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This announcement, for which the directors (the "Directors") of DeTeam Company Limited (the "Company") collectively and individually accept responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprises Market (the "GEM") of the Stock Exchange (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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) 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.

DeTeam Company Limited
弘海有限公司*

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8112)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2006

CHARACTERISTICS OF THE GEM OF THE STOCK EXCHANGE

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. 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 of the Stock Exchange and no assurance is given that there will be a liquid market in securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. GEM-listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

HIGHLIGHTS

- Turnover of the Group for the year ended 31 December 2006 was approximately HK$69.7 million, representing a increase of approximately 830 per cent. as compared with that of the year ended 31 December 2005.
- The Group recorded a profit attributable to shareholders of approximately HK$10.1 million for the year ended 31 December 2006, compared with a loss of approximately HK$8.9 million for the year ended 31 December 2005.
- The Directors do not recommend the payment of dividend for the year ended 31 December 2006.

ANNUAL RESULTS

The board of Directors (the "Board") is pleased to present the audited consolidated results of the Company and its subsidiaries (collectively referred to the "Group") for the year ended 31 December 2006 together with the comparative figures for the year ended 31 December 2005 as follows:

	Note	**2006** *HK$'000*	2005 *HK$'000*
Turnover	3	**69,689**	7,495
Cost of sales and services		**(55,900)**	(7,032)
Gross profit		**13,789**	463
Other income	4	**3,525**	59
Income from excess of fair value over cost of acquisition of a subsidiary		**4,001**	–
Distribution costs		**(1,333)**	(3,319)
Administrative expenses		**(8,472)**	(5,268)
Impairment of investment in an associate		**–**	(571)
Other operating expenses		**(751)**	–
Profit/(loss) from operations		**10,759**	(8,636)
Finance costs	6	**(536)**	(180)
Share of loss of an associate		**–**	(132)
Loss on disposals of subsidiaries		**(90)**	–
Profit/(loss) before tax		**10,133**	(8,948)
Income tax expense	7	**–**	–
Profit/(loss) for the year attributable to equity holders of the Company	8	**10,133**	(8,948)
Earnings/(loss) per share – basic	10	**3.83 cents**	(4.39) cents

CONDENSED CONSOLIDATED BALANCE SHEET

As at 31 December 2006

	Note	2006 HK$'000	2005 HK$'000
Non-current assets			
Property, plant and equipment		**26,528**	466
Prepaid land lease payments		**451**	–
Investments in associates		**–**	–
Available-for-sale financial assets		**862**	829
		27,841	1,295
Current assets			
Inventories		**17,500**	–
Prepaid land lease payments		**115**	–
Amounts due from customers for contract works		**1,223**	36
Trade receivables	11	**2,415**	4,181
Deposits, prepayments and other receivables		**5,742**	1,196
Cash and bank balances		**7,828**	1,413
		34,823	6,826
Current liabilities			
Trade payables	12	**16,435**	4,825
Accrued charges and other payables		**11,184**	5,478
Provision for warranty		**653**	1,255
Short term borrowings		**9,500**	–
Convertible note		**–**	4,000
Current tax liabilities		**1,346**	–
		39,118	15,558
Net current liabilities		**(4,295)**	(8,732)
Total assets less current liabilities		**23,546**	(7,437)
Non-current liabilities			
Other loan		**2,375**	–
NET ASSETS/(LIABILITIES)		**21,171**	(7,437)
Capital and reserves			
Share capital		**29,606**	20,400
Other reserves		**44,654**	35,385
Accumulated losses		**(53,089)**	(63,222)
TOTAL EQUITY		**21,171**	(7,437)

Notes:

1. **General and basis of preparation**

   (a) The Company was incorporated in the Cayman Islands on 7 April 2000 as an exempted company with limited liability under the Companies Law (2000 Revision) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of its business office is Suite no. 3, 31/F., Sino Plaza, 255-257 Gloucester Road, Hong Kong. The Company's shares are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

   (b) In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") that are relevant to its operations and effective for accounting periods beginning on or after 1 January 2006. HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations. The adoption of these new and revised HKFRSs did not result in substantial changes to the Group's accounting policies and amounts reported for the current year and prior years.

