2007, the Group recorded a turnover of HK\$93,959,000 (2006: HK\$76,134,000) in respect of the manufacturing and the trading of electrical equipments and the provision of electrical engineering and contracting services. The Group is adopting progressive strategy to expand its market share. Turnover of such business operations increased by approximately 23% as compared with those of last year and the gross profit increased by 12%.

CRUISE BUSINESS

During the year under review, cruise business has contributed a principal income to the Group. Turnover for the leasing of the cruise ship was recorded approximately HK\$36,000,000 (2006: HK\$27,000,000), which accounted for approximately 28% of the Group's total turnover. Segment result amounted to approximately HK\$18,138,000 (2006: HK\$11,996,000). The cruise business has been operating since October 2005. It recorded a steady turnover and profit contribution to the Group.

FINANCIAL REVIEW

For the financial year ended 30 June 2007, the Group recorded a turnover of approximately HK\$129,959,000 (2006: HK\$103,134,000), an increase of 26% compared to the previous year. Profit attributable to shareholders was HK\$4,645,000 (2006: HK\$7,147,000).

DIVIDENDS

No dividend has been declared or proposed by the directors of the Company in respect of the year ended 30 June 2007 (2006: Nil).

LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

The Group had net current assets of HK\$103,562,000 at 30 June 2007 (2006: HK\$30,087,000). Total bank and other borrowings amounted to HK\$374,000 at 30 June 2007 (2006: HK\$2,092,000). The total equity of the Group at year end was HK\$296,196,000 (2006: HK\$240,716,000). The gearing ratio, calculated on the basis of total liabilities over total shareholders' funds at 30 June 2007, was approximately 53% (2006: 47%).

PLEDGE OF GROUP'S ASSETS

At 30 June 2007, no leasehold land and buildings in Hong Kong of the Group were pledged to secure the bank facilities (2006: HK\$5,438,000) and fixed deposits of approximately HK\$68,000 (2006: HK\$4,451,000) was pledged to secure banking facilities.

CONTINGENT LIABILITIES

On 1 September 2004, a writ of summons and statement of claim was made by The Center (49) Limited against the Company in respect of the office previously rented by the Group. The claim is for a sum of approximately HK\$3.3 million together with interest and cost. In the opinion of the directors, the amount claimed is unreasonable. The Group would vigorously contest against such claim. After obtaining legal advice, a provision of approximately HK\$1.6 million has been made in the financial statements for the year ended 30 June 2004. During the year ended 30 June 2007, there has been no significant progress. At the date of approval of these financial statements, the case is still pending for hearing.

EXPOSURE TO FLUCTUATION IN EXCHANGE RATES AND RELATED HEDGES

As the Group's transactions are mostly settled by Hong Kong dollars, the exposure to foreign exchange fluctuation is minimal, therefore no use of financial instruments for hedging purpose is considered necessary.

At 30 June 2007, the Group did not have any foreign currency investments which have been hedged by currency borrowings and other hedging instruments.

CAPITAL COMMITMENT

On 16 January 2007, the Company entered into a conditional sale and purchase agreement in relation to the acquisition of 100% equity interest in Credible Limited for a total consideration of HK\$140 million in cash. The consideration will be financed by the Group's open offer. Details of the acquisition have been announced in the Company's circular dated 7 May 2007.

On 8 May 2007, the Company entered into a conditional sale and purchase agreement in relation to the acquisition of 100% equity interest in Koppert International Limited for a total consideration of HK\$100 million. The consideration will be financed by the Group's internal financing and issue of promissory notes. Details of the acquisition have been announced in the Company's circular dated 28 May 2007.

At 30 June 2007, capital commitment in aggregate for the acquisition is as follow:

	THE GROUP AND THE COMPANY	
	2007	2006
	HK\$'000	HK\$'000
Contracted but not provided for acquisition of:		
– Credible Limited	140,000	–
– Koppert International Limited	100,000	–
	240,000	–

EMPLOYEES

The Group employs approximately 92 staff in Hong Kong and their remuneration packages are generally structured by reference to market terms and individual merit. Salaries are normally reviewed on an annual basis based on performance appraisals and other relevant factors.

