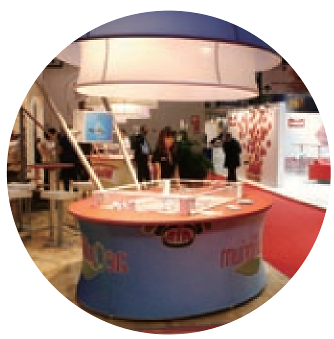
ANNUAL REPORT

2010

Info Communication Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8082



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This report, for which the directors of Info Communication Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to Info Communication Holdings Limited. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: 1. The information contained in this report 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 report misleading; and 3. All opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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Corporate Information and Corporate Profile

EXECUTIVE DIRECTORS

Mr. Chui Bing Sun *(Chairman)*
Mr. Lee Chi Shing, Caesar
Mr. Kwok Kwan Hung

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Leung Chi Kong
Mr. Chan Wai Man
Mr. Siu Hi Lam, Alick

COMPANY SECRETARY

Ms. Wong Pui Shan

COMPLIANCE OFFICER

Mr. Chui Bing Sun

AUDIT COMMITTEE

Mr. Chan Wai Man *(Chairman)*
Mr. Leung Chi Kong
Mr. Siu Hi Lam, Alick

REMUNERATION COMMITTEE

Mr. Leung Chi Kong *(Chairman)*
Mr. Chan Wai Man
Mr. Siu Hi Lam, Alick

AUTHORISED REPRESENTATIVES

Mr. Chui Bing Sun
Ms. Wong Pui Shan

INDEPENDENT AUDITORS

Parker Randall CF (H.K.) CPA Limited
Chartered Accountants
Certified Public Accountants

REGISTERED OFFICE

Century Yard, Cricket Square
Hutchins Drive, P.O. Box 2681GT
George Town, Grand Cayman KY1-1111
British West Indies

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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257 Des Voeux Road Central
Hong Kong

COMPANY HOMEPAGE

www.infocommunication.com.hk

PRINCIPAL SHARE REGISTRAR

Bank of Butterfield International (Cayman) Ltd
Butterfield House, Fort Street
George Town, Grand Cayman
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Tricor Tengis Limited
26/F., Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

PRINCIPAL BANKERS

Standard Chartered Bank
Bank of China (Hong Kong) Limited
DBS Bank (Hong Kong) Limited

STOCK CODE

8082

Corporate Information and Corporate Profile

CORPORATE PROFILE

Info Communication Holdings Limited (the "Company") has successfully listed on Growth Enterprise Market (GEM) of The Stock Exchange of Hong Kong Limited (the "Exchange") on 2 November 2001 and it is an investment holding company with diversified line of businesses and investment strategy.

Currently, the major operating segment of the Company and its subsidiaries (collectively, the "Group"), established in 1985, has been focusing on organising trade exhibitions, publishing industrial magazines and providing printing and design services. As an one-stop exhibition organiser, the Company also provides value-added promotion and marketing services and publishes various trade magazines that strengthen the effectiveness of promoting the products of the Group's clients in Asia.

The Group also commits in exploring opportunities with business growth and achieving shareholder's value creation. Under this concept, it will continue to identify, evaluate and invest in various business opportunities that will bring solid revenue basis and earnings to the Group as a whole.

On behalf of the Board of Directors (the "Directors") of the Company, I am pleased to present the annual report of the Group for the year ended 31 March 2010.

RESULTS AND DIVIDENDS

For the year ended 31 March 2010, the Group recorded a turnover of approximately HK$47,796,000 (2009: approximately HK$68,869,000) and a net loss attributable to equity holders of the Company of approximately HK$9,840,000 (2009: approximately HK$36,136,000). The basic loss per share was HK1.01 cents (2009: HK3.76 cents).

The Directors do not recommend the payment of any final dividend in respect of the year ended 31 March 2010 (2009: Nil).

FINANCIAL AND OPERATION REVIEW

During the year ended 31 March 2010, the Group generated income of approximately HK$47.8 million, representing a decrease of 31% when compared with that of the prior year (2009: HK$68.9 million). The Group's loss for the year was HK$9,827,000, representing a decrease of 73% when compared with that of the prior year (2009: Loss of HK$36,164,000).

Exhibition Organisation Business

During the year under review, the exhibition organisation business still faced significant challenges from various competitive environments such as industrial competition from other countries, costs pressures and reduction in profit margin following the financial tsunami in late 2008. The Directors has explored various opportunities to introduce other exhibition fairs during the year and the number of exhibitions also increased as compared with that of last year. However, due to the reduction of exhibitors in this year, the revenue of the Group was reduced as a result.

In order to maintain its competitiveness during this difficult period, the Group exercised stringent cost control to various divisions during the year and successfully reduced the exhibition cost by HK$18,871,000 or 58% as compared with that of last year. Meanwhile, the staff costs decreased by approximately HK$1,683,000 or 8% when compared with that of the prior year. Other operating expenses decreased by approximately HK$15,936,000 or 48% as compared to previous year as there was one substantial acquisition in prior year where relevant professional fees amounting to HK$7,000,000 was incurred. Moreover, an impairment loss was recognised in respect of goodwill of approximately HK$6,800,000 in last year.

Consequently, the net loss attributable to equity holders of the Company for the year ended 31 March 2010 was decreased by 73% to approximately HK$9,840,000 from HK$36,136,000 in last year.

During the year under review, the Group organised a number of exhibitions in major cities in the People's Republic of China (the "PRC") including Hong Kong. The majority of these exhibitions are for customers in printing, packaging and industrial sectors.

Other Investments

In line with the Group's diversified investment strategy for exploring new opportunities with business growth and achieving shareholder's value creation, the Group has entered into an acquisition transaction in respect of a coal mining interest in the PRC in the financial year ended 31 March 2009. The acquisition was subsequently terminated on 31 March 2009 due to unfavourable market situation caused by the financial tsunami in late 2008. However, following termination of the agreement, the Group commenced negotiations with a view to reaching revised terms for the acquisition of the mining interest but no concrete agreement was reached eventually. In September 2009, the deposit paid together with interest accrued thereon were returned and applied directly to settle certain borrowings raised previously for this transaction.

Resumption of Trading

Trading of the Company's shares was suspended since 26 June 2009 due to delay in publication of the Company's annual results for the year ended 31 March 2009 and subsequent quarterly results up to quarter ended 30 September 2009. In relation to this, the Company has finally published its annual results and subsequent quarterly results on 7 January 2010 and 12 February 2010 respectively and, by then, accomplished the requirements under the GEM listing rules. As another condition for the resumption of trading imposed by the Stock Exchange, the Company also engaged SG CPA Limited, an independent firm of certified public accountants, to perform certain agreed upon procedures on the Company's key procedures, systems and controls to evaluate the effectiveness of the system of the internal controls of the Group. According to the report on the Internal Control Review issued by SG CPA Limited, based on the findings of the works performed by SG CPA Limited, there is no evidence that there is any material weakness of the Company's financial reporting system and internal control system over key operating cycles. Consequently, trading of the Company's shares was successfully resumed on 19 May 2010.

FUTURE PROSPECTS

Operations and New Investments

In the foreseeable future, the Group will still foresee adverse operating conditions in its exhibitions business segment and those non-performing business will also be streamlined and restructured. At the same time, the Group will also keep on seeking potential opportunities for in order to sustain business growth and achieving shareholder's value creation. The Directors is of the view that new investment opportunities will broaden its revenue basis and thus enhancing earnings for the Group and the shareholder as a whole.

Capital Structures and Financial Position

Moreover, given that the weakening of the financial position of the Group following the poor performance of the major business segment in previous years, the Group will implement measures to improve the capital structure and financial position of the Group. Certain of these measures were implemented after the financial year end and prior to the date of this report through the issuing of convertible bonds to connected person and independent third parties respectively. Details of which have been disclosed in various announcements dated 22 April 2010, 18 May 2010, 19 May 2010, 30 May 2010, 3 June 2010 and 18 June 2010.

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its daily operations from internally generated cash flows and fund raised in capital raising exercise. As at 31 March 2010, the Group had net assets of approximately HK$9,219,000 (2009: HK$19,040,000). The Group's cash and bank balances and total assets as at 31 March 2010 amounted to approximately HK$18,698,000 (2009: HK$19,489,000) and HK$27,257,000 (2009: HK$193,815,000) respectively. The current ratio is 1.31 (2009: 1.09).

The Group also has an obligation under finance lease amounted to approximately HK$12,000 (2009: HK$47,000) and other borrowings amounted to approximately HK$4,000,000 (2009: HK$156,000,000). The gearing ratio, as defined as the total borrowing to the shareholders' equity is 44% (2009: 821%). This position is significantly improved as compared with the position as at 31 March 2009 where there was an interest bearing loan of HK$156,000,000 for a proposed acquisition of a mining interest and resulted in a high gearing ratio of 821%. The proposed acquisition was subsequently terminated on 28 July 2009 and the loan has been repaid fully.

The total equity of the Group is reduced from approximately HK$19 million in 2009 to HK$9 million. The Group also recorded a negative reserve of approximately HK$592,000 as at 31 March 2010 (2009: HK$9,242,000). These conditions indicated that the financial position of the group is not satisfactory as at 31 March 2010 due to the unsatisfactory performance of the major business segments. As a result, with a view to improve the financial and cash position of the Group, the Company issued certain convertible bonds to one director of the Company, being a connected person, and certain independent third parties respectively subsequent to the year end date. These issues of convertible bonds have not been issued at the date of this report and, if completed, the Group will raise an aggregate gross proceed of approximately HK$50.9 million. Such issues of convertibles bonds are subject to the approval of shareholders or independent shareholders approval at extraordinary general meetings. Taking into account the fund to be raised from the issue of convertible bonds, cash on hand and recurring cash flows from its existing and future businesses, the current financial position of the Group is considered healthy. The Board is of the view that a healthy financial position for the Group is a solid foundation for continuing business growth and expansion, while there is sufficient financial resources for future investment.