   The Group has not applied the new HKFRSs that have been issued but are not yet effective. The application of these new HKFRSs will not have material impact on the financial statements of the Group.

   These financial statements have been prepared in accordance with HKFRSs issued by the HKICPA, accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

   These financial statements have been prepared under the historical cost convention.

   The preparation of financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires management to exercise its judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to these financial statements, are disclosed in Note 2 below.

2. **Critical judgements and key estimates**

   (a) Property, plant and equipment and depreciation

   The Group determines the estimated useful lives and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. Management will revise the depreciation charge where useful lives are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

   (b) Revenue and profit recognition

   The Group estimates the percentage of completion of the transportation technology solutions contracts by reference to the proportion that contract costs incurred for work performed to date to the estimated total costs for the contracts. When the final cost incurred by the Group is different from the amounts that were initially budgeted, such differences will impact the revenue and the profit or loss recognised in the period in which such determination is made. Budget cost of each project will be reviewed periodically and revised accordingly where significant variances are noted during the revision.

3. Turnover

The Group's turnover which represents sales of bags to customers and revenue from transportation technology solution contracts are as follows:

	2006	2005
	HK$'000	*HK$'000*
Sales of bags	**66,771**	–
Revenue from transportation technology solution contracts	**2,918**	7,495
	69,689	7,495

4. Other income

	2006	2005
	HK$'000	*HK$'000*
Interest income	**148**	36
Service income	**380**	–
Reversal of provision for warranty	**652**	–
Waiver of amount due to a director	**2,345**	–
Sundry income	**–**	23
	3,525	59

5. Segment information

(a) Primary reporting format – business segments

The Group is organised into two main business segments for the year ended 31 December 2006:

Bags	–	Manufacturing and sale of plastic woven bags and paper bags; and
Transportation technology solutions	–	Provision of transportation technology solutions

(b) Secondary reporting format – geographical segments

No geographical segment information is presented as the Group's revenue and assets are substantially derived from customers and operations based in the PRC and accordingly, no further analysis of the Group's geographical segments is disclosed.

	Bags	Transportation technology solutions	Consolidated
	HK$'000	*HK$'000*	*HK$'000*
Year ended 31 December 2006			
Revenue	66,771	2,918	69,689
Segment results	11,641	(4,271)	7,370
Other income			3,525
Income from excess of fair value over cost of acquisition of a subsidiary			4,001
Unallocated expenses			(4,137)
Profit from operations			10,759
Finance costs			(536)
Loss on disposals of subsidiaries			(90)
Profit before tax			10,133
At 31 December 2006			
Segment assets	57,320	3,423	60,743
Investments in associates			–
Unallocated assets			1,921
Total assets			62,664
Segment liabilities	30,345	7,518	37,863
Unallocated liabilities			3,630
Total liabilities			41,493
Other segment information:			
Capital expenditure	119	4	123
Unallocated amounts			–
			123
Depreciation	1,241	154	1,395
Unallocated amounts			10
			1,405

	Bags HK$'000	Transportation technology solutions HK$'000	Consolidated HK$'000
Year ended 31 December 2005			
Revenue	–	7,495	7,495
Segment results	–	(6,120)	(6,120)
Other income			59
Unallocated expenses			(2,575)
Loss from operations			(8,636)
Share of loss of an associate	–	(132)	(132)
Finance costs			(180)
Loss before tax			(8,948)
At 31 December 2005			
Segment assets	–	7,739	7,739
Investments in associates			–
Unallocated assets			382
Total assets			8,121
Segment liabilities	–	9,087	9,087
Unallocated liabilities			6,471
Total liabilities			15,558
Other segment information:			
Capital expenditure	–	56	56
Unallocated amounts			7
			63
Depreciation	–	323	323
Unallocated amounts			14
			337
Impairment loss on goodwill recognised in income statement	–	(571)	(571)

6. Finance costs

	2006	2005
	HK$'000	*HK$'000*
Interest on bank loan	**53**	–
Interest on other loan wholly repayable within 5 years	**480**	–
Interest on convertible note wholly repayable within 5 years	**3**	160
Other finance costs	**–**	20
	536	180

7. Income tax expense

(a) No provision for Hong Kong profits tax has been made as the Group has no estimated assessable Hong Kong profits for the year ended 31 December 2006 (2005: HK$Nil).

