



STAR STAR PHARMACEUTICAL LIMITED
Registration No. 200500429W

UNAUDITED FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

PART 1 – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			Group		
	RMB'000		(%)	RMB'000		(%)
	3 months ended 31 December 2008	3 months ended 31 December 2007	Increase/ (decrease) +/-	Year ended 31 December 2008	Year ended 31 December 2007	Increase/ (decrease) +/-
	(a)	(b)	(a) – (b)	(a)	(b)	(a) – (b)
	(Unaudited)	(Audited)		(Unaudited)	(Audited)	
Revenue	30,089	22,534	34	118,279	122,066	(3)
Cost of sales	(23,730)	(13,877)	71	(71,902)	(54,296)	32
Gross Profit	6,359	8,657	(27)	46,377	67,770	(32)
Other income	717	7,371	(90)	9,200	8,768	5
Selling and distribution expenses	(6,987)	(3,859)	81	(16,394)	(10,604)	55
Administrative expenses	(11,055)	(13,755)	(20)	(32,705)	(29,204)	12
Other expenses	(1,439)	(4,793)	(70)	(3,118)	(7,256)	(57)
(Loss)/Profit from operations	(12,405)	(6,379)	94	3,360	29,474	(89)
Financial income	7,710	1,583	387	11,619	4,189	177
Financial expenses	(3,090)	(3,198)	(3)	(7,953)	(11,495)	(31)
(Loss)/Profit before taxation	(7,785)	(7,994)	(3)	7,026	22,168	(68)
Taxation	(731)	1,633	(145)	(2,345)	(726)	223
(Loss)/Profit for the period/year	(8,516)	(6,361)	34	4,681	21,442	(78)
Attributable to:						
Equity holders of the parent	(9,634)	(4,644)	107	3,648	20,432	(82)
Minority interest	1,118	(1,717)	n.m	1,033	1,010	2
(Loss)/Profit for the period/year	(8,516)	(6,361)	34	4,681	21,442	(78)
Earnings per share (RMB cents)						
- Basic (weighted average)	(4.11)	(1.98)		1.56	8.73	
- Fully diluted	(4.11)	(1.98)		1.56	8.73	

n.m – not meaningful.

Notes to the Income Statement:

	Group		Group	
	RMB'000		RMB'000	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	3 months ended 31 December 2008	3 months ended 31 December 2007	Year ended 31 December 2008	Year ended 31 December 2007
Profit before tax is arrived at after charging / (crediting) :				
Interest income	755	1,583	4,664	4,189
Interest on borrowings	170	1,501	187	4,693
Foreign exchange (gain)/loss	(480)	1,598	(6,851)	3,864
Dividend on RCPS	2,918	1,697	7,764	6,802
Depreciation	2,125	1,721	6,995	6,580
Amortization expenses	3,994	1,155	5,857	2,419
Amortization of RCPS transaction cost	3,356	380	4,495	1,518
Loss on disposal of fixed and intangible assets	680	2,687	680	2,687

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Note	Group		Company	
		31 Dec-08	31 Dec-07	31 Dec-08	31-Dec-07
		RMB'000 (Unaudited)	RMB'000 (Audited)	RMB'000 (Unaudited)	RMB'000 (Audited)
Non-current assets					
Property, plant and equipment		47,930	48,079	43	37
Investment in subsidiaries		-	-	76,607	76,607
Lease prepayments		1,219	1,276	-	-
Intangible assets	(a)	239,006	243,399	-	-
		288,155	292,754	76,650	76,644
Current assets					
Inventories		28,296	17,178	-	-
Trade and bills receivables		4,733	5,918	-	-
Other receivables, prepayments and deposits		34,252	28,231	23,122	23,186
Due from subsidiary (non-trade)		-	-	127,507	149,421
Due from related corporations		130	2,293	-	-
Cash and cash equivalents		164,266	199,728	33,798	27,872
		231,677	253,348	184,427	200,479
Total assets		519,832	546,102	261,077	277,123
Equity					
Share capital		144,975	144,975	144,975	144,975
Reserves		17,668	15,948	-	-
Accumulated profits/(losses)		117,184	115,256	(28,455)	(16,190)