EMPLOYEES AND REMUNERATION POLICIES

The Group recognises the importance of training to its staff. In addition to on-the-job training, the Group regularly provides external training to its staff to enhance technical or product knowledge.

As at 31 March 2010, the Group had 80 (2009: 85) employees, including Directors. Total staff costs for the year under review, including Directors' remuneration, amounted to approximately HK$20,652,000 (2009: approximately HK$22,335,000). The Group's remuneration policies are in line with the prevailing market practice and are determined on the basis of the performance and experience of individual employees. The Group also provides provident fund schemes and medical insurance scheme for its employees.

Chairman's Statement

The Group has adopted a share option scheme pursuant to which the Directors may grant options to individuals including Directors, employees or consultant of the Group to acquire shares of the Company. The Directors consider that the share option scheme assists in the recruitment and retention of high caliber executives and employees.

CHARGES ON GROUP'S ASSETS

As at 31 March 2010, a motor vehicle with net book value of approximately HK$136,000 was held under finance lease (2009: HK$202,000).

CONTINGENT LIABILITIES

There was no significant contingent liabilities as at 31 March 2010.

FOREIGN EXCHANGE EXPOSURE

The Group's transactions are mainly denominated in Hong Kong dollar and Renminbi ("RMB"). Therefore, the Group is exposed to RMB exchange risk. The Group has not implemented any foreign currency hedging policy at the moment. However, continuous monitoring on the foreign exchange exposure is carried out by the management and the management will consider to hedge the foreign exchange exposure if it is significant to the Group.

SIGNIFICANT INVESTMENT HELD AND MATERIAL ACQUISITIONS AND DISPOSALS

There were no significant investment held or material acquisitions and disposals of subsidiaries in the course of the financial year ended 31 March 2010.

APPRECIATION

On behalf of the Directors, I would like to express my heartfelt thanks to our shareholders, customers and suppliers for their continued support to the Group. Moreover, I would like to thank all staff of the Group for their tremendous efforts and contributions. With a focused senior management and professional team, I believe the Group will succeed in realising its business goal and create significant value for its shareholders in the forthcoming years.

Chui Bing Sun
Chairman

Hong Kong, 23 June 2010

EXECUTIVE DIRECTORS

Mr. Chui Bing Sun, aged 33, has over eight years of experience in hedge fund and portfolio management, finance and accounting. He has been a fund manager of two global hedge funds for the last five years. Prior to this, Mr. Chui has worked for two international accounting firms. Mr. Chui is a certified public accountant and a Chartered Financial Analyst charterholder. Mr. Chui was an executive director (from August 2006 to December 2008) of Sun International Group Limited, the shares of which are listed on GEM.

Mr. Lee Chi Shing, Caesar, aged 46, is experienced in corporate management and internal control. He was an executive director of Tanrich Financial Holdings Limited, a company listed on the Stock Exchange of Hong Kong Limited, from 1 November 2004 to 29 June 2005. In 2000, he joined Ernst & Young, an international accounting firm, as a senior manager. He has worked in the Inland Revenue Department for over 15 years after his graduation. He is a fellow member of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. In addition, he is a member of the Society of Registered Financial Planners. Mr. Lee graduated from the Department of Accountancy of Hong Kong Polytechnic University in 1985. He later obtained a Master degree in International Accountancy in 2001. Mr. Lee is also an executive director of Sun International Group Limited, a company listed on GEM.

Mr. Kwok Kwan Hung, aged 44, is a practicing certified public accountant and has extensive experience in investment banking, corporate finance, financial management and auditing. He has held various senior positions in listed companies, investment banking groups and an international accounting firm. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants and the Hong Kong Institute of Directors. He holds a Bachelor's degree in Science from the University of London. Mr. Kwok is also an independent non-executive director of Regent Manner International Holdings Ltd, a company listed on the main board of the Hong Kong Stock Exchange.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Leung Chi Kong, aged 40, obtained his Bachelor's Degree in Economics and Social Studies from the Victoria University of Manchester and Master's Degree in Business Administration with merit from the University of Birmingham in the United Kingdom. Mr. Leung is a qualified Chartered Financial Analyst and he was admitted as a member of the American Institute of Certified Public Accountants and a member of the Hong Kong Institute of Certified Public Accountants. He is currently manager of a securities company in Hong Kong.

Mr. Chan Wai Man, aged 45, is an associate member of the Hong Kong Institute of Certified Public Accountants, the Institute of Chartered Accountants in England and Wales and also a fellow member of the Association of Chartered Certified Accountants. Mr. Chan has extensive experience in auditing, tax planning and finance.

Directors and Senior Management Profile

Mr. Siu Hi Lam, Alick, aged 55, is the managing director of Fortune Take International Limited, a company engaging in providing financial consultancy services. Mr. Siu has worked in the finance and banking field for more than 25 years. He had been the senior vice president of AIG Finance (Hong Kong) Limited and the vice president of Bank of America. He was responsible for business development and credit risk management. Mr. Siu obtained a Master degree in Business Administration from the University of Hull in 1995. Mr. Siu is currently an independent non-executive director of BEP International Holdings Limited, the shares of which are listed on the main board of the Stock Exchange, and he was an independent non-executive director of Sun International Group Limited, the shares of which are listed on the GEM, from August 2006 to January 2009.

SENIOR MANAGEMENT

Mr. Cheng Chun Ho, aged 50, is responsible for coordination of the Group's exhibition organisation business. Before joining the Group in March 2000, Mr. Cheng had worked for 14 years at Hong Kong Productivity Council's Information Services Division and was involved in developing, promoting and implementing industrial information, trade magazines and industrial exhibition services. Mr. Cheng graduated with a High Diploma in Mechanical Engineering from the Hong Kong Polytechnic University and holds a Master's Degree in Business Administration from the University of West London, the United Kingdom. He is a Chartered Engineer of the Engineering Council of the United Kingdom.

Ms. Lok Suet Lin, aged 47, is the exhibition manager of the Group. She possesses over 15 years of experience in organising exhibitions, media planning and advertising representation in both Hong Kong and the PRC. Ms. Lok graduated from The University of Hong Kong with a Bachelor's Degree in Civil Engineering. She joined the Group in September 1986.

Mr. Chau Yat Fan, Raymond, aged 52, is the project manager of the Group. He is responsible for marketing and coordination of exhibitions. He has over 20 years of experience in the exhibition industry. He holds a Diploma in Management Studies from the Hong Kong Polytechnic University. Mr. Chau joined the Group in April 1997.

Ms. Tam Wai Yin, aged 48, is the administration manager of the Group responsible for human resources and administrative functions of the Group. Ms. Tam joined the Group in May 1986.

Mr. Wong Kam Kwong, aged 44, is the art director of the Group in charge of the design department of the Group. He joined the Group in July 1989.

The Directors have pleasure in submitting their annual report together with the audited consolidated financial statements of Info Communication Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") for the year ended 31 March 2010.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities and other particulars of the subsidiaries are set out in Note 24 to the consolidated financial statements. There were no significant changes in the nature of the principal activities of the Group during the year.

SEGMENT INFORMATION

No business segment information (primary segment information) has been disclosed for the years presented as the Group is operating in a single business segment which is exhibition organisation. Details of the geographical segment information have been disclosed in Note 7 to the consolidated financial statements.

FINANCIAL RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2010 are set out in the consolidated income statement on page 31 of this annual report.

The Directors do not recommend the payment of a final dividend in respect of the year ended 31 March 2010 (2009: Nil).

SHARE CAPITAL

Details of movements in share capital of the Company during the year are set out in Note 31 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Group and the Company during the year are set out in Note 33 to the consolidated financial statements.

As at 31 March 2010, no reserves of the Company were available for distribution to the equity holders of the Company (2009: Nil).

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2010.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association and the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

COMMITMENTS

As at 31 March 2010, the Group had future minimum payments under non-cancellable terms of an agreement in respect of advertising display panels amounting to approximately HK$1 million (2009: HK$1 million). As at 31 March 2010, the Group also had operating leases commitments in respect of rented office premises of approximately HK$1,058,000 (2009: approximately HK$1,028,000).

In addition, the Group has entered into an agreement for the consultancy service of exhibition organisation for a period of two years, which will give rise to an annual charge of HK$2,000,000 (2009: HK$500,000).

DONATIONS

Charitable and other donations made by the Group during the year amounted to approximately HK$746,000 (2009: approximately HK$1,184,000).

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during the year are set out in Note 21 to the consolidated financial statements.

RETIREMENT BENEFITS SCHEMES

Details of the retirement benefits schemes are set out in Note 17 to the consolidated financial statements.

SHARE OPTION SCHEME

Details of the share option scheme are set out in Note 32 to the consolidated financial statements.

DIRECTORS

The Directors of the Company in office during the financial year and up to the date of this annual report were:

Executive Directors

Mr. Chui Bing Sun *(Chairman)*	
Mr. Lee Chi Shing, Caesar	
Mr. Kwok Kwan Hung	(re-designated on 2 February 2010)
Mr. Chai Wei	(appointed on 14 July 2009 and resigned on 28 July 2009)
Dr. Hsieh Robert Chih	(appointed on 14 July 2009 and resigned on 28 July 2009)

Independent Non-Executive Directors

Mr. Chan Wai Man	
Mr. Leung Chi Kong	
Mr. Siu Hi Lam, Alick	(appointed on 2 February 2010)
Mr. Kwok Kwan Hung	(re-designated as executive director on 2 February 2010)

The Company has received from each of the independent non-executive directors an annual confirmation regarding their independence, and the Directors considered their independence to the Company.

