SUN HING VISION GROUP HOLDINGS LIMITED
新興光學集團控股有限公司

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新興光學集團控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 125)

RESULTS ANNOUNCEMENT
FINANCIAL YEAR ENDED 31 MARCH 2010

The board (the "Board") of directors (the "Directors") of Sun Hing Vision Group Holdings Limited (the "Company") is pleased to announce the results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2010.

RESULTS

The business environment was challenging during the year under review as a result of the financial tsunami which started in the last quarter of 2008. For the year ended 31 March 2010, turnover of the Group decreased by 18% to HK$872 million (2009: HK$1,063 million) due to the global economic downturn. Meanwhile, the net profit of the Group decreased by 27% to HK$84 million (2009: HK$115 million). Accordingly, basic earnings per share decreased by 27% to HK32 cents (2009: HK44 cents).

* *For identification purpose only*

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2010

	NOTES	**2010** **HK$'000**	2009 *HK$'000*
Revenue	*3*	**871,823**	1,063,178
Cost of sales		**(638,891)**	(787,131)
Gross profit		**232,932**	276,047
Other income, gains and losses	*4*	**(3,573)**	2,738
Selling and distribution costs		**(19,870)**	(26,774)
Administrative expenses		**(117,653)**	(126,962)
Profit before taxation		**91,836**	125,049
Income tax expense	*5*	**(7,472)**	(10,014)
Profit for the year attributable to owners of the Company	*6*	**84,364**	115,035
Other comprehensive income (expense)			
Surplus (deficit) on revaluation of leasehold land and buildings		**2,200**	(3,426)
Deferred tax (charge) credit			
– arising on revaluation of leasehold land and buildings		**(363)**	565
– effect of change in tax rate		**–**	63
Other comprehensive income (expense) for the year		**1,837**	(2,798)
Total comprehensive income attributable to owners of the Company for the year		**86,201**	112,237
Earnings per share	*8*		
Basic and diluted		**HK32 cents**	HK44 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 MARCH 2010

	NOTES	**2010** **HK$'000**	2009 *HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**265,220**	276,432
Prepaid lease payments		**3,771**	3,863
Deposit paid for acquisition of property, plant and equipment		**2,332**	–
Time deposit		**–**	11,700
		271,323	291,995
CURRENT ASSETS			
Inventories		**140,374**	133,919
Trade and other receivables	9	**248,657**	252,935
Prepaid lease payments		**91**	91
Tax recoverable		**–**	3,164
Bank balances and cash		**349,677**	262,285
		738,799	652,394
CURRENT LIABILITIES			
Trade and other payables	10	**161,026**	134,455
Taxation payable		**479**	–
		161,505	134,455
NET CURRENT ASSETS		**577,294**	517,939
		848,617	809,934
CAPITAL AND RESERVES			
Share capital		**26,278**	26,278
Reserves		**818,333**	778,118
		844,611	804,396
NON-CURRENT LIABILITY			
Deferred taxation		**4,006**	5,538
		848,617	809,934

Notes:

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for certain leasehold land and buildings, which are measured at revalued amounts, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by Hong Kong Institute of Certified Public Accountants ("HKICPA"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and by the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRS(s)")

In the current year, the Group has applied the following new and revised standards, amendments and interpretations ("new and revised HKFRSs") issued by HKICPA.

HKAS 1 (Revised 2007)	Presentation of Financial Statements
HKAS 23 (Revised 2007)	Borrowing Costs
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HK(IFRIC)–Int 9 & HKAS 39 (Amendments)	Embedded Derivatives
HK(IFRIC)–Int 13	Customer Loyalty Programmes
HK(IFRIC)–Int 15	Agreements for the Construction of Real Estate
HK(IFRIC)–Int 16	Hedges of a Net Investment in a Foreign Operation
HK(IFRIC)–Int 18	Transfers of Assets from Customers
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008, except for the amendment to HKFRS 5 that is effective for annual periods beginning or after 1 July 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendment to paragraph 80 of HKAS 39

Except as described below, the adoption of the new and revised HKFRSs has had no material effect on the consolidated financial statements of the Group.

HKAS 1 (Revised 2007) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements.

HKFRS 8 is a disclosure standard that has resulted in a redesignation of the Group's reportable segments (see note 3).

