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E. BON HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)
怡 邦 行 控 股 有 限 公 司

(Stock Code: 599)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2012

The board of directors (the "Board") of E. Bon Holdings Limited (the "Company") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2012 (the "period").

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2012

		Unaudited Six months ended 30 September	
		2012	2011
	Notes	***HK$'000***	*HK$'000*
			(Restated)
			(Note 1.2)
Revenue	*4*	**231,957**	190,267
Cost of sales		**(139,745)**	(117,743)
Gross profit		**92,212**	72,524
Other income		**3,022**	76
Distribution costs		**(42,874)**	(34,650)
Administrative expenses		**(35,593)**	(26,261)
Operating profit		**16,767**	11,689
Finance costs, net		**(662)**	(332)
Profit before income tax	*5*	**16,105**	11,357
Income tax expense	*6*	**(4,203)**	(1,285)
Profit for the period attributable to equity holders of the Company		**11,902**	10,072

	Notes	Unaudited Six months ended 30 September 2012 HK$'000	2011 HK$'000 (Restated) (Note 1.2)
Other comprehensive income			
Exchange difference on translation on financial statements of foreign operation		**107**	784
Total comprehensive income for the period, net of tax		**12,009**	10,856
Basic and diluted earnings per share	*8*	**HK4.0 cents**	HK3.4 cents
Dividends	*7*	**3,003**	3,003

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2012

	Notes	Unaudited 30 September 2012 HK$'000	Audited 31 March 2012 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**143,205**	141,493
Deferred income tax assets		**2,273**	2,273
Trade, retention and other receivables		**17,910**	15,205
		163,388	158,971
Current assets			
Inventories		**189,464**	185,055
Current income tax recoverable		**2,353**	2,193
Trade, retention and other receivables	*10*	**111,852**	111,163
Cash and cash equivalents		**31,791**	33,457
		335,460	331,868
Total assets		**498,848**	490,839
EQUITY			
Equity attributable to equity holders of the Company			
Share capital		**30,030**	30,030
Reserves		**267,391**	255,382
Total equity		**297,421**	285,412
LIABILITIES			
Current liabilities			
Trade and other payables	*11*	**69,401**	48,342
Receipt in advance		**46,203**	46,989
Borrowings		**31,346**	89,719
Current income tax liabilities		**10,949**	6,509
		157,899	191,559
Non-current liabilities			
Deferred income tax liabilities		**13,861**	13,868
Borrowings		**29,667**	–
		43,528	13,868
Total liabilities		**201,427**	205,427
Total equity and liabilities		**498,848**	490,839
Net current assets		**177,561**	140,309
Total assets less current liabilities		**340,949**	299,280

Notes:

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

These unaudited interim condensed consolidated financial statements ("interim financial statements") have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

These condensed consolidated interim financial statements for the six months ended 30 September 2012 have been prepared in accordance with HKAS 34, 'Interim financial reporting'. The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2012, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

1.1 Accounting policies

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 March 2012, as described in those annual financial statements.

HKFRS 1 (Amendments)	Severe Hyperinflation and Removal of Fixed Date for First-Time Adopters
HKFRS 7 (Amendments)	Financial instruments: Disclosures — Transfers of Financial Assets
HKFRS 7 (Amendments)	Financial instruments: Disclosure — Offsetting Financial Assets and Financial Liabilities
HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interest in Other Entities
HKFRS 13	Fair Value Measurement

The adoption of these amendments and interpretations had no material financial impact on the Group's results and financial position for the current and prior accounting periods.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

1.2 Restatement due to correction of prior period errors

In preparing the Group's condensed consolidated financial statements for the six months ended 30 September 2012, the Group has identified certain errors in the comparative financial information presented. A detailed description of the nature of each prior period error is provided in notes 1.2 (a) to (e) below. The amounts of the prior year correction for each financial statement line item affected are presented in the tables in note 1.2 (f) below.

(a) Provision for inventory obsolescence

As at 30 September 2011, the Group applied a policy to estimate the amount of provision for inventory obsolescence, primarily by reference to the ageing of the inventories as at the respective reporting dates. In general, provision was made on the basis that inventories were deemed to be not saleable nine months after their purchase and a provision equivalent to 10% of the cost of the inventories was made each month until the net carrying cost of inventories after provision was reduced to nil.