In accordance with the Articles of Association of the Company, Mr. Lee Chi Shing, Caesar and Mr. Chan Wai Man will retire at the forthcoming annual general meeting and, being eligible, Mr. Chan Wai Man offer him for re-election.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 31 March 2010, the interests or short positions of the Directors in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and the Stock Exchange of Hong Kong Limited (the "Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provision of the SFO) or which were required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Exchange pursuant to the required standard of dealings by Directors of the Company were as follows:

Interests in shares of the Company

Number of ordinary shares beneficially held

Name of Director	Nature of interests	Number of Ordinary shares held	Capacity	Percentage of issued shares
Mr. Chui Bing Sun	Corporate *(Note (i))*	251,000,000	Interest of a controlled corporation	25.73%

Note

(i) These ordinary shares are held by TLX Holdings Limited. TLX Holdings Limited is wholly and beneficially owned by Mr. Chui Bing Sun.

Interests in underlying shares of the Company

Pursuant to the share option scheme adopted by the Company on 22 October 2001 (as more particularly described in Appendix IV to the Company's prospectus), certain Directors were granted share options to subscribe for the Company's shares, details of share options outstanding and exercisable as at 31 March 2010 were as follows:

Name of Directors	Date of grant	Number of share options outstanding and exercisable as at 31 March 2010	Exercise period	Exercise price per share
Mr. Lee Chi Shing, Caesar	14 December 2007	8,000,000 *(Note (i))*	14 December 2007 – 13 December 2017	HK$0.28
	14 August 2008	1,750,000 *(Note (iii))*	14 August 2008 – 13 August 2018	HK$0.187
Mr. Kwok Kwan Hung	15 February 2008	800,000 *(Note (ii))*	15 February 2008 – 14 February 2018	HK$0.33
Mr. Leung Chi Kong	15 February 2008	500,000 *(Note (ii))*	15 February 2008 – 14 February 2018	HK$0.33
Mr. Chan Wai Man	15 February 2008	500,000 *(Note (ii))*	15 February 2008 – 14 February 2018	HK$0.33

Notes

(i) The closing price of the shares of the Company immediately before the date of grant (as of 14 December 2007) was HK$0.27.

(ii) The closing price of the shares of the Company immediately before the date of grant (as of 15 February 2008) was HK$0.33.

(iii) The closing price of the shares of the Company immediately before the date of grant (as of 14 August 2008) was HK$0.186.

(iv) There were no share options cancelled, lapsed or forfeited during the year ended 31 March 2010.

(v) There were no share options exercised or expired during the year ended 31 March 2010.

Save as disclosed above, as at 31 March 2010, none of the Directors or their respective associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provision of the SFO) or which were required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Exchange pursuant to the required standard of dealings by Directors of the Company.

OUTSTANDING SHARE OPTIONS

Save as those share options granted to the Directors as disclosed above, certain share options were granted by the Company under the share option scheme to two individuals who are employees of the Company at the date of grant, details of the share options outstanding and exercisable as at 31 March 2010 were as follows:

	Number of share options						
Category of participants	**At 1 April 2009**	**Granted during the year**	**Exercised during the year**	**At 31 March 2010**	**Date of grant of share options**	**Exercise period of shares options**	**Exercise price per share**
Employee	500,000 *(Note (i))*	–	–	500,000	25 March 2008	25 March 2008 – 24 March 2018	HK$0.25
Employees	300,000 *(Note (ii))*	–	–	300,000	14 August 2008	14 August 2008 – 13 August 2018	HK$0.187
	800,000	–	–	**800,000**			

Notes

(i) Options granted to the employee has vesting period of six months and one year of 250,000 each. The closing price of the shares of the Company immediately before the date of grant (as of 25 March 2008) was HK$0.25.

(ii) The closing price of the shares of the Company immediately before the date of grant (as of 14 August 2008) was HK$0.186.

None of the Directors and employees of the Company had exercised their share options during the year ended 31 March 2010.

There were no share options cancelled, lapsed or forfeited during the year ended 31 March 2010.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARE AND DEBENTURES OF THE COMPANY

As at 31 March 2010, the following shareholders (including Directors) had interests or short position in the shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO were as follows:

Interests in shares of the Company

Number of ordinary shares beneficially held

Name	Capacity	Nature of interest	Number of shares	Percentage of interests
TLX Holdings Limited *(Note (i))*	Beneficial owner	Corporate	251,000,000	25.73%
Chui Bing Sun *(Note (i))*	Interest of a controlled corporation	Personal	251,000,000	25.73%
Luo Wenwei	Beneficial owner	Personal	170,000,000	17.42%
Ma Jiliang	Beneficial owner	Personal	81,000,000	8.30%

Notes

(i) These shares are held by TLX Holdings Limited, a company incorporated in the British Virgin Islands. It is wholly and beneficially owned by Chui Bing Sun.

Save as disclosed above, as at 31 March 2010, the Directors were not aware of any other person who had an interest or short position in the shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any other member of the Group.

MAJOR CUSTOMERS AND SUPPLIERS

The Group's total revenue to the five largest customers accounted for less than 30% of the Group's revenue during the year (2009: less than 30%).

The information in respect of the Group's purchases (comprising exhibition costs, printing, postage and paper costs and promotion expenses) attributable to the major suppliers during the year is as follow:

	Percentage of the services provided to the Group	
	2010	2009
The largest supplier	**15.2%**	23.3%
Five largest suppliers in aggregate	**37.2%**	58.8%

At no time during the year have the Directors, their respective associates and any shareholders of the Company (which to the knowledge of the Directors owned more than 5% of the Company's issued share capital) had any interest in any of the five largest customers and suppliers of the Group.

RELATED PARTY TRANSACTIONS

Details of related party transactions are set out in Note 36 to the consolidated financial statements.

Agency and management services agreements

In prior year, the Group had entered into the following agency agreement and management service agreement with Chan Chao International Co. Limited ("Chan Chao Taiwan") and Chan Chao International Co. Limited ("Chan Chao BVI") respectively.

(i) Agency agreement

In prior year, an indirect non-wholly-owned subsidiary of the Company, GCL entered into an agreement with Chan Chao Taiwan for a term of one year commencing from 1 April 2008, pursuant to which GCL agreed to appoint Chan Chao Taiwan to (i) act as its agent to grant licences of booth space of the exhibitions designated by GCL for use by exhibitors in Taiwan and South East Asia; (ii) conduct promotion and marketing of the exhibitions in Taiwan and South East Asia; and (iii) conduct market research of holding and/or organising any exhibitions when instructed by GCL under the agency agreement. Chan Chao Taiwan is a company incorporated in Taiwan, Republic of China. Since there is no common directors or shareholders with the Group Company during the year, the transaction with Chan Chao Taiwan was no longer be classified as related party transaction.

During the year ended 31 March 2010, the aggregate commission paid by the Group to Chan Chao Taiwan was nil (2009: approximately HK$223,000).

(ii) Management service agreement

In prior year, a non-wholly-owned subsidiary of the Company, Chan Chao BVI, a company incorporated in BVI, entered into an agreement with Chan Chao Taiwan for a term of one year commencing from 1 April 2008, pursuant to which Chan Chao BVI agreed to engage Chan Chao Taiwan to plan, direct and manage the exhibitions organised by Chan Chao BVI, namely, exhibitions entitled "Linkage Industry Vietnam", "Rubber Plas Malaysia" and "Print-Label Malaysia". As stated in note 24(i), Chan Chao BVI was derecognised as a subsidiary of the Group at 31 March 2010. The transaction with Chan Chao BVI was no longer be classified as related party transaction.

During the year ended 31 March 2010, the aggregate management service fee paid by the Group to Chan Chao Taiwan was nil (2009: approximately HK$65,000).

Borrowings and loan interest

For the year ended 31 March 2009, BSL entered into a loan agreement with Linden Ventures, which is a wholly-owned subsidiary of Linden Capital L.P. ("Linden Capital"). Since Linden Capital is a shareholder of the Company, the loan amounted to US$12,500,000 (equivalent to approximately HK$97,500,000) together with interest of 6% per annum thereon from Linden Ventures as detailed in Note 29(i) to the consolidated financial statements which constitutes a connected transaction on the part of the Company. As Linden Ventures provides financial assistance to the Company on normal commercial terms and no security over the assets of the Group is granted, the loan constitutes an exempted connected transaction on the part of the Company under Rule 20.65(4) of the GEM Listing Rules.

On 10 September 2009, the loan was settled and BSL's obligations in respect of the loans have been fully discharged. The aggregate interest paid by the Group to Linden Ventures was approximately HK$1,394,000 (2009: approximately HK$5,562,000) for the year ended 31 March 2010.

Other related parties transactions

Details of balance with related parties at the year end date are set out in the consolidated statement of financial positions and notes 25 and 29.

The above continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors have confirmed that the continuing connected transactions have been entered into (a) in the ordinary and usual course of business of the Group; (b) on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; (c) in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Directors, including the independent non-executive directors, of the Company are of the view that all of the above transactions were on normal commercial terms and in the ordinary and usual course of business of the Group and that the terms of the relevant agreements were fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Company confirms that the continuing connected transactions as disclosed above fall under the definition of continuing connected transactions in Chapter 20 of the GEM Listing Rules and that the Company has complied with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

DIRECTORS' INTERESTS IN CONTRACTS

Saved as disclosed in the consolidated financial statements, no contracts of significance (as defined in Rule 18.25 of the GEM Listing Rules) in relation to the Group's business to which the Company, its parent company or any of its subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' SERVICE IN CONTRACTS

Each of the executive directors of the Company has entered into a service contract with the Company for an initial term of one year from the date of appointment and will continue thereafter, until terminated by not less than two months notice in writing served by either party.