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of Improvements to HKFRSs 2008[1]
HKFRSs (Amendments)	Improvements to HKFRSs 2009[2]
HKFRSs (Amendments)	Improvements to HKFRSs 2010[3]
HKAS 24 (Revised)	Related Party Disclosures[7]
HKAS 27 (Revised 2008)	Consolidated and Separate Financial Statements[1]
HKAS 32 (Amendment)	Classification of Rights Issues[5]
HKAS 39 (Amendment)	Eligible Hedged Items[1]
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters[4]
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters[6]
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions[4]
HKFRS 3 (Revised)	Business Combinations[1]
HKFRS 9	Financial Instruments[8]
HK(IFRIC)–Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement[7]
HK(IFRIC)–Int 17	Distributions of Non-cash Assets to Owners[1]
HK(IFRIC)–Int 19	Extinguishing Financial Liabilities with Equity Instruments[6]

1 Effective for annual periods beginning on or after 1 July 2009
2 Amendments that are effective for annual periods beginning on or after 1 July 2009 and 1 January 2010, as appropriate
3 Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate
4 Effective for annual periods beginning on or after 1 January 2010
5 Effective for annual periods beginning on or after 1 February 2010
6 Effective for annual periods beginning on or after 1 July 2010
7 Effective for annual periods beginning on or after 1 January 2011
8 Effective for annual periods beginning on or after 1 January 2013

The adoption of HKFRS 3 (Revised) may affect the Group's accounting for business combination for which the acquisition date is on or after 1 April 2010. HKAS 27 (Revised) will affect the Group's accounting treatment for changes in the Group's ownership interest in a subsidiary.

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 consolidated financial statements.

3. SEGMENT INFORMATION

The Group has adopted HKFRS 8 Operating Segments with effect from 1 April 2009. HKFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker, the Company's executive directors, in order to allocate resources to the segments and to assess their performance. In contrast, the predecessor standard (HKAS 14 Segment Reporting) required an entity to identify two sets of segments (business and geographical) using a risks and returns approach, with the entity's "system of internal financing reporting to key management personnel" serving only as the starting point for the identification of such segments.

In the past, the Group's primary reporting format was geographical segments by location of customers, irrespective of the origin of goods.

Whilst the executive directors regularly review revenue by geographical location of customers, information about profit or loss by geographical location of customers is not provided to the executive directors for their review. Financial information reported to the executive directors for the purposes of resource allocation and performance assessment focuses on the consolidated gross profit analysis of the business of manufacturing and trading of eyewear products of the Group as a whole.

As a result, there is only one operating segment for the Group under HKFRS 8, which is manufacturing and trading of eyewear products. Financial information regarding this segment can be made reference to the consolidated statement of comprehensive income.

The Group's revenue are arising from manufacturing and sales of optical frames, sunglasses and related products. The Group's revenue from external customers by location of customers are detailed below:

	Revenue from external customers	
	2010	2009
	HK$'000	HK$'000
Italy	**348,199**	428,950
United States	**298,177**	403,035
Other countries	**225,447**	231,193
	871,823	1,063,178

4. OTHER INCOME, GAINS AND LOSSES

	2010	2009
	HK$'000	*HK$'000*
Bank interest income	**1,561**	4,046
Bad debts recovered	**174**	1,728
Bad debts written off	**(1,338)**	(6,906)
Net foreign exchange losses	**(4,868)**	(1,174)
Release of provision for litigation loss	**–**	4,300
Gain on disposal of property, plant and equipment	**35**	–
Others	**863**	744
	(3,573)	2,738

5. INCOME TAX EXPENSE

	2010	2009
	HK$'000	*HK$'000*
The charge comprises:		
Current tax		
– Hong Kong Profits Tax	**9,156**	11,123
– PRC Enterprise Income Tax	**40**	55
Under (over) provision in previous years		
– Hong Kong	**171**	(367)
	9,367	10,811
Deferred taxation		
– Current year	**(1,895)**	(432)
– Attributable to a change in tax rate	**–**	(365)
	(1,895)	(797)
	7,472	10,014

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

PRC Enterprise Income Tax is calculated at the applicable rates in accordance with the relevant laws and regulations in the PRC.

