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TRASY GOLD EX LIMITED

卓施金網有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 08063)

**RESULTS ANNOUNCEMENT
FOR THE THREE MONTHS ENDED 31 MARCH 2010**

**CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF
THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK
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 Stock 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 and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors (the “Directors”) of TRASY GOLD EX LIMITED (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) 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.

The board of Directors (the “Board”) of Trasy Gold Ex Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the three months ended 31 March 2010. This announcement, containing the full text of the 2010 First Quarterly Report of the Company, complies with the relevant requirements of the GEM Listing Rules in relation to information to accompany preliminary announcement of quarterly results. Printed version of the Company’s 2010 First Quarterly Report will be delivered to the shareholders of the Company and available for viewing on the GEM website at www.hkgem.com and the Company’s website at www.trasy.com later today.



Trasy Gold Ex Limited 卓施金網有限公司

(Incorporated in the Cayman Islands with limited liability)
Stock Code : 08063

2010

First Quarterly Report



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

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FINANCIAL REVIEW

For the three months ended 31 March 2010, the consolidated revenue of Trasy Gold Ex Limited (the “Company”) and its subsidiaries (collectively, the “Group”) amounted to HK\$1,787,000, representing 18.3% decrease compared to HK\$2,187,000 for the three months ended 31 March 2009.

Other income for the three months ended 31 March 2010 amounted to HK\$1,654,000 (for the three months ended 31 March 2009: HK\$1,651,000), which mainly represented interest income from banks.

The Group recorded a profit attributable to equity holders of the Company of HK\$776,000 for the three months ended 31 March 2010 (for the three months ended 31 March 2009: loss of HK\$7,338,000), representing basic earnings per share of HK 0.648 cents (for the three months ended 31 March 2009: basic loss per share of HK 6.124 cents).

OPERATIONS REVIEW AND OUTLOOK

Precious Metals Trading

For the three months ended 31 March 2010, turnover from trading in precious metals and precious metals contracts amounted to HK\$1,787,000 (for the three months ended 31 March 2009: HK\$2,187,000), with a profit contribution amounted to HK\$24,000 (for the three months ended 31 March 2009: HK\$58,000). The Group will continue to adopt prudent risk management and internal control policies to monitor and minimize the Group’s risk exposures in precious metals and precious metals contract trading.

Securities Management

Due to the gradual recovery in the global and Hong Kong economies and the recent upturn in the financial market, for the three months ended 31 March 2010, the Group recorded a net gain on investments held for trading of HK\$2,049,000, which significantly improved compared to loss of HK\$6,302,000 in the corresponding period last year.

Looking ahead, global economic and financial uncertainties will persist. As a part of risk management philosophy, the Group will continue to adopt a prudent and vigilant attitude towards securities investments policy with a view to achieving better returns on its financial resources and maintaining a more balanced and healthy portfolio of investments.

Event after reporting period

As set out in the Company's announcement dated 14 April 2010, the Company was in the preliminary negotiations with an independent third party for the proposed acquisition of a business for which, as at the date of the aforesaid announcement and up to the date of this report, no agreement has been reached and no written agreement has been entered into.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

Deloitte. 德勤

TO THE BOARD OF DIRECTORS OF TRASY GOLD EX LIMITED

Introduction

We have reviewed the interim financial information set out on pages 4 to 8, which comprises the condensed consolidated statement of comprehensive income for the three months ended 31 March 2010 and certain explanatory notes. The interim financial information has been prepared solely for the purpose and on the basis set out in note 1 to the interim financial information. The GEM Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with the basis set out in note 1 to the interim financial information. Our responsibility is to express a conclusion on this financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with the basis of preparation as set out in note 1 to the interim financial information.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
14 May 2010

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 31 March 2010

		Three months ended	
		31 March	
		2010	2009
		<i>HK\$'000</i>	<i>HK\$'000</i>
<i>NOTES</i>		(Unaudited)	(Unaudited)
Revenue		1,787	2,187
Cost of sales		(1,763)	(2,129)
		<hr/>	<hr/>
Gross profit		24	58
Other income	3	1,654	1,651
Net gain (loss) on investments held for trading		2,049	(6,302)
Administrative expenses		(2,882)	(2,641)
Finance costs		(69)	(104)
		<hr/>	<hr/>
Profit (loss) and total comprehensive income (expense) for the period attributable to equity holders of the Company		776	(7,338)
		<hr/> <hr/>	<hr/> <hr/>
Earnings (loss) per share (HK cent)	5		
Basic and diluted		0.648	(6.124)
		<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE INTERM FINANCIAL INFORMATION

1. BASIS OF PREPARATION

The interim financial information has been prepared in accordance with the applicable disclosure requirements of Chapter 18 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

The amounts included in this interim financial information have been computed in accordance with Hong Kong Financial Report Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) applicable to interim periods. However, it does not contain sufficient information to constitute an interim financial report as defined in HKFRS.