Each of the independent non-executive directors of the Company has entered into a service contract with the Company for an initial term of one year from the date of appointment and will continue thereafter, until terminated by not less than one month notice in writing served by either party.

All directors are subject to rotation in accordance with the Articles of Association of the Company.

Save as disclosed above, none of the Directors offering themselves for re-election at the forthcoming annual general meeting has an unexpired service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

MANAGEMENT CONTRACTS

Save as disclosed in this report, no contract concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or existed during the year.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has established written guidelines for the required standard of dealings in securities by directors of the Company on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiries of directors of the Company and the directors confirmed that they have fully complied with the required standard with respect to the securities dealings of the Company and there was no event of non-compliance.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, the Company maintained the allowable lower minimum prescribed public float under the GEM Listing Rules and shall comply with the public float requirement under Rule 11.23 of the GEM Listing Rules as stipulated under Rule 17.38A of the GEM Listing Rules.

COMPETING INTERESTS

The Directors are not aware of, as at 31 March 2010, any business or interest of each of the Directors, management shareholders (as defined in the GEM Listing Rules) and their respective associates that competes or may compete with business of the Group or any other conflicts of interest which any such person has or may have with the Group.

AUDITORS

The accompanying consolidated financial statements were audited by Parker Randall CF (H.K.) CPA Limited.

Parker Randall CF (H.K.) CPA Limited was appointed as auditor of the Company with effect from 26 March 2010 to replace HLB Hodgson Impey Cheng, who had acted as the auditor of the Company for the past three years ended 31 March 2007, 2008 and 2009.

Parker Randall CF (H.K.) CPA Limited will retire and a resolution for their reappointment as auditor of the Company will be proposed at the forthcoming annual general meeting of the Company.

On behalf of the Board

Chui Bing Sun
Chairman

Hong Kong, 23 June 2010

Corporate Governance Report

Info Communication Holdings Limited (the "Company") acknowledges the need and importance of corporate governance as one of the key elements in creating shareholders' value. The Company is also committed to achieving high standard of corporate governance that can properly protect and promote the interests of all shareholders and to enhance corporate value and accountability of the Company.

Save the Company has not been able to publish its quarterly results for the three months ended 30 June 2009 and the interim results for the six months ended 30 September 2009 during the year under review within the time limit as prescribed under the GEM Listing Rules and therefore not in compliance with paragraph C.1.3 of the Code on Corporate Governance Practices (the "CG Code") and no separation of roles of Chairman and Chief Executive Officer pursuant to Code provision A.2.1, the Company has complied with the CG Code.

NON COMPLIANCE WITH PARAGRAPH C.1.3

In the course of finalising the audited consolidated financial statements of the Company for the year ended 31 March 2009, the auditors of the Company requested for additional information in respect of the acquisition of mining interests. Thus, additional time has required for completion of the audit work and publishing the result. Due to delay in finalising the audited consolidated financial statement for the year ended 31 March 2009, the subsequent quarterly results for the three months ended 30 June 2009 and the interim results for the six months ended 30 September 2009 were unable to complete on time to meet the requirement of the GEM Listing Rules.

NON COMPLIANCE WITH PARAGRAPH A.2.1

Code provision A.2.1 stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual.

Mr. Chui Bing Sun currently holds the offices of Chairman and Chief Executive Officer ("CEO") of the Company. The Board believes that vesting the roles of both Chairman and Chief Executive Officer in the same person provides the Company with strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies.

The Company will continue to review the effectiveness of the Group's corporate governance structure and consider whether any changes, including the separation of the roles of Chairman and CEO, are necessary.

CORPORATE GOVERNANCE PRACTICES

The Board of Directors (the "Board") assumes overall responsibilities for leadership and control of the Company and is collectively responsible for promoting the success of the Company and its business by directing and supervising the Company's affairs. The Board focuses on overall corporate strategies and policies with attention particularly paid to the financial performance of the Company.

All directors have full and timely access to all relevant information as well as the advice and services of the Company Secretary, with a view to ensuring that Board procedures and all applicable laws and regulations are followed. Each director is normally able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making request to the Board.

There is a clear division of the responsibilities of the Board and the management. The Board delegated its responsibilities to directors and senior management to deal with day-to-day operations and review those arrangements on a periodic basis. Management has to report back to the Board and obtain prior approval before making decisions for key matters or entering into any commitments on behalf of the Company. The Board has a balance of skill and experience appropriate for the requirements of the business of the Company.

The Board has established two committees, namely, the Remuneration Committee and Audit Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference which are available to shareholders upon request.

BOARD MEETINGS

The Board regularly meets in person to discuss and formulate overall strategic direction and objectives and also approve annual, interim and quarterly results as well as other significant matters of the Company. Execution of daily operational matters is delegated to management.

The Company Secretary assists the Chairman in preparing notice and agenda for the meetings, and ensures that the Company complied with the corporate governance practices and other compliance matters. Annual meeting schedules and draft agenda of each meeting are normally made available to directors in advance. At least 14 days notice of all regular board meetings were given to all directors, who were all given an opportunity to include matters in the agenda for regular discussion. Board papers together with all appropriate, complete and reliable information are sent to all directors at least 3 days before each regular board meeting or committee meeting to keep directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions.

All directors have access to the Company Secretary who is responsible for the Company's compliance with the continuing obligations of the GEM Listing Rules, Code on Takeover and Mergers and Share Repurchases, Companies Ordinance, Securities and Futures Ordinance and other applicable laws, rules and regulations etc.

Minutes of the Board/committee meetings are recorded in significant detail for any decision and recommendation made during the meetings. Draft and final versions of minutes are circulated to directors or committee members within a reasonable time after the meetings are held and taken as the true records of the proceedings of such meetings. All minutes are kept by the Company Secretary and are open for inspection at any reasonable time on reasonable notice by any director. All directors are entitled to have access to board papers and related materials unless there are legal or regulatory restrictions on disclosure due to regulatory requirements.

If a substantial shareholder or a director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter will be dealt with by way of a Board/committee meeting and the interested shareholder or director shall not vote nor shall he/she be counted in the quorum present at the relevant meeting. Independent non-executive director who, and whose associates, have no material interest in the transaction, should be present at such a board meeting.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has established written guidelines for the required standard of dealings in securities by directors of the Company on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiries of directors of the Company and the directors confirmed that they have fully complied with the required standard with respect to the securities dealings of the Company and there was no event of non-compliance.

BOARD COMPOSITION

The Board comprises three executive directors, including the Chairman of the Board, and three independent non-executive directors. Each of the Directors has the relevant experience, competence and skills appropriate to the requirements of the business of the Company. The name of independent non-executive directors are expressly identified and disclosed in all corporate communications of the Company. Independent non-executive directors are invited to serve on the Audit and Remuneration Committees of the Company.

None of the members of the Board is related to one another.

During the year ended 31 March 2010, the Board at all times met the requirements of the GEM Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received from each independent non-executive director an annual confirmation regarding his independence pursuant to the requirements of the GEM Listing Rules. The Board considers all independent non-executive directors to be independent in accordance with the independence guidelines as set out in the listing rules.

The Board held at least four regular meetings for the financial year ended 31 March 2010. Details of attendance of individual director at board meetings are presented as below:

	Number of meetings attended
Executive Directors	
Mr. Chui Bing Sun *(Chairman)*	12/12
Mr. Lee Chi Shing, Caesar	11/12
Mr. Kwok Kwan Hung (re-designated on 2 February 2010)	12/12
Mr. Chai Wei (appointed on 14 July 2009 and resigned on 28 July 2009)	0/12
Dr. Hsieh Robert Chih (appointed on 14 July 2009 and resigned on 28 July 2009)	0/12
Independent Non-Executive Directors	
Mr. Chan Wai Man	12/12
Mr. Leung Chi Kong	11/12
Mr. Siu Hi Lam, Alick (appointed on 2 February 2010)	2/12

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision A.2.1 stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual.

Mr. Chui Bing Sun currently holds the offices of Chairman and Chief Executive Officer ("CEO") of the Company. The Board believes that vesting the roles of both Chairman and Chief Executive Officer in the same person provides the Company with strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies.

The Company will continue to review the effectiveness of the Group's corporate governance structure and consider whether any changes, including the separation of the roles of Chairman and CEO, are necessary.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

The Company has established a Remuneration Committee ("RC") with specific terms of reference which deals clearly with its authorities and duties. During the period up to 2 February 2010, the RC comprised of three members, namely Mr. Leung Chi Kong (Chairman of RC), Mr. Chan Wai Man and Mr. Kwok Kwan Hung all of them are independent non-executive directors of the Company. Subsequent to 2 February 2010, Mr. Kwok Kwan Hung re-designated as an Executive Director of the Company and resigned as a member of RC. On the same date, Mr. Siu Hi Lam, Alick was appointed as an independent non-executive director of the Company and a member of RC.

The role and function of RC is to oversee board remuneration matters, including recommend the Board on the Company's policies and structure for the remuneration of the directors and senior management, determine the remuneration packages of all executive directors and senior management, review and approving their performance-based remuneration, review and approving compensation to directors and senior management in connection with any loss or termination of their office or appointment, and to ensure that no director or any of his associates is involved in deciding his own remuneration.