		279,827	276,179	116,520	128,785
Minority interests		32,209	31,176	-	-
Total equity		312,036	307,355	116,520	128,785
Non-current liabilities					
Redeemable Convertible Cumulative Preference Share	(b) & (c)	-	135,507	-	135,507
Deferred tax liabilities		15,314	15,372	-	-
		15,314	150,879	-	135,507
Current liabilities					
Trade and other payables		49,840	47,295	2,465	3,366
Secured bank loan		-	30,000	-	-
Due to related corporations		2,011	2,286	2,607	2,607
Redeemable Convertible Cumulative Preference Shares (current portion)	(b) & (c)	139,485	6,858	139,485	6,858
Current tax payable		1,146	1,429	-	-
		192,482	87,868	144,557	12,831
Total liabilities		207,796	238,747	144,557	148,338
Total equity and liabilities		519,832	546,102	261,077	277,123

Notes :

- (a) Intangible assets comprise mainly of Deferred Development Cost with carrying value of RMB5,703,000. (At 31/12/2007: RMB11,504,000) and Product Development in Progress of RMB214,121,000 (At 31/12/2007: RMB212,713,000) and Goodwill of RMB19,182,000 (At 31/12/2007: RMB19,182,000).
- (b) The Company issued and allotted 46,668,000 Redeemable Convertible Cumulative Preference Shares ("RCPS") on 29 December 2006, at a subscription price of S\$0.60 for each RCPS to various subscribers, successfully raising net proceeds of S\$26.5 million, after the deduction of issuing expense of S\$1.5 million.
- (c) Pursuant to the formal requisitions made in August 2008 by several RCPS Holders, the Company had convened the RCPS Class Meeting in September 2008 whereby the RCPS Holders have approved, inter alia, the maturity date for the RCPS be amended and brought forward from 29 December 2011 to 19 February 2009. Payment of the preference cash dividends and cash redemption of RCPS will be made on 27 February 2009.

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

	As at 31 December 2008		As at 31 December 2007	
	Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
	(Unaudited)		(Audited)	
Bank Loan	-	-	30,000*	-

Redeemable Convertible Cumulative Preference Shares	-	139,485	-	6,858
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Amount repayable after one year

	As at 31 December 2008		As at 31 December 2007	
	Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
	(Unaudited)		(Audited)	
Redeemable Convertible Cumulative Preference Shares	-	-	-	135,507

Details of any collateral:

* The bank loan of RMB30 million as at 31 December 2007 was secured over Hainan STAR's assets.

1(c) A cash flow statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	RMB'000	
	Year ended 31 December 2008 (Unaudited)	Year ended 31 December 2007 (Audited)
Cash flow from operating activities		
Profit before taxation	7,026	22,168
Adjustments for:		
Amortization of deferred development costs	5,800	2,362
Amortization of lease prepayment	57	57
Amortisation of RCPS transaction cost	4,495	1,518
Depreciation of property, plant and equipment	6,995	6,580
Loss on disposal of property, plant and equipment	8	761
Loss on disposal of product development in progress	672	1,926
Interest expense	187	4,693
Interest income	(4,664)	(4,189)
Exchange gain on RCPS	(8,281)	(1,025)
Dividend on RCPS	7,764	6,802
Operating profit before working capital changes	20,059	41,653
Changes in working capital:		
Inventories	(11,719)	(7,603)
Trade and bills receivables	1,185	11,563
Other receivables, prepayments and deposits	1,144	1,355

Trade and other payables	2,542	(4,645)
Cash generated from operations	13,211	42,323
Income tax paid	(2,685)	(2,399)
Net cash generated from operating activities	10,526	39,924
Cash flows from investing activities		
Payments for product development in progress	(1,479)	(1,547)
Purchase of property, plant and equipment	(6,912)	(9,888)
Proceeds from disposal of property, plant and equipment	59	-
Deposit for potential investment	(5,000)	(21,094)
Interest received	4,664	4,189
Net cash used in investing activities	(8,668)	(28,340)
Cash flows from financing activities		
Proceeds from RCPS	-	135,004
Advances from related parties	33	9,464
Proceeds from bank loan, net	-	150
Repayment to related parties	(308)	(466)
Repayment of bank loan	(30,000)	-
Payment of dividends to shareholders	-	(15,203)
Payment of RCPS dividends	(6,858)	-
Interest paid	(187)	(4,692)
Net cash (used in) /generated from financing activities	(37,320)	124,257
Net (decrease)/increase in cash and cash equivalents	(35,462)	135,841
Cash and cash equivalents at beginning of the year	199,728	63,887
Cash and cash equivalents at end of the year	164,266	199,728

1d(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) change in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediate preceding financial year.