The subsidiary, Beijing Angels Communications Technology Co., Ltd ("Beijing Angels"), operating in the PRC, is subject to enterprise income tax rate of 33% on its taxable profit in accordance with Income Tax Law of the People's Republic of China for Enterprises with Foreign Investment and Foreign Enterprise (中華人民共和國外商投資企業和外國企業所得稅法) (the "PRC Income Tax Law").

The subsidiary, Changchun Yicheng Packaging Company Limited ("Changchun Yicheng"), operating in the PRC, is subject to enterprise income tax rate of 33% on its taxable profit in accordance with the PRC Income Tax Law. Changchun Yicheng is located in Hexin Town of High-New Development Zone, Changchun (長春市高新技術開發區合心高科技園) and is therefore entitled to a reduced tax rate of 27%. However, pursuant to a notice issued by Changchun Green District State Tax Bureau (長春綠園國家稅務局), Changchun Yicheng is exempted from enterprise income tax from 1 May 2006 to 31 December 2007, followed by a 50% reduction for the next three years.

(b) The tax on the Group's profit/(loss) before tax differs from the theoretical amount that would arise using the Hong Kong profits tax rate as follows:

	2006	2005
	HK$'000	*HK$'000*
Profit/(loss) before tax	**10,133**	(8,948)
Tax at Hong Kong profits tax rate of 17.5% (2005: 17.5%)	**1,773**	(1,566)
Expenses not deductive for tax purposes	**165**	541
Income tax exempted	**(2,725)**	–
Income not taxable	**(26)**	–
Tax losses for which no deferred income tax asset was recognised	**813**	1,025
Income tax expense	**–**	–

(c) At the balance sheet date the Group has unused tax losses of approximately HK$11,395,000 (2005: HK$8,585,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. The unrecognised tax losses of HK$5,101,000, HK$3,827,000 and HK$2,467,000 will expire on 31 December 2007, 31 December 2010 and 31 December 2011 respectively.

8. Profit/(loss) for the year

The profit/(loss) for the year is stated after charging/(crediting) the following:

	2006	2005
	HK$'000	*HK$'000*
Auditors' remuneration	**438**	320
Depreciation of property, plant and equipment	**1,405**	337
Operating lease rentals in respect of land and buildings	**878**	1,068
Allowance for amount due from an associate (included in other operating expenses)	**70**	–
Trade receivables written off (included in other operating expenses)	**681**	–
Reversal of provision for warranty	**(652)**	(21)

9. Dividend

The Directors do not recommend the payment of a dividend for the year (2005: HK$Nil).

10. Earnings/(loss) per share

Basic earnings/(loss) per share

The calculation of basic earnings (2005: loss) per share attributable to equity holders of the Company is based on the profit for the year attributable to equity holders of the Company of approximately HK$10,133,000 (2005: loss attributable to equity holder of the Company of approximately HK$8,948,000) and the weighted average number of ordinary shares of 264,520,000 (2005: 204,000,000) in issue during the year.

Diluted earnings/(loss) per share

A diluted earnings per share for the year ended 31 December 2006 has not been shown as there were no potential dilutive ordinary shares in existence during the year.

A diluted loss per share for the year ended 31 December 2005 has not been disclosed as the convertible note outstanding during 2005 had an anti-dilutive effect on the basic loss per share for 2005.

11. Trade receivables

The credit terms granted to customers of transportation technology solution vary and are generally at the results of negotiations between the individual customers and the Group. Customers are generally required to pay at various intervals over the life of the projects. The general credit terms of sales of bags are 30 days.

The ageing analysis of trade receivables is as follows:

	2006	2005
	HK$'000	*HK$'000*
Current to 90 days	**1,984**	2,132
91 to 180 days	**77**	–
181 to 270 days	**–**	–
271 to 360 days	**957**	1,413
Over 360 days	**1,697**	2,936
	4,715	6,481
Less: Allowance for doubtful debts	**(2,300)**	(2,300)
	2,415	4,181

12. Trade payables

The ageing analysis of trade payables is as follows:

	2006	2005
	HK$'000	*HK$'000*
Current to 90 days	**12,062**	3,391
91 to 180 days	**7**	–
181 to 270 days	**220**	–
271 to 360 days	**86**	22
Over 360 days	**4,060**	1,412
	16,435	4,825

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The Group is principally engaged in the production and sale of plastic woven bags and the provision of transportation technology solution in the PRC.

