STYLAND HOLDINGS LIMITED
大凌集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 211)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2010

The Board of Directors (the "Board") of Styland Holdings Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2010 together with the comparative figures as follows:

CONSOLIDATED INCOME STATEMENT

		Year ended 31 March	
		2010	2009
	Notes	***HK$'000***	*HK$'000*
Turnover	*3*	**277,147**	132,146
Revenue	*3*	**72,308**	54,125
Cost of sales		**(22,369)**	(43,535)
Gross profit		**49,939**	10,590
• Other income	*3*	**3,158**	5,335
• Administrative expenses		**(30,566)**	(25,749)
• Selling and distribution expenses		**(233)**	(1,452)
• Change in fair value of investment properties		**2,000**	4,000
• Change in fair value of financial assets at fair value through profit or loss		**107**	(7,737)
• Gain (loss) on disposal of financial assets at fair value through profit or loss		**31,286**	(2,555)
• Gain on disposal of subsidiaries		**11,129**	–
• Impairment loss recognized in respect of trade receivables		**(239)**	(625)
• Reversal of impairment loss recognized in respect of trade receivables		**25**	153
• Impairment loss recognized in respect of other receivables		**–**	(319)
• Impairment loss recognized in respect of loan receivables		**(812)**	(120)
• Reversal of impairment loss recognized in respect of loan receivables		**1,454**	454
• Bad debt recovery for loan receivables		**110**	96
• Finance costs		**(322)**	(578)

		Year ended 31 March	
		2010	2009
	Notes	***HK$'000***	*HK$'000*
Profit (loss) before tax		**67,036**	(18,507)
Income tax expense	*5*	**(1,376)**	(87)
Profit (loss) for the year	*6*	**65,660**	(18,594)
Profit (loss) for the year attributable to:			
• Owners of the Company		**66,418**	(18,818)
• Minority interests		**(758)**	224
		65,660	(18,594)
Earnings (loss) per share			
• basic and diluted	*8*	**HK3.55 cents**	(HK1.01 cents)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 March	
	2010	2009
	HK$'000	*HK$'000*
Profit (loss) for the year	**65,660**	(18,594)
Other comprehensive (expenses) income:		
• Reclassification adjustments for the cumulative loss included in profit or loss upon disposal of available-for-sale investment	**(3)**	–
• Change in fair value of available-for-sale investment	**(12)**	47
Other comprehensive (expenses) income for the year	**(15)**	47
Total comprehensive income (expenses) for the year	**65,645**	(18,547)
Total comprehensive income (expenses) attributable to:		
• Owners of the Company	**66,403**	(18,771)
• Minority interests	**(758)**	224
	65,645	(18,547)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	31 March 2010 HK$'000	31 March 2009 HK$'000
NON-CURRENT ASSETS			
• Plant and equipment		**2,165**	2,188
• Investment properties		**57,000**	78,000
• Promissory note receivable	*9*	**40,391**	–
• Available-for-sale investments		**14,034**	230
		113,590	80,418
CURRENT ASSETS			
• Inventories		**344**	156
• Loan receivables	*10*	**31,485**	17,639
• Trade and bills receivables	*11*	**11,414**	8,797
• Other receivables, deposits and prepayments		**2,223**	5,477
• Financial assets at fair value through profit or loss		**6,377**	4,973
• Tax recoverable		**–**	114
• Client trust funds	*12*	**229,996**	15,446
• Pledged bank deposit		**5,000**	5,000
• Bank balances and cash		**77,776**	25,507
		364,615	83,109
Interest in a joint venture held-for-sale		**–**	178,080
CURRENT LIABILITIES			
• Trade and bills payables	*13*	**239,134**	18,143
• Other payables and accruals		**20,989**	122,196
• Dividend payables		**1,294**	–
• Tax liabilities		**1,365**	1,334
• Bank borrowings – due within one year		**1,200**	6,875
• Obligations under finance leases – due within one year		**83**	78
		264,065	148,626
NET CURRENT ASSETS		**100,550**	112,563
TOTAL ASSETS LESS CURRENT LIABILITIES		**214,140**	192,981
NON-CURRENT LIABILITIES			
• Bank borrowings – due after one year		**6,900**	11,936
• Obligations under finance leases – due after one year		**186**	269
		7,086	12,205
NET ASSETS		**207,054**	180,776

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

	Notes	**31 March 2010** *HK$'000*	31 March 2009 *HK$'000*
CAPITAL AND RESERVES			
• Share capital		**18,712**	18,712
• Reserves		**188,342**	123,233
Equity attributable to owners of the Company		**207,054**	141,945
Minority interests		**–**	38,831
TOTAL EQUITY		**207,054**	180,776

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Preparation

The consolidated financial statements have been prepared under the historical cost basis, except for certain financial instruments and investment properties, which are measured at fair values, 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 the 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 (the "Listing Rules") and by the Hong Kong Companies Ordinance.

2. Application of New and Revised Hong Kong Financial Reporting Standards ("HKFRSs")

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

Hong Kong Accounting Standard ("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 Investments 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)-Interpretation ("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	Transfer 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 had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods.

New and revised HKFRSs affecting presentation and disclosure only

HKAS 1 (Revised 2007) Presentation of Financial Statements

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 Operating Segments

HKFRS 8 is a disclosure standard that has resulted in a redesignation of the Group's reportable segments and changes in the basis of measurement of segment profit or loss, segment assets and segment liabilities.

2. Application of New and Revised Hong Kong Financial Reporting Standards ("HKFRSs") *(Continued)*

Improving Disclosures about Financial Instruments
(Amendments to HKFRS 7 Financial Instruments: Disclosures)

The amendments to HKFRS 7 expand the disclosures required in relation to fair value measurements in respect of financial instruments which are measured at fair value. The amendments also expand and amend the disclosures required in relation to liquidity risk. The Group has not provided comparative information for the expanded disclosures in accordance with the transitional provision set out in the amendments.