<u>Group</u>	Share capital	Statutory surplus reserve	Statutory public welfare fund	Accumulated profits	Total attributable to equity holders of the parents	Minority interest	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2007	144,975	12,225	-	113,750	270,950	30,166	301,116
Net profit for the year	-	-	-	20,432	20,432	1,010	21,442
Dividend Paid	-	-	-	(15,203)	(15,203)	-	(15,203)

Transfer	-	3,723	-	(3,723)	-	-	-
At 31 December 2007	144,975	15,948	-	115,256	276,179	31,176	307,355
At 1 January 2008	144,975	15,948	-	115,256	276,179	31,176	307,355
Net profit for the year	-	-	-	3,648	3,648	1,033	4,681
Transfer	-	1,720	-	(1,720)	-	-	-
At 31 December 2008	144,975	17,668	-	117,184	279,827	32,209	312,036

Company	Share capital	Accumulated losses	Total
	RMB'000	RMB'000	RMB'000
At 1 January 2007	144,975	16,758	161,733
Net loss for the year	-	(17,745)	(17,745)
Dividend Paid	-	(15,203)	(15,203)
At 31 December 2007	144,975	(16,190)	128,785
At 1 January 2008	144,975	(16,190)	128,785
Net loss for the year	-	(12,265)	(12,265)
At 31 December 2008	144,975	(28,455)	116,520

1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

On 15 February 2006, the Company launched its initial public offering ("IPO"). Total 46,825,000 ordinary shares were issued to the public. As a result of the Amendments, as at the date of our invitation, our Company has an issued and paid-up capital of S\$14,984,227, comprising 187,300,000 ordinary shares of no par value and has no authorized share capital.

As at 31 December 2006, the issued and paid-up capital of the Company was RMB 144,975,729 comprising 234,125,000 ordinary shares.

The Company issued and allotted 46,668,000 RCPS on 29 December 2006, at a subscription price of S\$0.60 for each RCPS to various subscribers, successfully raising

net proceeds of S\$26.5 million. The RCPS are convertible to 46,668,000 ordinary shares at a conversion ratio of 1 RCPS to 1 Conversion Share at any time during the 5-year period from the issue date to the maturity date (i.e. 28 December 2011), subject to adjustment in the event of, amongst other things, the Company not attaining the target net profit before tax of RMB120 million for financial year 2009. A cumulative preference dividend of 5% will be payable on an annual basis to the RCPS holders.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

Total number of issued shares excluding treasury shares: 234,125,000 (31 December 2007: 234,125,000)

1(d)(iv) A statement showing all sales, transfer, disposal, cancellation and/or use of the treasury shares at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed by the Group's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The accounting policies and methods of computation applied in the financial statements for the current financial year are consistent with those of the audited financial statements for the year ended 31 December 2007.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed as well as the reasons for, and the effect of, the change.

The adoption of certain new/revised accounting standards effected on 1 January 2008 have no significant impact on the Group's result of operations.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group		Group	
	3 months ended 31 December 2008	3 months ended 31 December 2007	Year ended 31 December 2008	Year ended 31 December 2007
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
(Loss)/ Profit for the period/year (RMB'000)	(9,634)	(4,644)	3,648	20,432
No. of ordinary shares used in calculation of basic earning per share	234,125,000	234,125,000	234,125,000	234,125,000
Earnings per ordinary share of the group, based on net profit attributable to the shareholders of the Company (in RMB cents):				
(a) Based on weighted average number of ordinary share on issue: and (in RMB cents)	(4.11)	(1.98)	1.56	8.73
(b) On a fully diluted basis (in RMB cents)	(4.11)	(1.98)	1.56	8.73

- For the financial period ended 31 December 2008, the diluted earnings per share is the same as the basic earnings per share as the effects of the RCPS is anti-dilutive.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued share excluding treasury shares of the issuer at the end of the:-

- (a) current financial year reported on ; and
(b) immediate preceding financial year.**

	Group		Company	
	Year ended 31 December 2008	Year ended 31 December 2007	Year ended 31 December 2008	Year ended 31 December 2007
Net asset value per ordinary share capital at the end of the period (in RMB cents)	133.3	131.3	49.8	55.0

8. A review of the performance for the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the followings :-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Overview

Even as the global economic crisis loomed large in FY2008, the Group managed to end the year with net profit attributable to equity holders of the Company of RMB3.6 million on revenue of RMB118.3 million. Performance was supported by firm domestic demand despite the difficult business environment attributable to the global economic meltdown, higher production costs, regulatory reforms of the PRC pharmaceutical industry and lackluster export market hurting the industry.