2. PRINCIPAL ACCOUNTING POLICIES

The interim financial information has been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

The accounting policies used in the interim financial information are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2009.

In the current interim period, the following revised Standards, Amendments and Interpretation (“new or revised HKFRSs”) issued by the HKICPA have become effective.

HKFRSs (Amendments)	Amendments to HKFRS 5 as part of Improvements to HKFRSs 2008
HKFRSs (Amendments)	Improvements to HKFRSs 2009
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 39 (Amendment)	Eligible Hedged Items
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions
HKFRS 3 (Revised)	Business Combinations
HK(IFRIC) - Int 17	Distributions of Non-cash Assets to Owners

The adoption of the new HKFRSs had no material effect on the results or financial position of the Group for the current or prior accounting periods.

2. PRINCIPAL ACCOUNTING POLICIES *(Continued)*

The Group has not early applied the following new and revised Standards, Amendments or Interpretations that have been issued but are not yet effective.

HKAS 24 (Revised)	Related Party Disclosures ¹
HKAS 32 (Amendment)	Classification of Rights Issues ²
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters ³
HKFRS 9	Financial Instruments ⁴
HK(IFRIC) - Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement ¹
HK(IFRIC) - Int 19	Extinguishing Financial Liabilities with Equity Instruments ³

¹ Effective for annual periods beginning on or after 1 January 2011

² Effective for annual periods beginning on or after 1 February 2010

³ Effective for annual periods beginning on or after 1 July 2010

⁴ Effective for annual periods beginning on or after 1 January 2013

HKFRS 9 *Financial Instruments* introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2013, with earlier application permitted. The Standard requires all recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* to be measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 might affect the classification and measurement of the Group's financial assets.

The directors of the Company anticipate that the application of the other new and revised Standards, Amendments or Interpretations will have no material impact on the Group's result or financial position.

3. OTHER INCOME

	Three months ended	
	31 March	
	2010	2009
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Interest income	1,654	1,636
Dividend income from investments held for trading	—	15
	<u>1,654</u>	<u>1,651</u>

4. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made for both periods as the group entities either incurred tax losses or the estimated assessable profit is wholly absorbed by tax losses brought forward from prior years.

5. EARNINGS (LOSS) PER SHARE

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

	Three months ended	
	31 March	
	2010	2009
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Earnings (loss)		
Profit (loss) for the purpose of basic earnings (loss) per share	<u>776</u>	<u>(7,338)</u>
Number of shares		
Number of ordinary shares for the purpose of basic earnings (loss) per share (in thousand of shares)	<u>119,832</u>	<u>119,832</u>

Diluted earnings (loss) per share does not assume the exercise of the Company's share options because the exercise price of the share options were higher than the average market price of the Company's shares for both periods.

6. INTERIM DIVIDEND

The directors of the Company resolved not to declare the payment of an interim dividend for the three months ended 31 March 2010 (for the three months ended 31 March 2009: Nil).

7. SHARE CAPITAL, SHARE PREMIUM AND RESERVES

	Share capital HK\$'000	Share premium HK\$'000	Distributable reserve HK\$'000 (Note i)	Merger reserve HK\$'000 (Note ii)	Share option reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 January 2010 (audited)	1,198	341,858	32,589	5,000	385	(36,954)	344,076
Profit and total comprehensive income for the period	—	—	—	—	—	776	776
At 31 March 2010 (unaudited)	<u>1,198</u>	<u>341,858</u>	<u>32,589</u>	<u>5,000</u>	<u>385</u>	<u>(36,178)</u>	<u>344,852</u>
At 1 January 2009 (audited)	1,198	341,858	32,589	5,000	381	(29,836)	351,190
Loss and total comprehensive loss for the period	—	—	—	—	—	(7,338)	(7,338)
Recognition of equity-settled share-based payments	—	—	—	—	1	—	1
At 31 March 2009 (unaudited)	<u>1,198</u>	<u>341,858</u>	<u>32,589</u>	<u>5,000</u>	<u>382</u>	<u>(37,174)</u>	<u>343,853</u>

Notes:

- (i) The distributable reserve represented the credit arising from the capital reduction effected by the Company during the year ended 31 December 2008.
- (ii) The merger reserve represented the difference between the net worth of the subsidiaries acquired and the value of the consideration shares in exchange pursuant to the group reorganisation completed on 31 March 2000.