Standards, amendments and interpretations in issue but not yet effective

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)	Amendments 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)	Consolidated and Separate Financial Statements[1]
HKAS 32 (Amendment)	Classification of Rights Issues[5]
HKAS 39 (Amendment)	Eligible Hedge Items[1]
HKFRS 1 (Revised)	First-time Adoption of HKFRSs[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. Amendments that are 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 application of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary.

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

2. Application of New and Revised Hong Kong Financial Reporting Standards ("HKFRSs") *(Continued)*

In addition, as part of Improvement to HKFRSs (2009), HKAS 17 Leases has been amended in relation to the classification of leasehold land. The amendments will be effective from 1 January 2010, with earlier application permitted. Before the amendments to HKAS 17, lessees were required to classify leasehold land as operating leases and presented as prepaid lease payments in the consolidated statement of financial position. The amendments have removed such a requirement. Instead, the amendments require the classification of leasehold land to be based on the general principles set out in HKAS 17, that are based on the extent to which risks and rewards incidental to ownership of a leased asset lie with the lessor or the lessee. The application of the amendments to HKAS 17 might affect the classification and measurement of the Group's leasehold land.

The directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretation will have no material impact on the consolidated financial statements.

3. Turnover, revenue and other income

Turnover represents the amounts received and receivable for goods sold and services provided, trading of securities, commission and brokerage income from securities dealing, interest income from margin and other financing, and dividend income are analysed as follows:

	2010	2009
	HK$'000	*HK$'000*
Turnover comprises:		
Proceeds from held for trading investments	**204,839**	78,021
Sale of goods	**16,338**	41,448
Commission and brokerage income from securities dealing	**51,236**	8,960
Interest income from margin and other financing	**4,434**	3,660
Dividend income	**300**	57
	277,147	132,146
Revenue comprises:		
Sale of goods	**16,338**	41,448
Commission and brokerage income from securities dealing	**51,236**	8,960
Interest income from margin and other financing	**4,434**	3,660
Dividend income	**300**	57
	72,308	54,125
Other income comprises:		
Interest income	**488**	423
Gain on foreign exchange	**–**	1,770
Compensation received	**–**	673
Gain on disposal of available-for-sale investment	**9**	–
Sundry income	**2,661**	2,469
	3,158	5,335

4. Segment Information

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segment.

For the year ended 31 March 2010

	General import and export trading *HK$'000*	**Securities dealing and broking services** *HK$'000*	**Financing** *HK$'000*	**Trading of securities** *HK$'000*	**Property development and investment** *HK$'000*	**Strategic investments** *HK$'000*	**Eliminations** *HK$'000*	**Consolidated** *HK$'000*
Segment revenue								
External sales	**16,338**	**51,236**	**4,434**	**300**	**–**	**–**	**–**	**72,308**
Inter-segment sales	**–**	**742**	**–**	**–**	**–**	**–**	**(742)**	**–**
	16,338	**51,978**	**4,434**	**300**	**–**	**–**	**(742)**	**72,308**
Segment (loss) profit	**(204)**	**35,284**	**3,806**	**31,695**	**4,229**	**4,915**	**–**	**79,725**
Unallocated income and expenses								**(12,689)**
Profit before tax								**67,036**

For the year ended 31 March 2009

	General import and export trading *HK$'000*	Securities dealing and broking services *HK$'000*	Financing *HK$'000*	Trading of securities *HK$'000*	Property development and investment *HK$'000*	Strategic investments *HK$'000*	Eliminations *HK$'000*	Consolidated *HK$'000*
Segment revenue								
External sales	41,448	8,960	3,660	57	–	–	–	54,125
Inter-segment sales	–	1,354	–	–	–	–	(1,354)	–
	41,448	10,314	3,660	57	–	–	(1,354)	54,125
Segment (loss) profit	(1,398)	947	460	(10,235)	3,400	794	–	(6,032)
Unallocated income and expenses								(12,475)
Loss before tax								(18,507)

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment profit (loss) represents the profit earned by (loss from) each segment without allocation of central administrative costs, directors' salaries, bank interest income and finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

Inter-segment sales are changed at prevailing market rates.

4. **Segment Information** *(Continued)*

Other segment information

For the year ended 31 March 2010:

	General import and export trading *HK$'000*	Securities dealing and broking services *HK$'000*	Financing *HK$'000*	Trading of securities *HK$'000*	Property development and investment *HK$'000*	Strategic investments *HK$'000*	Unallocated *HK$'000*	Consolidated *HK$'000*
Amounts included in the measure of segment profit or loss or segment assets:								
Change in fair value of investment properties	–	–	–	–	2,000	–	–	2,000
Change in fair value of financial assets at fair value through profit or loss	–	–	–	107	–	–	–	107
Gain on disposal of financial assets at fair value through profit or loss	–	–	–	31,286	–	–	–	31,286
Impairment loss recognized in respect of trade receivables	(239)	–	–	–	–	–	–	(239)
Reversal of impairment loss recognized in respect of trade receivables	25	–	–	–	–	–	–	25
Impairment loss recognized in respect of loan receivables	–	(320)	(492)	–	–	–	–	(812)
Reversal of impairment loss recognized in respect of loan receivables	–	1,213	241	–	–	–	–	1,454
Bad debt recovery for loan receivables	–	–	110	–	–	–	–	110
Gain on disposal of subsidiaries	–	–	–	–	2,717	8,412	–	11,129
Depreciation	–	117	–	–	1	–	388	506
Loss on disposals of plant and equipment	14	–	–	–	–	–	14	28
Reversal of allowance for inventories	53	–	–	–	–	–	–	53
Addition to non-current assets *(Note)*	–	22	–	–	–	–	619	641
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss or segment assets:								
Interest income	344	122	–	–	–	–	22	488
Finance costs	29	–	–	–	277	–	16	322
Income tax expense	–	1,376	–	–	–	–	–	1,376

Note: Non-current assets excluded financial instruments including promissory note receivable and available-for-sale investments.