Revenue

Group revenue fell 3% to RMB118.3 million in FY2008 amidst challenging business environment. Solid domestic demand provided some cushion against the impacts of soft exports weighed down by poor economic climate, foreign aversion stemming from a string of counterfeit drug scandals involving other drug-makers in the PRC, as well as the ongoing regulatory restructuring and consolidation afflicting the PRC pharmaceutical industry in the PRC authorities' attempt to improve transparency and healthcare industry structure.

	3 months ended 31 December 2008	3 months ended 31 December 2007	Change		Year ended 31 December 2008	Year ended 31 December 2007	Change	
	RMB'000	RMB'000	%	RMB'000	RMB'000	RMB'000	%	RMB'000
Antibiotics	20,267	13,429	51	6,838	77,105	73,882	4	3,223
Cardiovascular drugs and cerebrovascular drugs	2,347	2,461	-5	(114)	9,883	14,584	(32)	(4,701)
Other specialized drugs	7,466	5,572	34	1,894	26,127	24,192	8	1,935
TCM R&D	9	1,072	(99)	(1,063)	5,164	9,408	(45)	(4,244)
Total	30,089	22,534	34	7,555	118,279	122,066	(3)	(3,787)

Sales of the Group's mainstay, antibiotics, increased 4% to RMB77.1 million in FY2008 on strong domestic demand for Ceftriaxone Sodium for Injection, Cefepime hydrochloride for Injection and Aztreonam for Injection boosted by flu epidemic in the PRC. The higher sales volume more than offset the lower average antibiotics selling price led by government price control on antibiotics. Antibiotics remained the largest revenue contributor, accounting for 65% of Group revenue in FY2008.

Sales of cardiovascular drugs and cerebrovascular drugs slipped 32% to RMB9.9 million in FY2008 on weaker demand for major product Cerebroprotein Hydrolysate.

Other specialized drugs sales rose 8% to RMB26.1 million in FY2008 on higher sales of major product Potassium Sodium Dehydroandrographolide Succinate, as well as positive contributions from new products. Sanqi Zhixue Jujuepian, Cobamamide for Injection and Omeprazole Sodium for Injection launched in 2008.

Revenue from the fledgling TCM segment - TCM R&D revenue, comprising upfront fee and share of future profit from preliminary TCM R&D results - slid 45% to RMB5.2 million in FY2008. This was attributable to a delay in revenue recognition arising from an outstanding contract issue which the management is seeking to rectify quickly.

Profitability

Gross profit fell 32% from RMB67.8 million in FY2007 to RMB46.4 million in FY2008 on lower sales and higher raw material prices.

The increase of other income from RMB8.8 million in FY2007 to RMB9.2 million in FY2008 was primarily due to write back the over accrual in 4Q08.

Selling and distribution expenses increased from RMB10.6 million in FY2007 to RMB16.4 million in FY2008 as the Group incurred higher sales and promotion costs and staff salaries due to increased headcount in distribution representative offices.

Administrative expenses increased from RMB29.2 million in FY2007 to RMB32.7 million in FY2008. Increase was mainly due to an additional amortization expense of approximately RMB3.0 million which the Group had to recognize in 4Q08 due to the expected early redemption of the Redeemable Convertible Preference Shares ("RCPS"), which have to be fully redeemed on 27 February 2009 after the revision of the RCPS maturity date to 27 February 2009 from the original 29 December 2011. Prior to the revision, amortization was to be spread over the original 5-year duration of the RCPS. The Group also recognized RMB1.4 million in write-off for bad debt owed by a Sichuan company destroyed by the May 2008 earthquake.

Financial income increased from RMB4.2 million in FY2007 to RMB11.6 million in FY2008. Increased was mainly due to interest income and exchange gain on revaluation of RCPS liabilities in FY2008. The exchange gain amounted to RMB8.0 million in FY2008.

Financial expenses fell from RMB11.5 million in FY2007 to RMB8.0 million in FY2008 mainly due to the full settlement of bank loan in FY2008.