8. EVENT AFTER THE REPORTING PERIOD

As set out in the Company's announcement dated 14 April 2010, the Company was in the preliminary negotiations with an independent third party for the proposed acquisition of a business for which, as at the date of the aforesaid announcement and up to the date of this report, no agreement has been reached and no written agreement has been entered into.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2010, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporations, within the meaning of Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded in the register of the Company required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

Interests in underlying shares of the Company

Under the share option scheme of the Company adopted on 30 April 2002 (the "Scheme"), the board of Directors (the "Board") may, at its discretion, grant options to the Directors and eligible participants (as defined in the Scheme) pursuant to the Scheme to enable them to subscribe for shares of the Company as incentives or rewards for their contribution to the Group.

Name of Director	Nature of interest	Date of grant	Exercisable period	Exercise price per share (HK\$)	Number of ordinary shares to be issued under the options	Approximate percentage of the issued ordinary share capital of the Company
Mr. Chung Koon Yan	Personal interest	9 July 2007	9 July 2007 to 8 July 2010	16.125	30,693	0.03
Mr. Wong Kai Tat	Personal interest	9 July 2007	9 July 2007 to 8 July 2010	16.125	30,693	0.03

Save as disclosed above, none of the Directors and chief executives of the Company nor their associates had any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rule 5.46 of the GEM Listing Rules as at 31 March 2010.

SUBSTANTIAL SHAREHOLDERS

As at 31 March 2010, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO showed that the following shareholder had notified the Company of relevant interests in the issued share capital of the Company.

Long positions

Ordinary shares of HK\$0.01 each of the Company

Name of shareholder	Capacity	Number of ordinary shares of the Company held	Percentage of the issued ordinary share capital of the Company
Mr. Tse Young Lai	Beneficial owner	23,966,460	20.00

Other than as disclosed above, the Company had not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 31 March 2010.

COMPETING INTERESTS

None of the Directors, the management shareholders of the Company nor their respective associates (as defined under the GEM Listing Rules) had any interest in a business which causes or may cause significant competition with the business of the Group.

AUDIT COMMITTEE

The Audit Committee of the Company (the “Audit Committee”) currently comprises three independent non-executive Directors, namely Mr. Chung Koon Yan (as Chairman), Mr. Wong Kai Tat and Ms. Chan Ling, Eva, with written terms of reference in compliance with the GEM Listing Rules. The Audit Committee has reviewed the unaudited consolidated results of the Group for the three months ended 31 March 2010.

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

The Company has not redeemed any of its shares during the three months ended 31 March 2010. Neither the Company nor any of its subsidiaries purchased or sold any of the Company’s listed securities during the period.

On behalf of the Board

Tse Ke Li

Executive Director

Hong Kong, 14 May 2010

As at the date of this report, the Board comprises Mr. Tang Chi Ming and Mr. Tse Ke Li as executive Directors, and Mr. Chung Koon Yan, Mr. Wong Kai Tat and Ms. Chan Ling, Eva as independent non-executive Directors.

INTERIM DIVIDEND

The Board does not recommend the payment of a dividend for the three months ended 31 March 2010 (for the three months ended 31 March 2009: Nil).

AUDIT COMMITTEE

The Audit Committee of the Company (the “Audit Committee”) currently comprises three independent non-executive Directors, namely Mr. Chung Koon Yan (as Chairman), Mr. Wong Kai Tat and Ms. Chan Ling, Eva, with written terms of reference in compliance with the GEM Listing Rules.

The Audit Committee has reviewed the unaudited consolidated results of the Group for the three months ended 31 March 2010.

By Order of the Board
Trasy Gold Ex Limited
Tse Ke Li
Executive Director

Hong Kong, 14 May 2010

As at the date of this announcement, the Board comprises Mr. Tang Chi Ming and Mr. Tse Ke Li as executive Directors, and Mr. Chung Koon Yan, Mr. Wong Kai Tat and Ms. Chan Ling, Eva as independent non-executive Directors.

This announcement will remain on the GEM website on the “Latest Company Announcements” page for at least 7 days from the date of its publication and on the Company’s website at www.trasy.com.