The RC is also authorised to investigate any matter within its terms of reference and seek any information it requires from any employee and obtain outside legal or other independent professional advice at the cost of the Company if necessary.

A meeting of the RC was held to review the compensation of directors and senior management. Details of attendance of individual member at the RC meetings are presented as below:

	Number of meetings attended
RC Members	
Mr. Leung Chi Kong	4/4
Mr. Chan Wai Man	4/4
Mr. Kwok Kwan Hung (resigned on 2 February 2010)	3/4
Mr. Siu Hi Lam, Alick (appointed on 2 February 2010)	1/4

The RC of the Company considered that the existing terms of employment of all executive directors and appointment letters of independent non-executive directors of the Company are fair and reasonable.

APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

The Board as a whole is responsible for the appointment of its own members. The Board does not establish a Nomination Committee and is not considering to establish the same in view of the small size of the Board of the Company. The Chairman of the Board is responsible for identifying appropriate candidate and proposing qualified candidate to the Board for consideration. The Board will review profiles of the candidates recommended by the Chairman and make recommendations on the appointment, re-election and retirement of directors. Candidates are appointed to the Board on the basis of their skill, competence and experience that they can contribute to the Company. The Company believes that members of the Board, individually and collectively, have satisfactorily discharged their duties and will review the need for Nomination Committee at a later time.

Newly appointed director will be briefed and updated to ensure that he has a proper understanding of the operations and business of the Company and that he is fully aware of his responsibilities of the latest changes under the GEM Listing Rules, Companies Ordinance, Securities and Futures Ordinance, and other regulatory requirements.

The independent non-executive directors are appointed for an initial term of one year from the date of appointment and will continue thereafter, until terminated by not less than one month notice in writing served by either party. They are subject to retirement by rotation and re-election by shareholders at Annual General Meeting ("AGM") after their appointment and thereafter at least once every three years in accordance with the Company's Articles of Association.

In accordance with the Company's Articles of Association, one-third of the Directors who have been longest in office since their last election or re-election are also subject to retirement by rotation at the AGM. All retiring directors are eligible for re-election.

AUDIT COMMITTEE

The Company has established an Audit Committee ("AC") with specific terms of reference explaining its role and authorities delegated by the Board. During the period up to 2 February 2010, the AC consists of three independent non-executive directors, Mr. Kwok Kwan Hung (Chairman of AC), Mr. Chan Wai Man and Mr. Leung Chi Kong. Subsequent to the period end date on 2 February 2010, Mr. Kwok Kwan Hung re-designated as an Executive Director of the Company and resigned as a member of AC. On the same date, Mr. Siu Hi Lam, Alick was appointed as an independent non-executive director of the Company and a member of AC. Mr. Chan Wai Man was appointed as Chairman of AC. All AC members have sufficient accounting and financial management expertise, legal and business experience to discharge their duties and none of them is a former partner of the external auditors of the Company. In accordance with the provisions of the CG Code, the terms of reference of the AC were also revised which are substantially the same as the provisions set out in the CG Code.

The AC's principal duties include reviewing the Group's financial controls, internal control and risk management systems, reviewing and monitoring integrity of consolidated financial statements and reviewing annual, interim and quarterly consolidated financial statements and reports before submission to the Board and considering and recommending the appointment, re-appointment and removal of external auditors of the Company. The AC meets with the external auditors and the management of the Group to ensure that the audit findings are addressed properly. The AC is authorised to take independent professional advice at Company's expense, if necessary.

The AC has reviewed the annual, interim and quarterly results of the Company for the year ended 31 March 2010 and was consent that the accounting policies of the Group are in accordance with the generally accepted accounting practices in Hong Kong.

Two meetings of the AC were held during the year ended 31 March 2010 and details of attendance of individual member at the AC meetings are presented as below:

	Number of meetings attended
AC Members	
Mr. Kwok Kwan Hung (resigned on 2 February 2010)	1/2
Mr. Chan Wai Man	2/2
Mr. Leung Chi Kong	2/2
Mr. Siu Hi Lam, Alick (appointed on 2 February 2010)	1/2

The consolidated financial statements of the Company for the year have been audited by Parker Randall CF (H.K.) CPA Limited ("Parker"). During the year, remuneration of approximately HK$300,000 was paid to Parker for the provision of audit services.

ACCOUNTABILITY AND AUDIT

The directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 March 2010.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual, interim and quarterly reports, price-sensitive announcements and other disclosures required under the Listing Rules and other statutory and regulatory requirements. The Directors are responsible for the preparation of the consolidated financial statement of the Group for the relevant accounting periods under applicable statutory and regulatory requirements which give a true and fair view of the state of affairs, the results of operations and cash flows of the Group. In preparing the annual, interim and quarterly results of the Company for the year ended 31 March 2010, the Directors have adopted suitable accounting policies and applied them consistently.

The responsibility of the auditors with respect to these consolidated financial statements is set out in the Independent Auditors' Report on page 29 to 30 of this Annual Report.

INTERNAL CONTROLS

The Board has, through the Audit Committee, conducted review of the effectiveness of the internal control system of the Group covering the financial, operational, procedural compliance and risk management functions for the year ended 31 March 2010. The internal control system is designed to provide reasonable, but not absolute, assurance of no material misstatement or loss and to manage rather than eliminate risks of failure in operational systems and achievements of the Group's objectives.

COMMUNICATION WITH SHAREHOLDERS

Communication with shareholders is given high priority. The Company aims to provide its shareholders with high standards of disclosure and financial transparency through the publication of annual, interim and quarterly reports, press announcements and circulars made through Exchange's websites.

The Board also maintains an on-going dialogue with shareholders and use general meeting to communicate with shareholders. The Company encourages all shareholders to attend general meeting which provides a useful forum for shareholders to exchange views with the Board. The Chairman of the Board and members of relevant committees and senior management of the Company are also available to answer the shareholders' questions. The notice of Annual General Meeting ("AGM") was sent to shareholders at least 20 clear business days before the AGM. For general meeting other than AGM, notice was sent to shareholders at least 10 clear business days before the general meeting.

SHAREHOLDER RIGHTS

To safeguard shareholder interest and rights, a separate resolution is proposed for each substantially separate issue at shareholder meetings, including the election of individual directors.

All resolutions put forward at shareholder meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each shareholder meeting.

Independent Auditors' Report

暉誼(香港)會計師事務所有限公司
PARKER RANDALL CF (H.K.) CPA LIMITED

To the shareholders of
INFO COMMUNICATION HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Info Communication Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 31 to 93 which comprise the consolidated and company statement of financial position as at 31 March 2010, consolidated income statement, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

AUDITORS' RESPONSIBILITY *(Continued)*

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of the affairs of the Company and of the Group as at 31 March 2010 and of the Group's results and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Parker Randall CF (H.K.) CPA Limited
Certified Public Accountants
Seto Man Fai
Practising Certificate No.: P05229
Hong Kong, 23 June 2010

Consolidated Income Statement

For the year ended 31 March 2010

	Notes	2010 HK$'000	2009 HK$'000
REVENUE	*8*	**47,796**	68,869
Other income	*9*	**5,023**	9,852
Exhibition costs		**(13,729)**	(32,600)
Printing, postage and paper costs		**(2,314)**	(5,065)
Promotion expenses		**(3,984)**	(8,373)
Employee benefits expense	*15*	**(20,652)**	(22,335)
Other operating expenses		**(17,584)**	(33,520)
LOSS FROM OPERATIONS		**(5,444)**	(23,172)
Finance costs	*10*	**(4,167)**	(8,929)
Share of result of a jointly-controlled entity	*22*	**54**	(21)
LOSS BEFORE TAX		**(9,557)**	(32,122)
Income tax expense	*11*	**(270)**	(4,042)
LOSS FOR THE YEAR	*12*	**(9,827)**	(36,164)
Attributable to:			
Equity holders of the Company		**(9,840)**	(36,136)
Minority interests		**13**	(28)
		(9,827)	(36,164)
Loss per share for loss attributable to equity holders of the Company during the year (expressed in HK cents per share)			
Basic	*16*	**(1.01)**	(3.76)
Diluted	*16*	**(1.01)**	(3.76)

INFO COMMUNICATION HOLDINGS LIMITED Annual Report 2010

Consolidated Statement of Comprehensive Income

For the year ended 31 March 2010

	2010 HK$'000	2009 HK$'000
Loss for the year	**(9,827)**	(36,164)
Other comprehensive income for the year:		
Exchange differences on translation of financial statements of overseas subsidiaries	**6**	224
Total comprehensive loss for the year	**(9,821)**	(35,940)
Attributable to:		
Equity holders of the Company	**(9,834)**	(35,912)
Minority interests	**13**	(28)
	(9,821)	(35,940)

Consolidated Statement of Financial Position

At 31 March 2010

	Notes	2010 HK$'000	2009 HK$'000
NON-CURRENT ASSETS			
Intangible assets	18	**–**	–
Goodwill	19	**–**	–
Property, plant and equipment	21	**3,489**	3,413
Investment in a jointly-controlled entity	22	**220**	166
Available-for-sale investments	23	**–**	–
		3,709	3,579
CURRENT ASSETS			
Trade and other receivables	25	**4,850**	14,747
Deposit for acquisition	26	**–**	156,000
Bank balances and cash	27	**18,698**	19,489
		23,548	190,236
CURRENT LIABILITIES			
Trade and other payables	28	**8,885**	14,411
Borrowings	29	**4,000**	156,000
Sales deposits receipt in advance		**3,395**	2,290
Obligation under finance lease	30	**12**	35
Tax liabilities		**1,746**	2,027
		18,038	174,763
NET CURRENT ASSETS		**5,510**	15,473
Total assets less current liabilities		**9,219**	19,052
NON-CURRENT LIABILITIES			
Obligation under finance lease	30	**–**	12
NET ASSETS		**9,219**	19,040
CAPITAL AND RESERVES			
Share capital	31	**9,756**	9,756
Reserves	33	**(592)**	9,242
Equity attributable to equity holders of the Company		**9,164**	18,998
Minority interests		**55**	42
TOTAL EQUITY		**9,219**	19,040