Taxation expense was higher at RMB2.3 million in FY2008 than the RMB0.7 million in FY2007 despite higher profit in FY2007. This was due to write back the over-provision of RMB1.6 million in prior year.

As a result of the above, Group net profit attributable to equity holders slipped 82% from RMB20.4 million in FY2007 to RMB3.6 million in FY2008.

Financial Position

(31 December 2008 vs. 31 December 2007)

Non-current assets fell from RMB292.8 million to RMB288.2 million. Property, plant and equipment decreased from RMB48.1 million to RMB47.9 million due to depreciation. Intangibles assets also dropped from RMB243.4 million to RMB239.0 million as a result of amortization and disposal of some of the intangible assets.

Current assets declined from RMB253.3 million to RMB231.7 million. Inventories increased from RMB17.2 million to RMB28.3 million on increase in costs of raw materials. Trade & bills receivables dropped from RMB5.9 million to RMB4.7 million mainly due to RMB1.4 million in write-off for bad debt owed by a Sichuan company destroyed by the May 2008 earthquake. Other receivables, prepayments and deposits increased from RMB28.2 million to RMB34.3 million as the Group put down a RMB5.0 million deposit in 4Q08 for a potential acquisition. Cash and cash equivalents fell from RMB199.7 million to RMB164.3 million as the Group repaid RMB30.0 million in bank loans in 1Q08 and distributed the first RCPS interest of S\$1.4 million in 2Q08.

Non-current liabilities dipped from RMB150.9 million to RMB15.3 million as the entire RCPS liability was reclassified as current after the bringing forward of the RCPS maturity date from the original 29 December 2011 to 27 February 2009.

Current liabilities rose from RMB87.9 million to RMB192.5 million. Trade and other payables rose from RMB47.3 million to RMB49.8 million due to higher raw material costs. Bank loan of RMB30.0 million was fully repaid in 1Q08 leaving no further bank loan outstanding as of 31 December 2008. Amount due to related parties also declined from RMB2.3 million to RMB2.0 million due to repayments. RCPS (current portion) jumped from RMB6.9 million to RMB139.5 million as the Group reclassified its RCPS liabilities as current, taking into account the revised RCPS maturity date of 27 February 2009 from the original 29 December 2011.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

There is still great uncertainty regarding the extent and duration of the current global economic slump. However, as we look forward to FY2009, the Chinese government's industry-stimulating macroeconomic policies and the ongoing health care reform with extended health insurance coverage of the rural population are believed to be the major forces for the growth of the Chinese pharmaceutical market. We will continue to

strengthen our business development efforts by further expanding domestic sales and capture opportunities to grow both internally and externally.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Ordinary Shares:

No.

RCPS:

The Board has declared the following amount for FY2008 on 12 January 2009:

Name of Dividend: Preference Dividend

Dividend Type: Cash

Amount per RCPS: S\$0.03 per share

(b) Corresponding Period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year?

The following amount was declared for FY2007:

Ordinary Shares:

NIL

RCPS:

Name of Dividend: Preference Dividend

Dividend Type: Cash

Amount per RCPS: S\$0.03 per share

(c) Date payable

Ordinary Shares:

Not applicable.

RCPS:

The Preference Dividend for FY2008 has been paid on 27 February 2009.

(d) Book Closure Date

Ordinary Shares:

Not applicable.

RCPS:

As announced on 2 February 2009, the book closure date for the RCPS was 18 February 2009.

12. If no dividend has been declared/recommend, a statement to that effect.

Not applicable.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

The Group's main businesses are those relating to the research and development, manufacturing and trading of pharmaceutical products and it operates mainly in the PRC. Accordingly, the Group is not subject to different risks and returns in its activities and geographical regions in which it operates.

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to Note 8 for the review of performance by business.

15. A breakdown of sales.

	FY2008	FY2007	Increases/(Decreases)	
	RMB'000	RMB'000	RMB'000	%
Revenue for first half of the year	57,094	68,058	(10,964)	(16.11)
Operating profit after tax for the first half of the year	4,394	18,998	(14,604)	(76.87)
Revenue for second half of the year	61,185	54,008	7,177	13.29
Operating profit after tax for the second half of the year	287	2,444	(2,157)	(88.26)

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	FY2008	FY2007
	RMB'000	RMB'000
Ordinary Shares	Nil	Nil
RCPS	6,858	6,803

17. Interested parties transactions

Not applicable.

By Order of the Board

Wong Kai
Chairman
27 February 2009