This basis of estimating inventory obsolescence has not considered other relevant factors such as the Group's past history to successfully sell the inventories at or above cost despite a provision being made, or the amount of inventories which had been sold after the end of the reporting period but prior to the issuance of the respective condensed consolidated financial statements. Given that the information relating to these factors, which was available to management when the prior period's financial statements were finalised, or that could reasonably be expected to have been obtained, had not been taken into account by management, the previous basis of estimating the amount of inventory provision does not comply with HKAS 2 — Inventories, which requires the estimates of net realisable value to be based on the most reliable evidence available at the time the estimates are made.

The Group had performed a reassessment based on the information available at each reporting date, and has concluded that cost of sales for the six months ended 30 September 2011 should be reduced by HK$3,440,000 with corresponding adjustments on the tax related accounts as detailed in note 1.2(f).

(b) Timing of recognising share option expense

On 27 January 2011, the Company granted to certain directors and employees 7,700,000 share options with total estimated fair value of HK$2,047,000. Such options have a vesting period of one year. The entire fair value of such options was recognised immediately as expense in the consolidated statement of comprehensive income for the year ended 31 March 2011. However, in accordance with HKFRS 2 — Share-based Payment, the value of the options should be recognised as expense over the options' vesting period of one year, rather than immediate recognition. As a result, share-based payment expense included in administration expenses should be increased by approximately HK$1,023,000 for the six months ended 30 September 2011 and the related share option reserve of the Group as at 30 September 2011 should be reduced by HK$683,000.

(c) Revenue recognised on a cash basis in respect of customer deposit

The Group normally requests its customers to pay deposits in advance of delivery of goods. During the six months ended 30 September 2011, the Group had incorrectly recognised certain customer deposit as revenue in advance of goods delivery. In accordance with HKAS 18 — Revenue, revenue from sales of goods is recognised on the transfer of significant risks and rewards of ownership, which generally coincides with the time when the goods are delivered and the title has passed to the customer. To reflect the proper timing of the transfer of risks and rewards of ownership of the goods to customer, revenue for the six months ended 30 September 2011 should be increased by HK$3,275,000 with corresponding adjustments in tax related accounts as detailed in note 1.2(f).

(d) Reclassification of freight-in charges and depreciation of renovated retails stores

During the six months ended 30 September 2011, freight-in charges of approximately HK$2,756,000 were incorrectly classified as distribution costs. These charges should however be included in cost of sales when the inventories are sold. In addition, the Group had incorrectly classified depreciation expenses related to renovated retail stores of HK$2,260,000 in administrative expenses. These expenses should be related to the selling activities of the Group and should be classified as distribution costs. As a result of the above, cost of sales should be increased by HK$2,756,000, selling and distribution costs and administrative expenses should be reduced by HK$496,000 and HK$2,260,000, respectively, for the six months ended 30 September 2011.

(e) Capitalisation of freight-in charges

During the six months ended 30 September 2011, the Group expensed freight-in charges for inventories. However, in accordance with HKAS 2 — Inventories, such charges are included in the cost of inventories to the extent that they are incurred in bringing the inventories to their present location and condition. As a result, costs of sales for the six months ended 30 September 2011 should be increased by HK$1,672,000 with corresponding adjustments on tax related accounts as detailed in note 1.2(f).

(f) Summary of the effects of restatements due to correction of prior year errors

The following is a summary of the effects of the restatements due to correction of prior year errors on the Group's condensed consolidated statement of comprehensive income for the six months ended 30 September 2011.

	As previously reported	Note 1.2(a)	Note 1.2(b)	Note 1.2(c)	Note 1.2(d)	Note 1.2(e)	As restated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue	186,992	–	–	3,275	–	–	190,267
Cost of sales	(116,755)	3,440	–	–	(2,756)	(1,672)	(117,743)
Gross profit	70,237	3,440	–	3,275	(2,756)	(1,672)	72,524
Other income	76	–	–	–	–	–	76
Distribution costs	(35,146)	–	–	–	496	–	(34,650)
Administrative expenses	(27,498)	–	(1,023)	–	2,260	–	(26,261)
Operating profit	7,669	3,440	(1,023)	3,275	–	(1,672)	11,689
Finance costs, net	(332)	–	–	–	–	–	(332)
Profit before income tax	7,337	3,440	(1,023)	3,275	–	(1,672)	11,357
Income tax expense	(453)	(568)	–	(540)	–	276	(1,285)
Profit for the period attributable to equity holders of the Company	6,884	2,872	(1,023)	2,735	–	(1,396)	10,072
Other comprehensive income							
Exchange gain on translation of financial statements of foreign operations	784	–	–	–	–	–	784
Total comprehensive income for the period, net of tax	7,668	2,872	(1,023)	2,735	–	(1,396)	10,856
Basic and diluted earnings per share	HK2.3 cents	HK1.0 cents	HK(0.3) cents	HK0.9 cents	–	HK(0.5) cents	HK3.4 cents

2. ESTIMATES

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 March 2012.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 March 2012.