6. PROFIT FOR THE YEAR

	2010	2009
	HK$'000	*HK$'000*
Profit for the year has been arrived at after charging:		
Auditor's remuneration	**1,280**	1,380
Cost of inventories recognised as expense	**638,891**	787,131
Depreciation of property, plant and equipment	**50,469**	48,823
Release of prepaid lease payments	**92**	92
Staff cost		
– directors' emoluments	**4,661**	5,198
– other staff costs, comprising mainly salaries	**233,356**	250,653
– retirement benefit scheme contribution excluding those of directors'	**9,874**	10,075
	247,891	265,926

7. DIVIDENDS

	2010	2009
	HK$'000	*HK$'000*
Final, paid – HK10.0 cents per share for 2009 (2009: HK10.0 cents per share for 2008)	**26,278**	26,278
Special final, paid – HK1.5 cents per share for 2009 (2009: HK3.0 cents per share for 2008)	**3,941**	7,883
Interim, paid – HK4.5 cents per share for 2010 (2009: HK4.5 cents per share for 2009)	**11,825**	11,825
Special interim, paid – HK1.5 cents per share for 2010 (2009: HK1.5 cents per share for 2009)	**3,942**	3,942
	45,986	49,928

A final dividend of HK10.0 cents (2009: HK10.0 cents) per share in total HK$26,278,000 and a special final dividend of HK1.5 cents (2009: HK1.5 cents) per share in total HK$3,942,000 in respect of the year ended 31 March 2010 have been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming annual general meeting.

8. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	2010	2009
	HK$'000	*HK$'000*
Earnings		
Earnings for the purposes of basic and diluted earnings per share	**84,364**	115,035
Number of shares		
Number of ordinary shares for the purposes of basic and diluted earnings per share	**262,778,286**	262,778,286

The computation of diluted earnings per share does not assume the exercise of the Company's outstanding share options as the exercise price of those options is higher than the average market price of its shares for both years.

9. TRADE AND OTHER RECEIVABLES

The Group allows a credit period of 30 to 90 days to its customers. The following is an aged analysis of trade receivables at the end of the reporting period:

	2010	2009
	HK$'000	*HK$'000*
Trade receivables		
Current	**210,115**	205,808
Overdue up to 90 days	**29,293**	37,793
Overdue more than 90 days	**1,695**	2,649
	241,103	246,250
Prepayments	**3,396**	3,755
Other receivables	**4,158**	2,930
Trade and other receivables	**248,657**	252,935

10. TRADE AND OTHER PAYABLES

The following is an aged analysis of trade payables at the end of the reporting period:

	2010	2009
	HK$'000	*HK$'000*
Trade payables		
Current and overdue up to 90 days	**103,591**	80,993
Overdue more than 90 days	**5,293**	1,795
	108,884	82,788
Accruals	**47,331**	46,482
Other payables	**4,811**	5,185
	161,026	134,455

DIVIDENDS

The Directors have resolved to recommend at the forthcoming annual general meeting a final dividend of HK10 cents per share and a final special dividend of HK1.5 cents per share for the year ended 31 March 2010, to the shareholders whose names appear in the register of members of the Company at the close of business on 27 August 2010. This final and final special dividend, together with the interim and interim special dividend of HK6.0 cents per share already paid, will make a total distribution of HK17.5 cents per share for the full year. The final dividend and final special dividend are expected to be paid on or about 17 September 2010.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 23 August 2010 to 27 August 2010, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend and final special dividend, all transfers accompanied by the relevant share certificates, must be lodged with the Company's share registrar in Hong Kong, Union Registrars Limited, 18/F Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong not later than 4:00 p.m. on 20 August 2010.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The market environment for the year under review was highly volatile. The pace of order placement from customers to the Group for first half of the year was slow. This was due to the inventory reduction exercise by the Group's customers in response to the dramatic decrease of consumers' confidence caused by the global financial tsunami. The economy started to recover in the second half of the year, but still with great volatility and uncertainty. Although the Group experienced a rebound in market demand since the third quarter of the 2010 financial year, the gradually improving market conditions could not completely reverse the negative impact the Group suffered during the first half of the year. As a result, the turnover of the Group decreased 18% to HK$872 million (2009: HK$1,063 million), which was further reflected in the drop of turnover for both of the Group's original design manufacturing ("ODM") business and branded eyewear distribution business. For the year under review, the ODM business and branded eyewear distribution business accounted for about 87% and 13% (2009: 86% and 14%) of the Group's turnover respectively.