4. Segment Information *(Continued)*

Other segment information (Continued)

For the year ended 31 March 2009:

	General import and export trading *HK$'000*	Securities dealing and broking services *HK$'000*	Financing *HK$'000*	Trading of securities *HK$'000*	Property development and investment *HK$'000*	Strategic investments *HK$'000*	Unallocated *HK$'000*	Consolidated *HK$'000*
Amounts included in the measure of segment profit or loss or segment assets:								
Change in fair value of investment properties	–	–	–	–	4,000	–	–	4,000
Change in fair value of financial assets at fair value through profit or loss	–	–	–	(7,737)	–	–	–	(7,737)
Loss on disposal of financial assets at fair value through profit or loss	–	–	–	(2,555)	–	–	–	(2,555)
Impairment loss recognized in respect of trade receivables	(584)	(41)	–	–	–	–	–	(625)
Reversal of impairment loss recognized in respect of trade receivables	153	–	–	–	–	–	–	153
Impairment loss recognized in respect of other receivables	–	–	–	–	–	(319)	–	(319)
Impairment loss recognized in respect of loan receivables	–	–	(120)	–	–	–	–	(120)
Reversal of impairment loss recognized in respect of loan receivables	–	206	248	–	–	–	–	454
Bad debt recovery for loan receivables	–	96	–	–	–	–	–	96
Depreciation	3	142	–	–	177	–	279	601
Loss on disposals of plant and equipment	–	–	–	–	–	–	7	7
Allowance for inventories	192	–	–	–	–	–	–	192
Addition to non-current assets *(Note)*	–	122	–	–	–	–	543	665
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss or segment assets:								
Interest income	227	117	5	–	–	–	74	423
Finance cost	93	–	–	–	356	–	129	578
Income tax expense	–	87	–	–	–	–	–	87

Note: Non-current assets excluded financial instruments including available-for-sale investments.

4. **Segment Information** *(Continued)*

Geographical information

The Group's operations are located in Hong Kong (country of domicile), Europe, North America and the People's Republic of China (the "PRC").

The Group's revenue from external customers and information about its non-current assets by geographical location of the assets are detailed below:

	Revenue from external customers		**Non-current assets**	
	2010	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**72,141**	44,663	**59,165**	80,188
Europe	**149**	5,402	**–**	–
North America	**–**	3,945	**–**	–
PRC	**18**	115	**–**	–
	72,308	54,125	**59,165**	80,188

Note: Non-current assets excluded promissory note receivable and available-for-sale investments.

Information about major customers

For the year ended 31 March 2010 and 31 March 2009, revenue from one customer of the Group's general import and export trading segment amounting to HK$10,369,000 and HK$23,210,000 respectively had individually accounted for over 10% of the Group's total revenue.

5. **Income Tax Expense**

	2010	2009
	HK$'000	*HK$'000*
Hong Kong Profits Tax		
Current year	**1,400**	87
Overprovision in prior years	**(24)**	–
Income tax expense for the year	**1,376**	87

On 26 June 2008, the Hong Kong Legislative Council passed to the Revenue Bill 2008 which reduced corporate profits tax rate from 17.5% to 16.5% effective from the 2008/2009 year of assessment . Therefore, Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

6. **Profit (Loss) for the year**

Profit (loss) for the year has been arrived at after charging (crediting):

	2010	2009
	HK$'000	*HK$'000*
Staff costs (including directors' remuneration):		
– Salaries and allowances and other benefits	**12,653**	12,662
– Retirement benefit scheme contributions	**570**	476
	13,223	13,138
Auditor's remuneration	**680**	550
Depreciation	**506**	601
Loss on disposals of plant and equipment	**28**	7
Minimum lease payments under operating leases for land and buildings	**1,457**	1,033
Cost of inventories recognized as an expense	**15,979**	39,658
(Reversal of) allowance for inventories (included in cost of sales)	**(53)**	192

7. **Dividends**

Final Dividend for 2010

On 19 July 2010, the Board resolved to propose a final cash dividend of HK0.12 cent per share with a scrip alternative to offer the right to shareholders to elect to receive such final dividend wholly or partly by allotment and issue of scrip shares credited as fully paid in lieu of cash dividend (the "2010 Final Dividend").

In addition to the Bonus Issue Proposal (as defined below), the Board further proposed a new bonus issue of shares to its shareholders, pursuant to which bonus shares will be issued to shareholders on the basis of 1 bonus share for every 10 shares held by the shareholders (the "New Bonus Issue Proposal").

Both the 2010 Final Dividend and the New Bonus Issue Proposal are conditional on (i) the approval of shareholders at the forthcoming annual general meeting of the Company; and (ii) the grant of the listing approval by the Stock Exchange for the listing of, and permission to deal in, the scrip shares and bonus share to be issued thereof.

Interim Dividend for 2010

On 27 November 2009, the Board resolved to propose an interim cash dividend of HK0.16 cent per share with a scrip alternative to offer the right to shareholders to elect to receive such interim dividend wholly or partly by allotment and issue of scrip shares credited as fully paid in lieu of cash dividend (the "2010 Interim Dividend"). In addition to the 2010 Interim Dividend, the Board also proposed bonus issue of shares on the basis of 1 bonus share for every 10 shares held by shareholders (the "Bonus Issue Proposal").

Both the 2010 Interim Dividend and the Bonus Issue Proposal are conditional on (i) the approval of shareholders at a special general meeting of the Company; (ii) the grant of the listing approval by the Stock Exchange for the listing of, and permission to deal in, the scrip shares and bonus share to be issued thereof; and (iii) the resumption of trading in shares of the Company.

The 2010 Interim Dividend and the Bonus Issue Proposal were approved by shareholders in the special general meeting of the Company on 30 March 2010. However, as the conditions (ii) and (iii) have not been fulfilled, both the 2010 Interim Dividend (excluding the cash payment) and the Bonus Issue Proposal could not be proceeded up to the date of this announcement. The cash payment, either wholly or partly, for the 2010 Interim Dividend was not subject to resumption of trading in shares of the Company. An amount of approximately HK$1,294,000 was paid to shareholders who elected to receive cash for the 2010 Interim Dividend.