SUBSEQUENT EVENTS

- (i) On 6 January 2007, the Company has entered into a sales and purchases agreement to acquire from Mr. Guo Nan 100% of the issued share capital of Credible Limited for a total consideration of HK\$140 million in cash. Subject to the conditions of the sales and purchases agreement, this transaction was completed on 3 July 2007. For further details, please refer to the Company's circular dated 7 May 2007.
- (ii) On 8 May 2007, the Company has entered into a sales and purchases agreement to acquire from Ms. Lao Sio Meng 100% issued share capital of Koppert International Limited for a total consideration of HK\$100 million. Subject to the conditions of the sales and purchases agreement, this transaction was completed on 1 August 2007. The consideration for the acquisition was satisfied by (i) HK\$70 million in cash and (ii) the issue of the promissory notes in an aggregate principal amount of HK\$30 million. For further details, please refer to the Company's circular dated 28 May 2007.
- (iii) The Board of the Company has proposed to raise approximately HK\$143.98 million, before expenses, by issuing 719,881,500 offer shares at a price of HK\$0.2 per offer share by way of open offer for every two consolidated shares held on the record date and payable in full on acceptance. The open offer which was underwritten on a fully underwritten basis became unconditional after 4 July 2007.
- (iv) On 23 July 2007, Mr. Lin Cheuk Fung entered into the Subscription Agreement with the Company. Pursuant to the Subscription Agreement, the Company has agreed to issue and Mr. Lin Cheuk Fung has agreed to subscribe up to 247,600,000 new shares at a net subscription price of approximately HK\$0.558 per share. For further details, please refer to the Company's announcement dated 25 July 2007.
- (v) On 18 September 2007, an ordinary resolution has been passed to approve termination of the existing scheme and adoption of share scheme. Upon adoption of the share scheme, the existing scheme will terminate and no further options can be granted under the existing scheme. Apart from the existing scheme, the Company had no other share option scheme. For further details, please refer to the Company's circular dated 31 August 2007.

CORPORATE GOVERNANCE PRACTICES

All those provisions as set out in the Code of Corporate Governance Practices in Appendix 14 to the Listing Rules (the "CGP Code") which provides guidelines to reinforce our corporate governance principles, has been adopted by the Board. The Company has complied throughout the year with all code provisions of CGP Code, with the exception of certain deviations to be discussed below.

- Non-executive directors should be appointed for specific terms and subject to re-elections. All independent non-executive directors of the Company are not appointed for specific terms, but subject to retirement by rotations and re-elections at the annual general meeting of the Company in accordance with Bye-Laws of the Company.
- The Board is of the opinion that establishment of a remuneration committee as required by code provision B.1.1 is not, for the time being, justified after careful consideration of the size of the Group and the associated costs involved. The basis of determining the emoluments payable to its directors and senior management by the Company is by reference to individual duties and market practices.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions as set out in Appendix 10 to the Listing Rules (the “Model Code”) as the code of conduct regarding securities transactions by the directors. Following specific enquiry, all directors confirmed that they have complied with the required standard set out in the Model Code throughout the year under review.

REVIEW OF ANNUAL RESULTS

The annual results for the year have been reviewed by the audit committee of the Company. The audit committee has also reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the Group’s audited annual financial statements for the financial year ended 30 June 2007.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities.

PUBLICATION OF DETAILED RESULTS ANNOUNCEMENT AND ANNUAL REPORT ON THE WEBSITE OF THE STOCK EXCHANGE

All information required by paragraphs 45(1) to 45(3) of Appendix 16 of the Listing Rules will be published on the Exchange’s website in due course.

COMPARATIVE FIGURES

Certain items in the consolidated financial statements have been restated to conform with the current year’s presentation.

BOARD OF DIRECTORS

As at the date of this announcement, the Board comprises Mr. Lin Cheuk Fung, Mr. Nicholas J. Niglio, Mr. Chan Shiu Kwong, Stephen, Mr. Lau Kwok Hung, Mr. Wan Yau Shing, Ban and Mr. Lau Kwok Keung (all executive directors), Mr. Wong Yuk Man, Mr. Cheung Yat Hung, Alton and Mr. Yue Fu Wing (all independent non-executive directors).

By Order of the Board of
Neptune Group Limited
Lin Cheuk Fung
Chairman

Hong Kong, 26 October 2007