The consolidated financial statements on pages 31 to 92 were approved and authorised for issue by the Board of Directors on 23 June 2010 and are signed on its behalf by:

Chui Bing Sun
Director

Kwok Kwan Hung
Director

Statement of Financial Position

At 31 March 2010

	Notes	2010 HK$'000	2009 HK$'000
NON-CURRENT ASSETS			
Intangible assets	*18*	**–**	–
Investment in subsidiaries	*24*	**80**	80
		80	80
CURRENT ASSETS			
Other receivables		**3,073**	1,878
Bank balances and cash		**1,017**	5,287
		4,090	7,165
CURRENT LIABILITIES			
Other payables		**3,030**	1,839
Borrowings		**4,000**	–
		7,030	1,839
NET CURRENT (LIABILITIES)/ASSETS		**(2,940)**	5,326
NET (LIABILITIES)/ASSETS		**(2,860)**	5,406
CAPITAL AND RESERVES			
Share capital	*31*	**9,756**	9,756
Reserves	*33*	**(12,616)**	(4,350)
TOTAL EQUITY		**(2,860)**	5,406

Chui Bing Sun
Director

Kwok Kwan Hung
Director

Consolidated Statement of Changes in Equity

For the year ended 31 March 2010

	Attributable to equity holders of the Company									
	Share capital HK$'000	Share premium HK$'000	Translation reserve HK$'000	Capital reserve HK$'000	PRC statutory reserve HK$'000	Share options reserve HK$'000	Retained profits/ (Accumulated losses) HK$'000	Total HK$'000	Minority interests HK$'000	Total HK$'000
At 1 April 2008	8,856	2,738	1,164	900	741	598	12,681	27,678	69	27,747
Exchange differences on translation of financial statements of overseas subsidiaries	–	–	224	–	–	–	–	224	–	224
Loss for the year	–	–	–	–	–	–	(36,136)	(36,136)	(28)	(36,164)
Total comprehensive income/(expense) for the year	–	–	224	–	–	–	(36,136)	(35,912)	(28)	(35,940)
New issue of ordinary shares	900	27,000	–	–	–	–	–	27,900	–	27,900
Transaction costs attributable to issue of new shares	–	(881)	–	–	–	–	–	(881)	–	(881)
Deemed disposal on a subsidiary	–	–	–	–	–	–	–	–	1	1
Recognition of equity settled share-based payments	–	–	–	–	–	213	–	213	–	213
At 31 March 2009 and 1 April 2009	9,756	28,857	1,388	900	741	811	(23,455)	18,998	42	19,040
Exchange differences on translation of financial statements of overseas subsidiaries	–	–	6	–	–	–	–	6	–	6
Loss for the year	–	–	–	–	–	–	(9,840)	(9,840)	13	(9,827)
Total comprehensive income/(expense) for the year	–	–	6	–	–	–	(9,840)	(9,834)	13	(9,821)
At 31 March 2010	**9,756**	**28,857**	**1,394**	**900**	**741**	**811**	**(33,295)**	**9,164**	**55**	**9,219**

The capital reserve of the Group comprises (i) an amount of HK$600,000 representing the difference between the nominal value of the capital of the subsidiaries/businesses acquired pursuant to the Group reorganisation, and the nominal value of the shares in the Company issued in exchange therefor; and (ii) an amount of HK$300,000 representing the cost of investment in Inforchain Digital Technology Co., Ltd. ("Inforchain") acquired by the Group pursuant to the Group reorganisation in October 2001.

In accordance with the PRC laws and regulations, PRC companies require to provide statutory reserve. Statutory reserve is appropriated of 10% from net profits after tax as reported in the financial statements of the PRC subsidiaries. Provision for the statutory reserve ceases when the aggregate amount exceeded 50% of the registered capital of the PRC subsidiaries. All statutory reserves are for specific purposes and are not distributed in the form of cash dividends.

Consolidated Cash Flow Statement

For the year ended 31 March 2010

	Note	2010 HK$'000	2009 HK$'000
Operating activities			
Loss for the year		**(9,827)**	(36,164)
Adjustments for:			
Income tax expenses		**270**	4,042
Depreciation and amortisation		**944**	888
Equity-settled share-based payments		**–**	213
Finance costs		**4,167**	8,929
Interest income		**(4,162)**	(8,992)
Bad debt recovered		**(46)**	–
Gain on deemed disposal of a subsidiary		**–**	1
Loss on disposal of property, plant and equipment		**339**	–
Impairment loss recognised in respect of goodwill		**–**	6,800
Impairment loss recognised in respect of trade and other receivables		**171**	1,203
Share of (profit)/loss of a jointly-controlled entity		**(54)**	21
Operating cash flows before movements in working capital		**(8,198)**	(23,059)
Decrease/(increase) in trade and other receivables		**9,772**	(9,356)
(Decrease)/increase in trade and other payables		**(5,526)**	9,510
Increase/(decrease) in sales deposits receipt in advance		**1,106**	(4,330)
Cash used in operations		**(2,846)**	(27,235)
Bank interest received		**24**	68
Interest paid		**(29)**	(5)
Income taxes paid		**(552)**	(3,733)
Net cash used in operating activities		**(3,403)**	(30,905)
Investing activities			
Purchase of property, plant and equipment		**(1,356)**	(2,065)
Payment for investment in a jointly-controlled entity		**–**	(187)
Net cash used in investing activities		**(1,356)**	(2,252)
Financing activities			
Proceeds from issue of ordinary shares		**–**	27,900
Payment for share issue expenses		**–**	(881)
Repayment of obligation under finance lease		**(35)**	(32)
Other borrowings		**4,000**	–
Net cash generated from financing activities		**3,965**	26,987
Net decrease in cash and cash equivalents		**(794)**	(6,170)
Cash and cash equivalents at the beginning of the financial year		**19,489**	25,444
Effects of exchange rate changes on the balance of cash held in foreign currencies		**3**	215
Cash and cash equivalents at the end of the financial year	*27*	**18,698**	19,489

Notes to the Consolidated Financial Statements

For the year ended 31 March 2010

1. GENERAL

Info Communication Holdings Limited (the "Company") was incorporated in the Cayman Islands on 12 July 2001 as an exempted company with limited liability under the Companies Law of the Cayman Islands. Its shares are listed on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 2 November 2001. The addresses of its registered office and principal place of business are disclosed in the section headed "Corporate information" of the Company's Annual Report.

The principal activity of the Company is investment holding. The Company and its subsidiaries (collectively referred as the "Group") are principally engaged in exhibition organisation, provision of promotion and marketing services and trade magazines publication. The principal activities and other particulars of the subsidiaries are set out in Note 24 to the consolidated financial statements.

The consolidated financial statements are presented in Hong Kong dollars ("HK$"), which is the same as the functional currency of the Company.

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 Hong Kong Institute of Certified Public Accountants ("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
HKAS 1 & HKAS 27 (Amendments)	Cost of an investment in a subsidiary, jointly controlled entity or associate
HKFRS 2 (Amendments)	Vesting conditions and cancellations
HKFRS 7 (Amendments)	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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(Continued)*

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 on or after 1 July 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendment to paragraph 80 of HKAS 39

The adoption of the above new or revised HKFRSs has had no material effect on the consolidated financial position of the Group for the current or prior accounting periods except for the impact as described as below:

New and revised HKFRSs affecting presentation and disclosure only

HKAS 1 (Revised) Presentation of Financial statements

As a result of the adoption of HKAS 1 (Revised), details of changes in equity during the period arising from transactions with equity shareholders in their capacity as such have been presented separately from all other income and expenses in a revised consolidated statement of changes in equity. All other items of income and expenses are presented in the consolidated income statement, if they are recognised as part of profit or loss for the period, or otherwise in a new primary statement, the consolidated statement of comprehensive income. Corresponding amounts have been restated to conform to the new presentation. The change in presentation has no effect on reported profit or loss, total income and expense or net assets for any period presented.

HKFRS 8 Operating Segments

HKFRS 8, which will replace HKAS 14 "Segment Reporting", specifies how an entity should report information about its operating segment, based on information about the components of the entity that is available to the chief operating decision maker for the purpose of allocation resources to the segments and assessing their performance. The standard also required the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. HKFRS 8 had not resulted in redesignation of the Group's reportable segments.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(Continued)*

The Group has not early applied the following new and revised standards, amendments and interpretations that have been issued but are not yet effective for annual periods beginning on 1 April 2009.