7. Dividends *(Continued)*

Interim Dividend for 2009

On 19 December 2008, the Board resolved to propose an interim scrip dividend of HK0.18 cent per share wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment (the "2009 Interim Dividend").

The 2009 Interim Dividend is subject to (i) the approval of shareholders at a special general meeting of the Company; and (ii) the grant of the listing approval by the Stock Exchange for the listing of, and permission to deal in, the scrip shares to be issued thereof. The 2009 Interim Dividend was approved by shareholders in the special general meeting of the Company held on 18 August 2009. However, as the condition (ii) has not been fulfilled, the 2009 Interim Dividend could not be proceeded up to the date of this announcement.

8. Earnings (Loss) Per Share

The calculation of basic earnings (loss) per share for the year is based on the profit for the year attributable to owners of the Company of approximately HK$66,418,000 (2009: loss of approximately HK$18,818,000) and the weighted average of 1,871,188,679 (2009: 1,871,188,679) ordinary shares in issue during the year.

The basic and diluted earnings (loss) per share are the same for the years ended 31 March 2010 and 2009 as there were no potential ordinary shares outstanding for both years.

9. Promissory Note Receivable

The promissory note was received with 6% coupon rate in connection with the disposal of (i) 90% equity interests in Onland Investment Limited and its subsidiaries (the "Onland Group"); and (ii) the unsecured debts of approximately HK$253,396,000 owned by the Onland Group to the Simplex Inc., a wholly-owned subsidiary of the Company, on 31 March 2010.

The promissory note with aggregate nominal value of HK$44,000,000 is secured by 90% equity interests in the Onland Group and with a maturity period of 18 months, i.e. payable on 30 September 2012. The Company is intended that the promissory note will be held for 18 months from the date of issue upon maturity. The effective interest rate of the promissory note is determined to be 12.13% per annum.

10. Loan Receivables

	2010	2009
	HK$'000	*HK$'000*
Securities dealing and broking services:		
– Secured margin loans	**38,749**	25,312
Less : Impairment loss recognized	**(8,695)**	(9,587)
	30,054	15,725
Financing business:		
– Unsecured loans	**8,638**	19,604
Less : Impairment loss recognized	**(7,207)**	(17,690)
	1,431	1,914
	31,485	17,639

No aged analysis on margin loans is disclosed as, in the opinion of the Board, an aged analysis is not meaningful in view of the nature of the business of securities margin dealing and broking service.

The aged analysis of the Group's loan receivables net of accumulated impairment losses based on the loans release date at the end of the reporting period for the financing business is as follows:

	2010	2009
	HK$'000	*HK$'000*
Within 6 months	**197**	189
7 to 12 months	**698**	838
Over 1 year	**536**	887
	1,431	1,914

11. Trade and Bills Receivables

Trading terms with general trading customers are largely on credit, except for new customers, where payment in advance is normally required. Invoices are normally payable within 30 to 60 days of issuance, except for certain well-established customers, where the terms are extended to 90 days. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are regularly reviewed by senior management. The general settlement terms of trade receivable attributable to the securities dealing and the broking services are two days after the trade date.

	2010	2009
	HK$'000	*HK$'000*
Trade receivables	**13,257**	9,797
Bills receivables	**–**	725
	13,257	10,522
Less: Impairment losses recognized	**(1,843)**	(1,725)
	11,414	8,797

11. Trade and Bills Receivables *(Continued)*

	2010	2009
	HK$'000	*HK$'000*
Balance in relation to:		
– securities dealing and broking services	**3,477**	2,094
– general trading and others	**7,937**	6,703
	11,414	8,797

An aged analysis of the Group's trade and bills receivables net of impairment presented based on the invoice date at the end of the reporting period is as follows:

	2010	2009
	HK$'000	*HK$'000*
Within 6 months	**10,392**	8,208
7 to 12 months	**1,009**	448
Over 1 year	**13**	141
	11,414	8,797

Include in the Group's trade receivable balances are trade debtors with aggregate carrying amount of HK$3,484,000 (2009: HK$2,518,000) which are past due at the reporting date for which the Group has not provided for impairment loss. These past due but not impaired balances mainly represent sales made to recognized and creditworthy customers. These customers who trade on credit terms are subject to credit verification procedures. No impairment is required for the past due but not impaired balances based on the historical payment records.

The Group does not hold any collateral over the total amount of trade and bills receivables.

The following is an aged analysis of trade receivables which are past due but not impaired at the reporting date:

			Past due but not impaired			
	Total	Neither past due nor impaired	< 90 days	91 to 180 days	181 to 365 days	1 to 2 years
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
31 March 2010	11,414	7,930	3,467	2	8	7
31 March 2009	8,797	6,279	1,155	774	448	141

At the end of each reporting period, the Group's trade and bills receivables were individually determined to be impaired. The individually impaired trade and bills receivables are recognized based on the credit history of the counterparties, such as financial difficulties or default payments. Consequently, specific impairment loss was recognized.

11. Trade and Bills Receivables *(Continued)*

The movement in the impairment of trade receivables is as follows:

	2010	2009
	HK$'000	*HK$'000*
At 1 April	**1,725**	1,253
Impairment loss recognized for the year	**239**	625
Amounts written off as uncollectible	**(96)**	–
Reserval of impairment loss recognized for the year	**(25)**	(153)
At 31 March	**1,843**	1,725

Included in the impairment of trade receivables are individually impaired trade receivables with an aggregate balance of HK$1,843,000 (2009: HK$1,725,000) which have been in disputes with the Group or in severe financial difficulties. The Group does not hold any collateral over these balances.

