

hereby collectively and individually accept full responsibility for the accuracy of the information contained in this results announcement form (the "Information") and confirm, having made all reasonable inquiries, that to the best of their knowledge and belief the Information are accurate and complete in all material respects and not misleading and that there are no other matters the omission of which would make the Information herein inaccurate or misleading. The Directors acknowledge that the Stock Exchange has no responsibility whatsoever with regard to the Information and undertake to indemnify the Exchange against all liability incurred and all losses suffered by the Exchange in connection with or relating to the Information.

Remark:

(1) Group reorganisation and basis of presentation

The Company was incorporated in Bermuda under the Companies Act 1981 of Bermuda as an exempted company with limited Liability on 7th June, 2001. Pursuant to a group reorganisation (the "Reorganisation") in preparation for the listing of the Company's shares on GEM, the Company acquired the entire issued share capital of Smart Time Development Limited and became the holding company of the subsidiaries comprising the Group on 18th October, 2001. Details of the Reorganisation are set out in the prospectus of the Company dated 24th October, 2001 (the "Prospectus"). The shares of the Company (the "Shares") were listed on GEM on 1st November, 2001

The comparative unaudited combined results have been prepared using the merger basis of accounting as a result of the Reorganisation. On this basis, the Company has been treated as the holding company of its subsidiaries since their respective dates of incorporation rather than from the date of their acquisition pursuant to the Reorganisation. Accordingly, the unaudited combined results of the Group for the three months ended 30th June, 2001 included the results of the Company and its subsidiaries with effect from 1st April, 2001 as if the current Group structure has been in existence throughout the three months ended 30th June, 2001.

In the opinion of the Board, the unaudited combined results prepared on the above basis present fairly the results of the Group as a whole.

All significant transactions and balances within the Group have been eliminated on consolidation.

(2) Earnings per share

The calculation of basic earnings per share for the three months ended 30th June, 2002 is based on the unaudited net profit from ordinary activities attributable to shareholders of approximately HK\$82,000 (three months ended 30th June, 2001: approximately HK\$1,923,000) and the weighted average of 300,000,000 shares in issue throughout the period (pro forma number of shares in issue for the three months ended 30th June, 2001 : 245,000,000 shares).

No diluted earnings per share has been presented as no diluting events existed during the three months ended 30th June, 2002 and the corresponding period in 2001.