There have been no changes in the risk management department since year end or in any risk management policies.

3.2 Liquidity risk

Compared to year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

Certain executive directors and a Company's shareholder who is also a relative to those executive directors, have collectively advanced loans of HK$29,667,000 to the Group in July 2012, and have confirmed their intention not to demand the repayment of these loans before 31 December 2013.

4. REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in the importing and sale of architectural builders hardware, bathroom, kitchen collections and furniture in Hong Kong and the provision of construction services for property developers in the People's Republic of China (the "PRC"). Revenue recognised is as follows:

	Unaudited Six months ended 30 September	
	2012	2011
	HK$'000	*HK$'000*
		(Restated)
Revenue — sales of goods	**229,500**	177,245
Revenue — sales of services	**2,457**	13,022
	231,957	190,267

Primary reporting format — business segments

The Group is primarily engaged in three main business segments:

Wholesale	importing and wholesale of architectural builders hardware, bathroom and kitchen collections and furniture to dealers, traditional hardware stores, contractors and property developers.
Retail	sale of architectural builders hardware, bathroom and kitchen collections and furniture through the Group's retail outlets.
Interior decoration	revenue from the provision of interior decoration and construction services primarily in the PRC.

	Unaudited Six months ended 30 September 2012			
	Wholesale	**Retail**	**Interior decoration**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
Revenue				
— From external customers	**176,487**	**53,013**	**2,457**	**231,957**
Reportable segment revenue	**176,487**	**53,013**	**2,457**	**231,957**
Reportable segment profit/(loss)	**9,994**	**10,837**	**(639)**	**20,192**

	Unaudited As at 30 September 2012			
	Wholesale	**Retail**	**Interior decoration**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
Reportable segment assets	**251,764**	**71,829**	**14,582**	**338,175**
Reportable segment liabilities	**82,983**	**36,648**	**563**	**120,194**

	Unaudited Six months ended 30 September 2011			
	Wholesale	Retail	Interior decoration	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
	(Restated)	(Restated)	(Restated)	(Restated)
Revenue				
— From external customers	115,672	61,573	13,022	190,267
Reportable segment revenue	115,672	61,573	13,022	190,267
Reportable segment profit/(loss)	7,567	11,040	(1,382)	17,225

	Audited As at 31 March 2012			
	Wholesale	Retail	Interior decoration	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Reportable segment assets	245,913	70,607	15,982	332,502
Reportable segment liabilities	66,163	30,509	163	96,835

The totals represented for the Group's operating segments reconcile to the Group's key financial figures as presented in this condensed consolidated financial statements as follows:

	Unaudited Six months ended 30 September	
	2012	2011
	HK$'000	*HK$'000*
		(Restated)
Total reportable segment profit	**20,192**	17,225
Unallocated corporate income	**2,505**	–
Unallocated corporate expenses	**(5,930)**	(5,536)
Finance costs, net	**(662)**	(332)
Profit before income tax	**16,105**	11,357

	Unaudited As at 30 September 2012	Audited As at 31 March 2012
	HK$'000	*HK$'000*
Reportable segment assets	**338,175**	332,502
Deferred income tax assets	**2,273**	2,273
Other corporate assets	**158,400**	156,064
Group assets	**498,848**	490,839

	Unaudited As at 30 September 2012	Audited As at 31 March 2012
	HK$'000	*HK$'000*
Reportable segment liabilities	**120,194**	96,835
Deferred income tax liabilities	**13,861**	13,868
Borrowings	**61,013**	89,719
Other corporate liabilities	**6,359**	5,005
Group liabilities	**201,427**	205,427

Geographic information

	Revenue from external customers		Non-current assets	
	Unaudited		**Unaudited**	Audited
	Six months ended		**As at**	As at
	30 September		**30 September**	31 March
	2012	2011	**2012**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
		(Restated)		
Hong Kong	**219,606**	175,280	**148,366**	145,144
Mainland China	**12,351**	14,987	**15,022**	13,827
Total	**231,957**	190,267	**163,388**	158,971

5. EXPENSES BY NATURE

	Unaudited	
	Six months ended	
	30 September	
	2012	2011
	HK$'000	*HK$'000*
		(Restated)
Cost of inventories	**135,698**	113,223
Auditors' remuneration	**4,000**	280
Depreciation of property, plant and equipment	**4,427**	4,582
Operating lease payments in respect of premises	**22,763**	20,328
(Write back of)/provision for slow-moving inventories, included in cost of inventories	**(348)**	2,782
Staff costs, including directors' emoluments	**25,066**	19,322

6. INCOME TAX EXPENSES

Hong Kong Profits Tax has been provided at the rate of 16.5% (2011: 16.5%) of the estimated assessable profits for the period. Taxation on overseas profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates.