Profitability of the Group was adversely affected by the rising production costs in China during the year under review. For the year ended 31 March 2010, gross profit of the Group decreased by 16% to HK$233 million (2009: HK$276 million). In response to the unfavorable economic backdrop, the Group flexibly managed its production capacity and maintained an optimal labour mix for the rapidly changing market environment. Meanwhile, the Group continued to streamline its production and enhance operation efficiency. As a result of the proactive measures above and also the lower raw material costs, gross profit margin of the Group was maintained at 26.72% (2009: 25.96%), which was relatively stable as compared to that of last year. However, net profit margin decreased from 10.82% to 9.68%, since the Group was not able to immediately adjust certain fixed operating costs despite the shrinking sales volume.

THE ODM BUSINESS

The Group's ODM turnover decreased 18% to HK$755 million (2009: HK$919 million) during the year under review. The Group's major ODM customers are based mainly in Europe and the United States. Since the market sentiment in these two regions was seriously distressed by the financial tsunami, the ODM customers from these regions adopted a cautious approach to manage purchase orders and inventories, which adversely affected the Group's performance. For the year ended 31 March 2010, the Group's ODM turnover to Europe and the United States decreased by 17% to HK$429 million (2009: HK$520 million) and by 21% to HK$298 million (2009: HK$378 million) respectively. In terms of geographical distribution, Europe, United States and Asia accounted for 57%, 39% and 3% of the Group's ODM turnover respectively (2009: 57%, 41% and 1%). Sales of metal frames, plastic frames and others accounted for 62%, 36% and 2% (2009: 64%, 34% and 2%) of the Group's ODM turnover respectively.

THE BRANDED EYEWEAR DISTRIBUTION BUSINESS

Turnover contributed by the Group's branded eyewear distribution business decreased by 19% to HK$117 million (2009: HK$144 million). During the year under review, sales to Asia actually increased by 7% while sales to regions excluding Asia decreased by 59%. This follows the Group's overall strategy for its branded eyewear distribution business, which is to reduce exposure to the Western markets and to focus resources on Asia where the Group has competitive advantages over other industry participants for better growth prospects. Asia was the major market of the Group's branded eyewear distribution business and accounted for 80% (2009: 61%) of the Group's distribution turnover.

LIQUIDITY AND CAPITAL RESOURCES

The Group continued to maintain a strong liquidity position. It held a cash and bank balance of HK$350 million as at 31 March 2010 and did not have any bank borrowings during the year. Meanwhile, cash inflow from operations for the year ended 31 March 2010 amounted to HK$159 million. The strong cash position was the result of the Group's cautious plan on working capital and capital expenditure. The Group will continue to adopt a prudent approach for cash flow management in order to maintain a strong balance sheet in preparation for the dynamic business environment ahead.

Given the Group's strong cash position, the Directors have again resolved to declare a final special dividend of HK1.5 cents per share on the top of the final dividend of HK10 cents per share for the year ended 31 March 2010. The Directors will continue to monitor the dividend policy closely to ensure that an optimal balance can be achieved between the retention of sufficient liquidity in the Group to prepare for the uncertainty ahead and the distribution of earnings to the shareholders respectively.

As at 31 March 2010, the net current assets and current ratio of the Group were approximately HK$577 million and 4.6:1 respectively. The total shareholders' equity of the Group increased to HK$844 million as at 31 March 2010 from HK$804 million as at 31 March 2009. Debtor turnover period and inventory turnover period were 101 days and 80 days respectively. The Directors are confident that the financial position of the Group will remain strong, and the Group has sufficient liquidity and financial resources to meet its present commitments and future business plans.

PROSPECTS

The global economy has stabilized after an unprecedented volatile year. Although the market is still clouded by a high level of uncertainty, the Group has seen recovery of the eyewear industry which is evidenced by the steady growth in demand from major customers. Nevertheless, operation costs have started to increase which brings bigger challenges to the Group. In May 2010, minimum wages in Guangdong province, China where the Group's production facilities are located, were adjusted upward. Meanwhile, the prices of raw materials gradually rise during the recovery phrase of economy. All these factors impose mounting cost pressure on our operations. The Group will further strive to enhance efficiency by streamlining operations and seeking out innovative ways in production. A productive and flexible work force will be maintained to cater for the expected volatile market demand ahead.