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[8]
HKAS 24 (Revised)	Related Party Disclosures[6]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[1]
HKAS 32 (Amendment)	Classification of Rights Issues[4]
HKAS 39 (Amendment)	Eligible Hedged Items[1]
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopter[3]
HKFRS 1 (Amendments)	Limited exemption from comparative HKFRS 7 disclosures for first-time adopters[5]
HKFRS 2 (Amendment)	Group cash-settled Share-based Payment Transactions[3]
HKFRS 3 (Revised)	Business combinations[1]
HKFRS 9	Financial instruments[7]
HK(IFRIC) – INT 14 (Amendment)	Prepayments of a minimum funding requirement[6]
HK(IFRIC) – INT 17	Distributions of non-cash assets to owners[1]
HK(IFRIC) – INT 19	Extinguishing financial liabilities with equity instruments[5]

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 January 2010.*
4 *Effective for annual periods beginning on or after 1 February 2010.*
5 *Effective for annual periods beginning on or after 1 July 2010.*
6 *Effective for annual periods beginning on or after 1 January 2011.*
7 *Effective for annual periods beginning on or after 1 January 2013.*
8 *Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate.*

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") *(Continued)*

The application of HKFRS 3 (Revised) may affect the Group's accounting for business combination for which the acquisition date is on or after 1 February 2010. HKAS 27 (Revised) will affect the accounting treatment for changes in the Group'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 standard requires all recognised 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.

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. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared under the historical cost convention except as otherwise stated in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the "GEM 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 income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Basis of consolidation *(Continued)*

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.

Minority interests in the net assets of subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Business combinations

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 "Business Combinations" are recognised at their fair values at the acquisition date, except for non-current assets that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, which are recognised and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Goodwill

Goodwill arising on acquisitions prior to 1 January 2005

Goodwill arising on an acquisition of a subsidiary for which the agreement date is before 1 January 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the relevant subsidiary at the date of acquisition.

For previously capitalised goodwill arising on acquisitions of subsidiaries after 1 January 2001, the Group has discontinued amortisation from 1 January 2005 onwards, and such goodwill is tested for impairment annually, and whenever there is an indication that the cash generating unit to which the goodwill relates may be impaired (see the accounting policy below).

Goodwill arising on acquisitions on or after 1 January 2005

Goodwill arising on an acquisition of a subsidiary for which the agreement date is on or after 1 January 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the relevant subsidiary at the date of acquisition. Such goodwill is carried at cost less any accumulated impairment losses.

Capitalised goodwill arising on an acquisition of a subsidiary is presented separately in the consolidated statement of financial position.

For the purposes of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated income statement. An impairment loss for goodwill is not reversed in subsequent periods.

On subsequent disposal of a subsidiary, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Investment in subsidiaries

Investment in subsidiaries are included in the Company's statement of financial position at cost less identified impairment loss. Income from investments in subsidiaries is accounted for on the basis of dividends received and receivable.

Jointly-controlled entities

Joint venture arrangements that involve the establishment of a separate entity in which venturers have joint control over the economic activity of the entity are referred to as jointly-controlled entities.

The results and assets and liabilities of jointly-controlled entities are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in jointly-controlled entities are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the jointly-controlled entities, less any identified impairment loss. When the Group's share of losses of a jointly-controlled entity equals or exceeds its interest in that jointly-controlled entity (which includes any long-term interests that, in substance, form part of the Group's net investment in the jointly-controlled entity), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that jointly-controlled entity.

When a group entity transacts with a jointly-controlled entity of the Group, profits or losses are eliminated to the extent of the Group's interest in the jointly-controlled entity.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts and related taxes.

Exhibition organisation income is recognised when services are rendered.

Promotion and marketing income is recognised when services are rendered.

Publication income is recognised on the date of the relevant publication issue.

Interest income from bank deposits is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the bank deposits' net carrying amount.

Sundry income is recognised when received.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences arising on a monetary item that forms part of the Company's net investment in a foreign operation, in which case, such exchange differences are recognised in equity in the consolidated financial statements. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the exchange differences are also recognised directly in equity.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK$) at the rate of exchange prevailing at the reporting date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (the translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the reporting date. Exchange differences arising are recognised in the translation reserve.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are expensed in the income statement during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Leasehold improvements	20%
Furniture and equipment	20%
Motor vehicles	20%

The residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each reporting date.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the income statement.

Intangible assets

Intangible assets acquired separately

Intangible assets acquired separately and with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. Alternatively, intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on intangible assets below).

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Intangible assets *(Continued)*

Impairment

At each reporting date, the Group reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. In addition, intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that they may be impaired. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount under another standard, in which case the impairment loss is treated as revaluation decrease under that standard.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount under another standard, in which case the reversal of the impairment loss is treated as revaluation increase under that standard.

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant related to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying assets, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

All other borrowing costs are recognised in the income statement in the period in which they are incurred.

Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered service entitling them to the contributions.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and interest in jointly-controlled entity, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(continued)*

Financial assets

The Group's financial assets are classified into loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and profits paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Interest income is recognised on an effective interest basis for debt instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each reporting date subsequent to initial recognition, loans and receivables (including trade and other receivables, deposit for acquisition and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other category. At each reporting date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses at each reporting date subsequent to initial recognition.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one ore more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Impairment of financial assets *(continued)*

Objective evidence of impairment could include:

(i) significant financial difficulty of the issuer or counterparty; or

(ii) default or delinquency in interest or principal payments; or

(iii) it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial assets, such as trade and other receivables, that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio and other observable changes in national or local economic conditions that correlate with default on receivables.

An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss. When trade and other receivables are considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Impairment of financial assets *(continued)*

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees, profits paid or received that form an integral part of the effective interest rate, transaction costs to the net carrying amount on initial recognition and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period.

Interest expense is recognised on an effective interest basis for debt instruments.

Financial liabilities

Financial liabilities (including trade and other payables, borrowings and obligation under finance lease) are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain and loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

At the end of the reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the assets in prior years. A reversal of an impairment loss is recognised as income immediately.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see above).

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

Share-based payment transactions

Equity-settled share-based payment transactions

Share options granted to employees

For grants of share options which are conditional upon satisfying specified vesting conditions, the fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share options reserve). The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss with a corresponding adjustment to share options reserve.

For share options which are vested at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

At the time when the share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

Related parties

A party is related to the Group if:

(i) directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the Group; has an interest in the Group that gives it significant influence over the Group; or has joint control over the Group;

(ii) the party is an associate;

(iii) the party is a joint venture;

(iv) the party is a member of the key management personnel of the Company or its parent;

(v) the party is a close member of the family of any individual referred to in (i) or (iv);

(vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or

(vii) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any entity that is a related party of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, they have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of property, plant and equipment and intangible assets

The Group evaluates whether items of property, plant and equipment and intangible assets have suffered any impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable, in accordance with the stated accounting policy. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates.

Impairment losses on trade and other receivables

The Group's policy for doubtful receivables is based on the on-going evaluation of the collectability and ageing analysis of the trade and other receivables and on management's judgements. Considerable judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each debtor, and the present values of the estimated future cash flows discounted at the effective interest rates. If the financial conditions of the Group's debtors were to deteriorate, resulting in an impairment of their ability to make payments, additional impairment loss of trade and other receivables may be required.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating units to which goodwill has been allocated. The value-in-use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value.

The carrying amount of goodwill at the reporting date was nil (2009: Nil) after an impairment loss of nil (2009: approximately HK$6,800,000) was recognised during the year ended 31 March 2010.

5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the equity balance. The Group's overall strategy remains unchanged from both years.

The capital structure of the Group consists of cash and cash equivalents, borrowings, obligation under finance lease and equity attributable to owners of the Company, comprising issued share capital and reserves. The directors of the Company review the capital structure on a continuous basis. As part of this review, the directors consider the cost of capital and the risks associated with capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends and issuance of new shares as well as the addition of new borrowings.

Gearing ratio

The Directors of the Company review the capital structure on an annual basis. As a part of this review, the Directors of the Company consider the cost of capital and other sources of funds other than issuance of shares. Based on the recommendation of the Directors of the Company, the Group expects to reduce its gearing ratio through repayment of debt.

The gearing ratio as at 31 March 2010 and 2009 were as follows:

	2010 **HK$'000**	2009 HK$'000
Total liabilities	**18,038**	174,775
Equity	**9,219**	19,040
Gearing ratio	**196%**	918%

Note

The decrease in gearing ratio at 31 March 2010 reflected the fact that the Group has repaid most of the debt during the year.

6. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	2010 HK$'000	2009 HK$'000
Financial assets		
Loan and receivables (including cash and cash equivalents)		
– Trade and other receivables	**4,850**	9,982
– Deposit for acquisition	**–**	156,000
– Bank balances and cash	**18,698**	19,489
Available-for-sale investments	**–**	–
Financial liabilities		
Amortised cost		
– Trade and other payables	**12,280**	14,390
– Borrowings	**4,000**	156,000
– Obligation under finance lease	**12**	47

(b) Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, deposit for acquisition, bank balances and cash, trade and other payables, borrowings and obligation under finance lease. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Market risk comprises foreign currency exchange rates, interest rates and equity prices. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Based on the evaluation of the Group's operations, the Directors of the Company consider that the Group does not expose to significant market risk.

6. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(Continued)*

(b) Financial risk management objectives and policies *(Continued)*

Credit risk

The Group's principal financial assets included trade and other receivables and bank balances and cash. The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 31 March 2010 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at each reporting date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regards, the Directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings.

Liquidity risk management

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The Group's primary cash requirements have been for capital investments and repayment of related debts. The Group finances its working capital requirements primarily through funds generated from operations.