The Group's trade and bills receivables that are denominated in currency other than the functional currency of the relevant group companies before impairment loss recognized are as follows:

	2010	2009
	HK$'000	*HK$'000*
USD	**272**	1,098

12. Client Trust Funds

The Group maintains segregated trust accounts with authorised institutions to hold clients' monies arising from its securities brokerage and margin financing business. The Group has classified the clients' monies as client trust funds under the current assets section of the consolidated statement of financial position and recognized the corresponding trade payable to respective clients on grounds that it is liable for any loss or misappropriation of clients' monies. The Group is restricted to use the clients' monies to settle its own obligations.

Client trust funds are interest-bearing at bank deposit savings rate (2009: bank deposit savings rate).

The Group's client trust funds that are denominated in currencies other than the functional currency of the relevant group entities is as follows:

	2010	2009
	HK$'000	*HK$'000*
USD	**70,646**	–

13. Trade and Bills Payables

	2010	2009
	HK$'000	*HK$'000*
Trade and bills payables		
– Securities dealing and broking services	**237,742**	16,428
– General trading and others	**1,392**	1,715
	239,134	18,143

An aged analysis of the Group's trade and bills payables is as follows:

	2010	2009
	HK$'000	*HK$'000*
Within 6 months	**226,911**	13,016
7 to 12 months	**10,624**	1,708
Over 1 year	**1,599**	3,419
	239,134	18,143

Trade payables for securities dealing and broking services are interest-bearing at the bank deposit savings rate (2009: bank deposit savings rate) per annum, the trade payables for general trading and others are non-interest bearing.

The Group's trade and bills payables that are denominated in currencies other than the functional currency of the Group are as follows:

	2010	2009
	HK$'000	*HK$'000*
USD	**62,766**	47

14. Petition

As more fully detailed in the Company's announcement dated 11 September 2008 and a supplemental circular dated 9 April 2009, it has been disclosed that the Company, as one of the defendants, and certain of its current and former directors have been served a petition (the "Petition") by the Securities and Futures Commission in relation to certain past transactions of the Group. The Petition was first heard on 17 December 2008. After the submission of affirmations by the defendants, the hearing was restored on 16 December 2009 for directions. The next hearing for the Petition is scheduled on 12 January 2011. The Directors consider that the case does not have significant financial and operating impact to the Group. The said transactions had been approved by shareholders during the Special General Meeting that was held on 29 April 2009. According to the disclosure in the supplemental circular dated 9 April 2009, shareholders might be estopped from making such a claim against the Directors in respect of those transactions if they would approve those transactions as a shareholder.

MANAGEMENT DISCUSSION AND ANALYSIS

In the year under review, the Group recorded a profit of HK$65.7 million. Turnover rose from HK$132.1 million in the previous year to HK$277.1 million for the current year.

REVIEW OF OPERATIONS

Brokerage and Financing

Following the 2008 global financial crisis, governments around the world have put in place stimulus packages. As a result, the economy has bottomed out in the second quarter of 2009. The financial markets experienced an increase in both primary and secondary fund raising as well as merger and acquisition activities. In the year under review, the Hong Kong stock market had risen by a staggering 56% as shown by the Hang Seng Index's rise from 13,576 as at 31 March 2009 to 21,239 as at 31 March 2010.

To capitalize on the recovery of financial markets, Ever-Long Securities had enhanced its sales and marketing activities during the year under review by targeting both new and existing customers. Due to Ever-Long Securities' efforts to promote its services, the number of new customers and active customers had increased by 157% and 32% respectively as compared to the past financial year.

As a reputable financial service provider, the Group has always stressed the importance of internal controls. During the year, the Group had properly managed the fund flows of approximately HK$13.5 billion which involved 68,046 transactions without any customer complaints. The Board has tried their best to oversee the operation and has strictly followed the Securities and Futures Ordinance (the ”SFO”). The Group has four responsible officers registered under the SFO, who closely monitor the compliance with the SFO of its brokerage operation. In addition, the Group has four qualified accountants, two of which are Independent Non-Executive Directors who provide the Board valuable advice on the matters of internal controls system. The Independent Non-Executive Directors are satisfied with the corporate governance of the Group. Thanks to clients' trust in our internal controls and services that they placed their funds in their trading accounts with the Group, and this is the reason for the increase in the balance of client trust accounts. The Company appreciates the Board (including the Independent Non-Executive Directors) for their prudent approach taken in running the business.

General Trading

During the year under review, the Group continued its multi-product strategy for its trading business which is comprised of food products, consumer goods and electric products. Despite the intense competition in the marketplace, the Group managed its costs efficiently and improved its operation flows in view of raising its gross margin.

The Group believes that adopting good credit controls is important for its trading business. Risk assessments are performed on new clients. Sales and aging reports are also closely monitored by management. Once there is doubt regarding the recoverability of receivables, the debt collection division will take action quickly to recover overdue balances. As a result of having these measures in place, the Group's bad debts provision has remained low.

Property Investments

Residential property prices in Hong Kong have gone up significantly during the year under review. To take advantage of the appreciation in value of its property holdings, the Group has, after having considered the favourable terms, entered into a sale and purchase agreement on 27 October 2009 to dispose one of its properties at a consideration of HK$25 million.

According to the valuation report of an independent valuation company, the fair value of the Group's property located at Fei Ngo Shan, on a redevelopment basis was approximately HK$82 million, which is HK$25 million more than its booked value. In view of maximizing the value of this property, the Group is planning to redevelop it into a luxury property that has a gross site area of approximately 17,000 square feet.

Infrastructure

Due to the development of the Economic and Technology Zone in Wuhan by the local government which is where the Group's toll road was previously located, the PRC joint-venture partner in the toll road ("JV Partner") had unilaterally decided to relocate the toll station of the toll road, which had resulted in significant drop in its traffic flow. To adhere to Mainland China's government policy and to allow the Group to concentrate on other core businesses, the Group had considered realizing its interest in the toll road project.