Since the end of the previous financial year, it has been a period of significant transition for the Group and has seen us move away from being solely a transportation technology solution provider to also become a plastic woven bags manufacturer. In August 2006, the Group completed the acquisition of 100% of the equity interests in Changchun Yicheng Packaging Company Limited ("Yicheng") and in order to reflect the Group's new business strategy, the name of the Group was changed from "Angels Technology Company Limited" to "DeTeam Company Limited".

Yicheng commenced full scale operations in 2002 and is currently one of the few largest plastic woven bags manufacturers in Jilin Province, the PRC. Yicheng manufactures over 50 varieties of plastic woven bags catering to its customers, which comprise mainly manufacturers of corn modified products, animal feed products and biochemical products. It has over 200 machineries for plastic spinning, plastic cover making, knitting and bags closing. As seen from the excellent results in the annual report, Yicheng proves itself as a strong cashflow and profitable growing company.

The main transportation solution projects that the Group has contracted in 2006 include Yunnan New Lane Project and Inner Mongolia Open-end System. The number of companies participating in mechanical and electrical engineering projects and transportation solution systems keeps on rising, thus resulting in a very competitive bidding environment. Even though projects were successfully secured, contribution was negligible. Consequently, the Group incurred loss in these projects.

Financial Review

The Group achieved excellent results in 2006. For the year ended 31 December 2006, the Group's turnover was approximately HK$69.7 million, representing a significant increase of 830% as compared with HK$7.5 million in last year. The increase was mainly due to revenue generated from Yicheng which was acquired in 2006. For the year 2006, the Group generated an operating profit of approximately HK$10.8 million compared with an operating loss of approximately HK$8.6 million for the year ended 31 December 2005, representing an increase in profit by approximately HK$19.4 million. In the operating profit, there was a share-based payment expense of approximately HK$1.8 million charged to income statement in accordance with the newly implemented HKFRS2 issued by the Hong Kong Institute of Certified Public Accountants, which came into effect and was adopted by the Group for the first time in 2006. The operating profit of HK$12.6 million was recorded if the accounting treatment was not taken up in the book of the Group.

Consequently, the profit attributable to shareholders increased from loss of approximately HK$8.9 million in 2005 to profit of approximately HK$10.1 million in 2006. Distribution costs for 2006 was approximately HK$1,333,000 in 2006 (2005: approximately HK$3,319,000). Administrative expenses increased to approximately HK$8,472,000 in 2006 (2005: approximately HK$5,268,000). The reason for the increase was due to the acquisition of 100% of the equity interests in Yicheng in August 2006.

In January 2006, the Group entered into a loan agreement which provided for unsecured loan of HK$4,500,000 at an interest rate of 12% per annum, the Group used the loan to repay 4% HK$4,000,000 convertible note issued by the Company in favour of VC Finance Limited.

In order to strengthen the cash flow of the Group, the Group had successfully placed 40,800,000 new shares in March, 2006. Those shares represented approximately 20% of the issued share capital of the Company and approximately 16.7% of the enlarged issued share capital of the Company at the time of placing. The net proceed of the placing was used by the Group for general capital purpose.

In May 2006, the Group entered into a placing agreement with a placee. Pursuant to the placing agreement, the Group issued 48,960,000 new shares to a placee at a price of HK$0.223 per share. The net proceed of the placing was used for acquiring Yicheng.

In order to improve the financial performance and position of the Group and to maximise the returns to the Group and Shareholder as a whole, the Group completed the acquisition of 100% of the equity interests in Yicheng in August 2006.

In November 2006, Yicheng entered a short term bank loan agreement provided for a secured loan of RMB7,000,000 at an interest rate of 6.72% per annum. Yicheng used the loan for general working capital purpose.