The charge comprises:

	Unaudited	
	Six months ended	
	30 September	
	2012	2011
	HK$'000	*HK$'000*
		(Restated)
Current tax		
Hong Kong Profits Tax	**3,162**	1,763
PRC Corporate Income Tax	**1,048**	433
	4,210	2,196
Deferred tax	**(7)**	(911)
Tax expenses for the period	**4,203**	1,285

7. DIVIDENDS

The Board has resolved to recommend the payment of dividend of HK1.0 cent (2011: HK1.0 cent).

	Unaudited Six months ended 30 September	
	2012	2011
	HK$'000	*HK$'000*
Interim dividend of HK1.0 cent (2011: HK1.0 cent) per share	**3,003**	3,003

At a Board meeting held on 17 December 2012, the Board of Directors proposed an interim dividend of HK1.0 cent (30 September 2011: HK1.0 cent) per ordinary share. Such proposed interim dividends are not reflected as dividend payables in the Group's financial statements for the period.

8. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the Group's profit for the period of HK$11,902,000 (six months ended 30 September 2011: HK$10,072,000) and the 300,300,000 ordinary shares (30 September 2011: 300,300,000 ordinary shares) in issue during the period. Diluted earnings per share for the periods is the same as the basic earnings per share (six months ended 30 September 2011: same) as the conversion of potential dilutive shares in relation to the share option issued by the Company would have an anti-dilutive effect to the basic earnings per share.

9. CAPITAL EXPENDITURE

During the period, the Group incurred capital expenditure of approximately HK$6,132,000 for property, plant and equipment (six months ended 30 September 2011: HK$4,353,000). No significant disposal of property, plant and equipment was made during the period (six months ended 30 September 2011: Nil).

10. TRADE RECEIVABLES

Included in the balance are trade receivables, net of provision, with the following ageing analysis:

	0–90 days	**91–180 days**	**181–270 days**	**271–365 days**	**Over 365 days**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Balance at 30 September 2012	**67,553**	**5,745**	**3,314**	**544**	**1,511**	**78,667**
Balance at 31 March 2012	63,145	5,361	4,990	1,503	2,084	77,083

The majority of the Group's sales are with credit terms of 30 to 90 days. In some cases, customers may be granted extended credit period up to 120 days. Certain balances over 90 days are on letter of credit or document against payment.

11. TRADE PAYABLES

Included in the balance are trade payables with the following ageing analysis:

	0–90 days	**91–180 days**	**181–270 days**	**271–365 days**	**Over 365 days**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Balance at 30 September 2012	**37,469**	**1,733**	**8,139**	**–**	**898**	**48,239**
Balance at 31 March 2012	36,570	1,627	843	151	28	39,219

12. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current period's presentation.

INTERIM DIVIDEND

The Board of Directors has resolved to recommend the payment of an interim dividend of HK1.0 cent per share to be paid on Wednesday, 13 March 2013 for members whose names appear on the principal or branch register of the Company in Grand Cayman or Hong Kong respectively (collectively the "Register of Members") as at the close of business of Friday, 11 January 2013.

CLOSURE OF REGISTER OF MEMBERS

The Company's Register of Members will be closed from Tuesday, 8 January 2013 to Friday, 11 January 2013, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrars in Hong Kong, Tricor Abacus Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong no later than 4:30 p.m. on Monday, 7 January 2013.

REVIEW OF OPERATIONS

For the six months ended 30 September 2012, the Group's revenue was HK$232.0 million (six months ended 30 September 2011: HK$190.3 million) and profit after tax was HK$11.9 million (six months ended 30 September 2011: HK$10.1 million).

During the period, the property market has been turning moderate due to environmental uncertainties and the adoption of cooling-down measures taken by the Government, which is evidenced by a decrease in transaction cases in the secondary market. On the other hand, the completion rate of residential properties increased slightly. As mentioned in our Annual Results, we prepared for contracted supply by keeping sufficient inventories prior to deliveries. The wholesale operation recorded sales of HK$176.5 million (2011: HK$115.7 million), which increased by 52.6%.