During the year under review, the Group has successfully disposed 90% of its interest in the toll road at a consideration of HK$48 million. The Group believes that the disposal of the toll road would further improve its cash flow and relieve the Group of any doubtful recovery of the balance sum from its JV Partner for the compensation arising from the relocation of the toll station.

Outlook

Currently, the global economy is still being affected by Europe's debt problems. However, the Group remains optimistic about its future development as the PRC has taken the lead in the world's economic recovery. We expect that the PRC's upward momentum will continue into the future and that the Group will benefit from the PRC's strong growth. Furthermore, due to the mixed signs of the economic recovery, the Group believes that the existing low interest rate environment and the relatively relaxed government policies will continue for a period of time. The economic recovery and low interest rates are both positive factors for the Group's business development.

In April 2010, Guangdong Province and Hong Kong entered into a framework agreement, pursuant to which efforts will be made to enhance Hong Kong's position as an international financial center and to speed up the development of financial service industries in Guangdong in view of building a financial cooperation zone in which Hong Kong will take the lead with its financial systems and be supported with financial resources and services of Guangdong and Shenzhen. To take advantage of such an agreement, the Group plans to strengthen its financial service segment as a stepping stone to explore the Mainland Chinese market.

In light of increasing cash level after the disposals of an investment property and the infrastructure project during the year, the Group will continue to seek business opportunities to make good use of its working capital. The Group is currently setting up offices in Shanghai and Guangzhou to focus on researching new business investments in the PRC.

To accelerate the growth of the general trade division, the Group seeks cooperation with strategic business partners. The Group believes, through cooperating with business partners, that it will gain access to new potential customers and new product categories which are in line with its multi-product strategy. The Group believes that through the diversification of product types, it will reduce the risk of over-reliance on a single product. The Group also believes that this diversification strategy will generate stable income in the long term.

Capital Structure

Although trading in shares of the Company has been suspending since 2004, the Group managed to boost its operating performance. During the period of suspension, public investors have repeatedly given their support to the Company and have respectively subscribed for the share options, convertible bonds and new shares of the Company.

On 7 June 2007, the Company entered into an option agreement to issue 370,000,000 options ("Options") to an independent third party at the exercise price of HK$0.024 per share (unadjusted). The exercisable period is 18 months commencing from the date of fulfillment of conditions precedent set out in the option agreement. The long stop date for fulfillment of such conditions precedent has been extended to 31 December 2010. Exercise in full of the Options would result in the issue of 370,000,000 additional shares with an aggregate subscription value of HK$8,880,000. The new shares were rank pari passu with the existing shares of the Company.

On 9 July 2007, the Company entered into eight subscription agreements in respect of the issue of convertible bonds in the aggregate principal amount of HK$9,880,000 due 2012. The convertible bonds do not bear any interest. Each of the subscribers will have the right to convert the convertible bonds into shares of the Company at the price of HK$0.026 per share (unadjusted). Any outstanding convertible bonds shall be redeemed on the date falling on the fifth anniversary of the date of issue of the convertible bonds. Completion of the subscription agreements is subject to the fulfillment of the conditions as set out in the subscription agreements. The long stop date for fulfillment of such conditions has been extended to 31 December 2010.

On 15 November 2007, the Company entered into eight subscription agreements to issue 600,000,000 shares of the Company at the price of HK$0.08 per share (unadjusted) which involves the total subscription price of HK$48,000,000. Subsequently, five of the subscribers mutually agreed with the Company to release each other from the respective subscription agreements to subscribe for an aggregate of 300,000,000 subscription shares. The long stop date of fulfillment of conditions precedent for the completion of the remaining 300,000,000 shares has been extended to 30 September 2010.

SHARE OPTION SCHEME

The Independent Non-Executive Directors of the Company are of the view that it is not a proper decision by the Stock Exchange to suspend the trading in shares of the Company for a long time. They are sorry that the Group's employees have to bear great pressure due to the prolonged suspension.

To reward employees' contribution to the success of the Group's operations, the Directors, including Independent Non-Executive Directors resolved to grant the employees the right to subscribe the shares of the Company under its share option scheme (the "Scheme"). After the completion of the subscription or in case of oversubscription, the Directors will make allotment of the options based on the performance of the eligible subscribers so as to comply with requirements of the Scheme.

The exercise price of the share option will be 10% on the higher of (i) the Stock Exchange closing price of the shares on the date of grant of the share options; or (ii) the average Stock Exchange closing prices of the shares for the five trading days immediately preceding the date of the grant of the share options.

To enable other Executive Directors and eligible subscribers to subscribe more shares, the consultant of the Company, Mr. Cheung Hoo Win, Ms. Yeung Han Yi Yvvone and Independent Non-Executive Directors of the Company will not participate in the Scheme.

CORPORATE SOCIAL RESPONSIBILITY

Caring for Employees' Development

As at 31 March 2010, the Group had 47 employees. Remuneration packages are generally structured by reference to market practice and according to the individual's merits. Salaries are reviewed periodically based on performance appraisal and other relevant factors. Staff benefits plans maintained by the Group include medical insurance, hospitalization scheme, mandatory provident fund and share option scheme.

The Group also adopts the principle of "reward for performance" to motivate its employees and recognize their contribution. To help employees pursue their career paths, the Group has clearly outlined and written out the responsibilities for every employee so that their performance can be objectively assessed and rewarded. In order to attract talent, the Group had, after the 2010 salary review, provided salary increments to its employees at a rate which was higher than the prevailing market standard. The average salary increment rate for the Group was about 10%.

The Group is strongly committed to develop its employees to their full potential. Having adopted an open communication policy in the workplace, employees have always been encouraged to write to management to provide their ideas and suggestions for creating positive change and improvement in the Group which includes suggestions on improving the Group's internal controls.

To enhance employees' job performance, other than on-the-job training, the Group also encourages employees to continue learning by providing training sponsorships.

Occupational Safety and Health

The Group actively implements caring programs for its staff by educating them on the importance of occupational safety and health, including their mental health. To ensure that the employees have a healthy and safe environment to work in, the Group upgrades the employees' office computers from time to time and also maintains a tidy floor area. To implement the "green office" concept, the Group grows a variety of plants in the office. Employees are also encouraged to keep potted plants on their desks.