In January 2007, the Group extended the unsecured other loan in the amount of HK$1,983,452 (including accrued interest) from the borrower for one year in the same term and condition.

With the successful result of Yicheng, the Group will continue to seek its growth potential and at the same time will continue to be vigilant in controlling operating costs and maintain operational efficiency in the provision of transportation technology area.

Prospects

Contribution from Yicheng enables the Group to achieve its full profitable year since 2001. It is expected that Yicheng will continue to generate steady profit growth and sustainable cashflow to the Group, forming a solid platform for further expansion.

Yicheng is strategically situated in Changchun, Jilin Province which is the major commercial grains production base in the PRC. It is also located in the heart of the golden corn production belt of the PRC. Capturing on its leading position in the plastic woven bags industry, both businesses from its existing and new customers are growing rapidly. Apart from increasing the production capacity of the Yicheng, Yicheng is also studying the feasibility of producing large plastic woven bags to satisfy the demand from its existing customers.

As announced on 17 November, 2006, the Group is still negotiating with Dushan Company for a proposed investment in the antimony mine operated by Dushan Company in the PRC. The Group will continue to seek out investment opportunities with the aim to bring satisfactory reward to the shareholders.

Capital structure, liquidity and financial resources

In March 2006, the Group had successfully placed 40,800,000 new shares; those shares represented 20% of the issue capital of the Company and approximately 16.7% of the enlarged issue share capital of the Company at the time of the placing. The net proceeds was retained by the Group for general working capital purpose.

In June 2006, the Group had successfully placed 48,960,000 new shares; those shares represented 20% of the issue share capital of the Company and approximately 16.7% of the enlarged issue share capital of the Company at the time of the placing. The net proceed was retained by the Group for acquisition of Yicheng.

As at 31 December 2006, the Group had cash and cash equivalents amounting to a total of approximately HK$7.8 million. Additionally, the Group's gearing ratio was 0.112 which is based on the division of long-term debts by shareholders' funds. The Group's liquidity ratio is 0.89.

Foreign currency risk

The Group's sales and purchase are mainly transacted in Renminbi and the books are recorded in Hong Kong dollar. Since the exchange rate fluctuation between Hong Kong dollar and Renminbi is very small, the foreign exchange risk is very low and no hedging has been made.

Contingent liabilities

As at 31 December 2006, the Group did not have any material contingent liabilities.

Employee information

As at 31 December 2006, the Group employed a total of 453 full-time employees. The Group has entered into employment contracts with all of its employees. The remuneration package for its staff comprises of monthly salary, provident fund contributions, medical claims, training programmes, housing allowance and discretionary options based on their contribution to the Group.

During the year under review, the Group had not experienced any significant labour disputes which led to the disruption of its normal business operations. The Directors consider the Group's relationship with its employees to be good.

Audit Committee

The Company established an audit committee with written terms of reference in compliance with Rules 5.28 and 5.33 of the GEM Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal controls system of the Group. During the year ended 31 December 2006, the audit committee comprises three members, Mr. Yang Xiaoping, Mr. Kwok Chi Shing, and Mr. Tsang Wai Sum. All of them are independent non-executive Directors. The chairman of the audit committee is Mr. Yang Xiaoping.

The audit committee held 4 meetings during the year ended 31 December 2006.

The audit committee has reviewed the annual results for the year ended 31 December 2006.

Material acquisitions and significant investment

On 1 September 2006, the Group completed the acquisition of Yicheng.

Save as disclosed above, the Group had no material acquisition or disposal of subsidiaries and affiliated companies during the year ended 31 December 2006 and currently it has no plan for material investments or capital assets.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with all the code provisions on Corporate Governance Practices as set out in the GEM Listing Rules

Purchase, Sale or Redemption of Shares

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

By order of the Board
Yan, Daniel X.D.
Chairman

27 March 2007 Hong Kong

At the date of this announcement, the Board comprises:

Executive Directors
Mr. Yan, Daniel X.D.
Mr Mak Shiu Chung, Godfrey
Mr. Zhang Chao Liang
Mr. Wang Hon Chen

Independent Non-Executive Directors
Mr. Yang Xiaoping
Mr Kwok Chi Shing
Mr. Tsang Wai Sum

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