The Group will continue to uphold its strong liquidity position. Inventory and receivable management will be further strengthened to make way for working capital for operation. Capital expenditure will be carefully planned and closely monitored. The Directors believe that optimal investment in well selected strategic areas is vital for maintaining long-term competitiveness. For this reason, carefully chosen projects will be carried out by phrases to enhance the existing production facilities with an aim to sharpen the Group's edge. These projects are expected to further automate the Group's production, improve product quality, shorten manufacturing lead-time and reduce operation costs in long run.

The Group will further optimize its brand mix for its branded eyewear distribution business by introducing new prominent brands to its portfolio while phrasing out those with relatively low profitability. The Directors are pleased to announce that the Group has successfully obtained the exclusive right to distribute eyewear for the renowned brands "Missoni" and "M Missoni" in Asia. The Group's new "Missoni" and "M Missoni" collections have so for received very positive market feedbacks and are expected to generate satisfactory returns in the future. Through the launch of unique and high quality products with prominent brand names, the Directors believe that the Group can further enhance its reputation and establish a stronger foundation to support the future growth of the branded eyewear distribution business.

Despite the challenges ahead, the Group sees significant business opportunities ahead when the global economy is gradually recovering. The Group will continue to maintain a strong balance sheet and profitability to consolidate its role as a key player in the global eyewear industry.

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance with a view to enhance the management of the Company as well as to preserve the interests of the shareholders as a whole. The Board is of the view that the Company has met the code provisions as set out in the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 of the Listing Rules, except for deviations from code provision A.2.1 only. This code provision stipulates that the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing. Mr. Ku Ngai Yung, Otis has been assuming the roles of both the Chairman and the Chief Executive Officer of the Company since its establishment. The Board intends to maintain this structure in the future as it believes that it would provide the Group with strong and consistent leadership and allow the Group's business operations, planning and decision making as well as execution of long-term business strategies to be carried out more effectively and efficiently.

AUDIT COMMITTEE

An audit committee (the "Audit Committee") has been established by the Company to act in an advisory capacity and to make recommendations to the Board. The members of the Audit Committee comprise the three independent non-executive directors, who are Mr. Lo Wa Kei, Roy (Chairman), Mr. Lee Kwong Yiu and Mr. Wong Che Man, Eddy. The Audit Committee has adopted the principles set out in the CG Code. The duties of the Audit Committee include review of the interim and annual reports of the Group as well as various auditing, financial reporting and internal control matters with the management and/or external auditor of the Company. The Group's consolidated financial statements for the year ended 31 March 2010 have been reviewed by the Audit Committee and audited by the Company's external auditor Deloitte Touche Tohmatsu.

REMUNERATION COMMITTEE

A remuneration committee (the "Remuneration Committee") was established by the Company in September 2005 and currently comprises Mr. Lee Kwong Yiu (Chairman), Mr. Lo Wa Kei, Roy and Mr. Wong Che Man, Eddy, all of whom are independent non-executive directors of the Company, as well as the human resources manger of the Group. The duties of the Remuneration Committee include determination of remuneration of executive directors and senior management and review of the remuneration policy of the Group.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors (the "Code"). Having made specific enquiry of the Directors, all the Directors confirmed that they had compiled with the required standards as set out in the Code for the year ended 31 March 2010.

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

During the year under review, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 March 2010 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT

This final results announcement is published on the website of the Company and the Stock Exchange. The annual report for the year ended 31 March 2010 will be dispatched to the shareholders of the Company and published on the website of the Company and the Stock Exchange in due course.

APPRECIATION

On behalf of the Board, we would like to thank our customers for their support during the year. We would also like to express our sincere appreciation to our shareholders, staffs, suppliers and bankers for their efforts and commitments.

By order of the Board
Ku Ngai Yung, Otis
Chairman

Hong Kong, 9 July 2010

As at the date of this announcement, the Board comprises six executive directors, namely Mr. Ku Ngai Yung, Otis, Mr. Ku Ka Yung, Mr. Tsang Wing Leung, Jimson, Ms. Ku Ling Wah, Phyllis, Mr. Chan Chi Sun and Ms. Ma Sau Ching, one non-executive director namely Mr. Ku Yiu Tung, and three independent non-executive directors, namely Mr. Lo Wa Kei, Roy, Mr. Lee Kwong Yiu and Mr. Wong Che Man, Eddy.