To enhance the sense of belonging of its employees and to take care of their emotional health and psychological well-being, the Group organizes regular gatherings and trips for its employees. Having these social activities has benefited the Group by reducing staff turnover as shown by the Group's low staff turnover rate. In fact, over 40% of the employees have been working in the Group for more than 10 years and the overall average length of service is about 9 years.

Giving to the Community

Being a caring company, the Group continues to give to the community by providing aid for disaster relief whenever there is a real need for it. For instance, the Group has helped the Sichuan earthquake victims. Furthermore, the Group and its employees have made donations to support the rescue and relief work in Qinghai, the PRC.

The Group strongly encourages its employees to contribute to the community. To support the 2009 ORBIS Pin Campaign to provide hope for millions of blind people worldwide, the Group encouraged its staff to make donations and recruit sponsors. The Company was pleased that over 60% of the Group's employees had taken part in the campaign. The funds raised were sent to ORBIS on 28 August 2009. The Board would like to express its sincere appreciation to Mr. Cheung Chi Shing Kenneth ("Mr. Cheung"), Founder of the Group and to his family for their generosity. Other than the donation of HK$1.0 million to help students of the closed English Language College to continue their studies and to help Christian Zheng Sheng College to relocate to a new campus, they have also donated another HK$1.2 million to help the victims of natural disasters, helping victims across China from snow storms and earthquakes, especially those in Sichuan and Qinghai.

Caring for the Environment

The Group believes in being environmentally friendly and promotes environmental awareness to its employees. The employees are encouraged to switch off energy consuming appliances in meeting rooms when the rooms are unoccupied, and make sure that air conditioners and lights are switched off after work. They are also encouraged to fully utilize online platforms as to reduce paper wastage.

To do its part in protecting the environment, the Group will continue to follow the tips provided by CLP to promote the awareness of saving energy and the "green office" concept in the workplace.

FINANCIAL REVIEW

As at 31 March 2010, the Group had cash at bank and in hand totalling approximately HK$77.8 million (2009: HK$25.5 million). Net assets were valued at approximately HK$207.1 million in the year under review, as compared to HK$180.8 million in the past corresponding year.

Bank borrowings at 31 March 2010 amounted to HK$8.1 million (2009: HK$18.8 million), of which HK$1.2 million (2009: HK$6.9 million) were repayable within one year. The gearing ratio, being the ratio of total bank borrowings and financial leases of approximately HK$8.4 million to shareholders' fund of approximately HK$207.1 million, was about 0.04 (2009: 0.14).

As at 31 March 2010, a time deposit of HK$5 million and an investment property at a valuation of HK$57 million were pledged to secure the banking facilities granted to the Group.

Investment

During the year, the Group made an investment in the subordinated notes issued Bank of China (Hong Kong) Limited at the consideration of US$1,304,642 (equivalent to approximately HK$10.18 million) (the "Notes"). The interest rate for the Notes is 5.55%, which is generally higher than the interest rate of fixed deposit of a well recognized financial institution in Hong Kong. The Directors consider that it is a good investment opportunity for the Group, and further believe that the Group has utilized a prudent investment strategy for carrying out this investment.

Credit Policies

Trading terms with our general trading customers are mainly on credit, except for new customers, where payment in advance is normally required or a letter of credit is received. Invoices are normally payable within 30 to 60 days of issuance, except for certain well-established customers, where the terms are extended to 90 days.

For the securities dealings, broking, and financing businesses, the Group is strictly in compliance with the SFO. Loans are granted based on individual assessment of financial status, repayment records and the liquidity of collaterals placed by customers. The applicable interest rate charged to customers is usually determined by those factors. Loans are called in for repayment as soon as the customer fails to repay any deposits, margins or other sums due to the Group.

Foreign Exchange Exposure

During the year under review, the Group's business activities, assets and liabilities were mainly denominated in Hong Kong dollars, US dollars and Renminbi. In light of the pegged exchange rate between the Hong Kong and US dollars, and the liabilities in Renminbi which were matched by assets denominated in Renminbi, the Group considers its foreign exchange risk immaterial for the year under review. It is the Group's treasury policy to manage its exposure to foreign currency risk whenever the financial impact is material to the Group.

Operational Risk

The Group has put in place an effective internal control system for its operations. Under the business of securities dealing and broking, a monitoring team consisting of licensed responsible officers under the SFO and senior management, who have been acting in compliance with the SFO, has been set up to monitor the settlement matters of traded securities and cash. In order to safeguard clients' interests and comply with the requirements of the SFO, our monitoring team carries out ongoing checks and verifications as to maintain our service standard at a satisfactory level. During the year under review, the brokerage operation of the Group has complied with the SFO. The Group had properly dealt with the fund flow of approximately HK$13.5 billion for the current financial year. Clients were satisfied with the services and did not lodge any complaints.

CLOSURE OF REGISTER OF MEMBERS

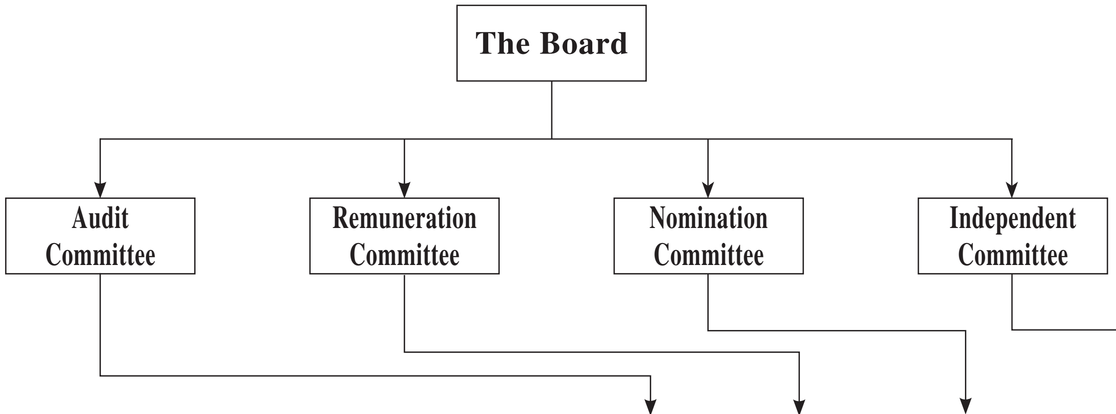
The register of members of the Company will closed from 20 September 2010 to 22 September 2010, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend and bonus issue proposal, shareholders are reminded to ensure that all completed share transfer forms accompanied by the relevant certificates must lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 17 September 2010.