The management has reviewed the finance function and carried out enhancement plans. In view of market turbulences and operating uncertainties, we achieved to maintain a smooth operation by utilising mainly our internal resources with support of external resources.

FINANCIAL POSITION

The Group records profit after taxation amounted to HK$11.9 million during the period and its overall financial position is sound. Gross margin is at 39.8% (six months ended 30 September 2011: 38.1%) which is in line with the year ended 31 March 2012 of 40.3%. The profit before taxation for the period amounted to HK$16.1 million, representing an increase of 41.8% over the corresponding period last year. The increase in expenditure reflected the increase in rents of our showrooms and retail outlets and general inflationary increases in the overhead expenditure.

The Group has maintained sufficient cash holdings to approximately HK$31.8 million (31 March 2012: HK$33.5 million) and borrowings totalling HK$61.0 million (31 March 2012: HK$89.7 million), in which HK$11.6 million is the mortgage of office properties including HK$10.2 million repayable after more than one year. Certain executive directors and a Company's shareholder who is also a relative to those executive directors, have collectively advanced loans of HK$29,667,000 to the Group in July 2012, and have confirmed their intention not to demand the repayment of these loans before 31 December 2013.

The Group current ratio is 2.12 (31 March 2011: 1.73), which is calculated based on current assets over current liabilities. Such increase is mainly attributable to the shareholders' loans amounted to HK$29.7 million, which are shown as non-current, and discussed above. Assets under charge are the mortgaged property acquired and the Group has no material capital commitment as at 30 September 2012.

FUTURE PROSPECTS

With encouraging policies such as increased land sale activities and regulatory policies on speculations, the property market is expected towards a balanced development despite the continuation of incoming funds may increase its demand. The inflationary pressure in rental expenses and other operating costs are expected to continue.

As discussed in our Annual Results, we have been capitalising our good relationship to work with property developers in projects across Hong Kong, Macau and the mainland China. We are pleased that we have been awarded for two projects in Singapore which are owned by a major developer in Hong Kong.

Our internal control will be regularly reviewed and reinforced to ensure good corporate governance practices and procedures. In view of climbing operating expenses, we shall monitor and take control measures. Relevant resource allocation and operation flow enhancement plans are made to maintain customers' satisfaction and cost control.

CONTINGENT LIABILITIES

The Group and the Company had no material litigation or contingent liabilities as at 30 September 2012 and up to the date of the approval of these interim financial statements.

PURCHASE, SALES OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares during the period.

COMPLIANCE OF CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with all the code provisions in the Code of Corporate Governance Practice (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") throughout the six months ended 30 September 2012, with the exception of the following deviation:

Under the code provision A.1.8, the Company should arrange appropriate insurance cover in respect of legal action against its directors. Currently, no insurance cover has been arranged for directors since the directors take the view that the Company shall support Directors arising from corporate activities.

Under the code provision A.4.1, non-executive directors should be appointed for a specific term. Currently, non-executive directors are not appointed for a specific term of service. This constitutes a deviation from code provision A.4.1. However, they are subject to retirement by rotation at each annual general meeting under the articles of association of the Company. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Code.

COMPLIANCE OF MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transaction by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by directors. Having made specific enquiry of the directors, all directors have confirmed compliance with the required standard as set out in the Model Code throughout the six months ended 30 September 2012.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including a review of the unaudited interim financial statements for the six months ended 30 September 2012.

PUBLICATION OF FINANCIAL INFORMATION

This results announcement is published on the websites of the Company (*www.ebon.com.hk*) and the Stock Exchange of Hong Kong Limited (*www.hkex.com.hk*). The Company's Interim Report 2012 will be despatched to the shareholders and available on the same websites in due course.

By order of the Board
TSE Sun Fat, Henry
Chairman

Hong Kong, 17 December 2012

Website: *www.ebon.com.hk*

As at the date hereof, the Board of Directors comprises nine Directors, of which six are Executive Directors, namely Messrs. TSE Sun Fat, Henry, TSE Sun Wai, Albert, TSE Sun Po, Tony, TSE Hon Kit, Kevin, LAU Shiu Sun and YICK Kai Chung and three are Independent Non-executive Directors, namely Messrs. LEUNG Kwong Kin, J.P., WONG Wah, Dominic and WAN Sze Chung.