ENHANCEMENT OF CORPORATE GOVERNANCE

The Board of the Company is committed to maintain high standards of corporate governance and it considers effective corporate governance an essential element to the Group's success.

The Directors believe that the Board, comprised of five Executive Directors and four Independent Non-Executive Directors, has a balance of skills and experience that is appropriate for, and required by, the businesses of the Group.

Other than the Audit Committee, Remuneration Committee and Nomination Committee, the Company, with a view to increase the effectiveness and objectivity of the Board, has also established an Independent Committee to advise the Board on matters relating to the legal proceedings against certain current and former directors and the prolonged suspension of trading in shares of the Company. To enhance the transparency of the Independent Committee, a representative of the Minority Shareholders' Interest Concern Group (the "Concern Group") has been accepted as one of its members.



Members	Profile	Audit Committee	Remuneration Committee	Nomination Committee	Independent Committee
Mr. Zhao Qingji	**Former Chairman of a listed company**	✔	✔	✔	✔
Mr. Li Hancheng	**Former Senior Judge of Supreme People's Court of the PRC**	✔	✔	✔	✔
Mr. Lo Tsz Fung Philip	**Certified Public Accountant**	✔	✔	✔	✔
Mr. Yeung Shun Kee Edward	**Certified Public Accountant (practising)**	✔	✔	✔	
Mr. Chung Hil Lan Eric *(note)*	**Certified Public Accountant (practising)**				✔
Mr. Chan Yim Por Bonnie *(note)*	**Practising Solicitor**				✔
Ms. Zhou Benju *(note)*	**The representative of the Concern Group**				✔

Note: Mr. Chung Hil Lan Eric, Mr. Chan Yim Por Bonnie and Ms. Zhou Benju are not directors of the Company

According to the Listing Rules, the Company is required to have at least three independent non-executive directors ("INEDs"), and at least one of them must have appropriate professional qualifications or accounting expertise. In order to strengthen its corporate governance and elevate the function of its Non-Executive Directors, the Company has appointed four INEDs in its Board which is one more than required by the Listing Rules. Furthermore, two of the INEDs are certified accountants which is one more than the requirement as stipulated by the Listing Rules.

As four out of the nine Directors are INEDs, there is a strong independent element, which can effectively exercise independent judgment and monitor the corporate governance of the Group. Each of the INEDs has made a confirmation on independency.

To have clear power and authority in the Board, the roles of chairman and chief executive officer have been separated after July 2009. Other than that, the Company has complied with all the code provisions in the Code on Corporate Governance Practices contained in Appendix 14 of the Listing Rules.

Being a listed issuer, the Company puts emphasis on compliance of regulations and ordinances. In case of doubt, the Company will seek a second opinion. During the financial year ended 31 March 2010, the Company's legal advisers were as follows:

As to Hong Kong law	As to Bermuda law	As to the PRC law
– P.C. Woo & Co.	Appleby	Hills & Co.
– D.S. Cheung & Co. Solicitors		
– Michael Li & Co.		
– Chiu & Partners, Solicitors		
– Andrew Law & Franki Ho, Solicitors		
– Huen & Partners, Solicitors *In association with S.G. Fafalen & Co.*		

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code") as its own code for securities transactions by Directors. All members of the Board has confirmed, following specific enquiry by the Company, that they have complied with the required standard as set out in the Model Code during the year.

REVIEW OF ACCOUNTS

The Company has an Audit Committee comprising four Independent Non-Executive Directors of the Company, namely, Mr. Zhao Qingji, Mr. Yeung Shun Kee Edward, Mr. Li Hancheng and Mr. Lo Tsz Fung Philip. The audit committee has reviewed the Group's annual results for the year ended 31 March 2010.

APPRECIATION

The Board would like to take this opportunity to thank the Directors, the consultant of the Company and staff of the Group for their contribution to the Group's outstanding performance.

Appreciation is offered to the two Directors of the Company, Ms. Yeung Han Yi Yvonne and Ms. Chan Chi Mei Miranda, for their deliberate investment strategy and prudent operation style over the past thirty years that Group did not involve in Lehman Minibonds or any Accumulator products.

DISCLAIMER

This announcement contains outlook statements. Outlook statements involve a number of risks, uncertainties or other factors beyond the Company's control, which may cause material differences in actual results, financial performance or our expectations for future results. These factors include, but are not limited to, general economic conditions, competition, government regulation, interest rates, future terrorist acts, influenza and other similar outbreaks and pandemics. We are under no obligation to (and expressly disclaim any such obligation to) update the outlook statements as a result of new information, future events or otherwise.

On behalf of the Board
Zhao Qingji
Chairman

Hong Kong, 19 July 2010

As at the date of this announcement, the Board of Directors of the Company comprises five Executive Directors Mr. Cheung Hoo Win, Ms. Yeung Han Yi Yvonne, Ms. Chan Chi Mei Miranda, Ms. Zhang Yuyan and Ms. Chen Lili and four Independent Non-Executive Directors Mr. Zhao Qingji. Mr. Yeung Shun Kee Edward, Mr. Li Hancheng and Mr. Lo Tsz Fung Philip.

* *For identification purpose only*