The following tables detail the Group's remaining contractual maturity for its financial liabilities as at 31 March 2010 and 2009:

	Weighted average effective interest rate %	Less than 3 months or payable on demand HK$'000	3 months to 1 year HK$'000	1-5 years HK$'000	Total un-discounted cash flows HK$'000	Total carrying amount HK$'000
2010						
Non-derivative financial liabilities						
Trade and other payables	–	6,217	–	–	6,217	6,217
Borrowings – fixed rate	3	4,000	–	–	4,000	4,000
Obligation under finance lease	6.5	9	3	–	12	12
		10,226	3	–	10,229	10,229

6. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(Continued)*

(b) Financial risk management objectives and policies *(Continued)*

Liquidity risk management *(Continued)*

	Weighted average effective interest rate	Less than 3 months	3 months to 1 year	1-5 years	Total un-discounted cash flows	Total carrying amount
	%	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
2009						
Non-derivative financial liabilities						
Trade and other payables	–	14,390	–	–	14,390	14,390
Borrowings – fixed rate	6	156,000	–	–	156,000	156,000
Obligation under finance lease	6.5	9	28	12	49	47
		170,399	28	12	170,439	170,437

(c) Fair value of financial instruments

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market bid prices and ask prices respectively; and

- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as inputs. For an option-based derivative, the fair value is estimated using option pricing model, that is the Black-Scholes option pricing model.

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

7. SEGMENT INFORMATION

Application of HKFRS 8 Operating Segments

The Group has adopted HKFRS 8 Operating Segments with effect from 1 April 2009. HKFRS 8 is a disclosure Standard that 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 for the purposes of allocating resources to segments and assessing 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. The adoption of HKFRS 8 has not resulted the change of presentation.

The principal activities of the Group are exhibition organisation, provision of promotion and marketing services and trade magazines publication.

For the year ended 31 March 2010 and 2009, over 90% of the Group's revenue was derived from exhibition organisation, accordingly, no further reportable segment information is presented.

Geographical information

The following table provides an analysis of the Group's revenue by geographical markets, irrespective of the origin of the services:

	2010	2009
	HK$'000	HK$'000
The PRC	**21,972**	60,188
Asia (other than the PRC)	**25,824**	8,681
	47,796	68,869

8. REVENUE

An analysis of the Group's revenue for the year is as follow:

	2010 HK$'000	2009 HK$'000
Exhibition organisation income	**47,074**	66,920
Promotion and marketing income	**550**	1,790
Publication income	**172**	159
	47,796	68,869

9. OTHER INCOME

	2010 HK$'000	2009 HK$'000
Interest income on:		
– Bank deposits	**24**	68
– Deposit for acquisition	**4,138**	8,924
Bad debts recovery	**46**	–
Net foreign exchange gain	**33**	40
Government grant received *(Note)*	**–**	565
Sundry income	**782**	255
	5,023	9,852

Note

Government grants were received in last year from government of the PRC for subsidising the exhibition organisation of the Group. There are no unfulfilled conditions or contingencies relating to the grants.

10. FINANCE COSTS

	2010 HK$'000	2009 HK$'000
Interest on:		
– Borrowings wholly repayable within five years	**4,165**	8,924
– Finance lease	**2**	5
	4,167	8,929

11. INCOME TAX EXPENSE

	2010 HK$'000	2009 HK$'000
Current tax:		
Hong Kong Profits Tax	**–**	–
PRC Enterprise Income Tax	**270**	438
	270	438
Underprovision in prior years:		
Hong Kong Profits Tax	**–**	3,604
PRC Enterprise Income Tax	**–**	–
	–	3,604
	270	4,042

Hong Kong Profits Tax is calculated at 16.5% (2009: 16.5%) of the estimated assessable profit for the year. No provision for Hong Kong Profits tax has been made as the Group for no assessable profit arising in Hong Kong for the year (2009: Nil).

The PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% (2009: 25%). Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

11. INCOME TAX EXPENSE *(Continued)*

The reconciliation between the income tax expense and accounting loss at applicable tax rates:

	2010 **HK$'000**	2009 HK$'000
Loss before tax	**(9,557)**	(32,122)
Tax at the Hong Kong Profits Tax rate of 16.5% (2009: 16.5%)	**(1,577)**	(5,300)
Tax effect of share of loss of a jointly-controlled entity	**9**	3
Tax effect of expenses not deductible for tax purpose	**72**	6,694
Tax effect of income not taxable for tax purpose	**(106)**	(1,335)
Underprovision in respect of prior years	**–**	3,604
Utilisation of tax losses previously not recognised	**(154)**	(49)
Tax effect of tax losses not recognised	**2,026**	831
Effect of different tax rates of group entities operating in jurisdictions other than Hong Kong	**–**	(406)
Tax charge for the year	**270**	4,042

Deferred tax:

At the reporting date, the Group has unused tax losses of approximately HK$4,223,000 (2009: approximately HK$4,377,000) available for offset against future taxable profits of the companies in which the losses arose. No deferred tax assets and liabilities are recognised in the financial statements as the Group and the Company did not have material temporary difference arising between the tax bases of assets or liabilities and their carrying amounts as at 31 March 2010 and 2009. Included in unrecognised estimated tax losses are losses of approximately HK$nil (2009: approximately HK$1,276,000) that will expire within 5 years. Other estimated unused tax losses of approximately HK$2,026,000 (2009: HK$3,101,000) may be carried forward indefinitely.

12. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging:

	2010 **HK$'000**	2009 HK$'000
Cost of services provided	**20,027**	46,038
Depreciation for property, plant and equipment	**944**	888
Amortisation of intangible assets (included in other operating expenses)	**–**	–
Total depreciation and amortisation	**944**	888
Auditors' remuneration		
– Current year	**1,030**	1,145
– Underprovision in prior year	**–**	179
	1,030	1,324
Loss on deemed disposal of a subsidiary	**–**	1
Impairment loss recognised in respect of goodwill	**–**	6,800
Impairment loss recognised in respect of intangible assets	**–**	–
Impairment loss recognised in respect of trade and other receivables	**171**	1,203
Minimum lease payments operating lease in respect of land and buildings	**1,241**	1,227
Employee benefits expense:		
– Salaries and other benefits	**20,181**	21,670
– Contributions to retirement benefits scheme	**471**	452
– Equity-settled share-based payments	**–**	213
Total staff costs	**20,652**	22,335
Foreign exchange losses/(gains) net	**122**	(40)

13. LOSS ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The loss attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of approximately HK$8,266,000 (2009: HK$35,825,000).

14. DIRECTORS' EMOLUMENTS

The emoluments paid or payable to each of the nine (2009: seven) directors were as follows:

	Executive Directors					
For the year ended 31 Mar 2010	**Mr. Chui Bing Sun** HK$'000	**Mr. Lee Chi Shing, Caesar** HK$'000	**Mr. Kwok Kwan Hung** *(Note i)* HK$'000	**Mr. Chai Wei** *(Note ii)* HK$'000	**Dr. Hsieh Robert Chih Hung** *(Note ii)* HK$'000	**Total** HK$'000
Fees	–	–	–	–	–	–
Other emoluments						
Salaries and other benefits	1,300	282	79	15	15	1,691
Contributions to retirement benefits schemes	12	12	2	–	–	26
Share-based payments	–	–	–	–	–	–
Total emoluments	1,312	294	81	15	15	1,717

	Independent Non-executive Directors				
For the year ended 31 Mar 2010	**Mr. Kwok Kwan Hung** *(Note i)* HK$'000	**Mr. Chan Wai Man** HK$'000	**Mr. Leng Chi Kong** HK$'000	**Mr. Siu Hi Lam, Alick** *(Note iii)* HK$'000	**Total** HK$'000
Fees	141	180	180	23	524
Other emoluments					
Salaries and other benefits	–	–	–	–	–
Contributions to retirement benefits schemes	–	–	–	–	–
Share-based payments	–	–	–	–	–
Total emoluments	141	180	180	23	524

14. DIRECTORS' EMOLUMENTS *(Continued)*

Notes

(i) Re-designated on 2 February 2010

(ii) Appointed on 14 July 2009 and resigned on 28 July 2009

(iii) Appointed on 2 February 2010

For the year ended 31 March 2009	Executive directors: Mr. Chui Bing Sun HK$'000	Mr. Lee Chi Shing, Caesar HK$'000	Mr. Cheng Kwok Lai *(Note (i))* HK$'000	Mr. Kwok Kam Tim *(Note (i))* HK$'000	Total HK$'000
Fees	–	–	–	–	–
Other emoluments					
Salaries and other benefits	1,390	310	718	205	2,623
Contributions to retirement benefits schemes	12	12	8	10	42
Share-based payments	–	153	–	–	153
Total emoluments	1,402	475	726	215	2,818

For the year ended 31 March 2009	Independent non-executive directors: Mr. Kwok Kwan Hung HK$'000	Mr. Chan Wai Man HK$'000	Mr. Leung Chi Kong HK$'000	Total HK$'000
Fees	120	120	120	360
Other emoluments				
Salaries and other benefits	–	–	–	–
Contributions to retirement benefits schemes	–	–	–	–
Share-based payments	–	–	–	–
Total emoluments	120	120	120	360

Note

(i) Resigned on 1 September 2008

15. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, one (2009: one) was a director of the Company whose emolument is included in the disclosures in Note 14 above. The emoluments of the remaining four (2009: four) individuals were as follows:

	2010	2009
	HK$'000	HK$'000
Salaries and other benefits	**4,203**	4,905
Contributions to retirement benefits schemes	**50**	62
	4,253	4,967

	Number of employees	
	2010	2009
HK$Nil – HK$1,000,000	**3**	–
HK$1,000,001 – HK$1,500,000	**1**	4
	4	4

There were no arrangements under which the directors of the Company have waived or agreed to waive any remuneration. There were no discretionary bonuses paid to the directors or the highest paid, non-director employees of the Group for the year ended 31 March 2010 (2009: Nil).

During the year ended 31 March 2010 and 2009, no emoluments were paid by the Group to the directors and the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. No directors waived any emoluments during the year ended 31 March 2010 and 2009.

16. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the ordinary equity holders of the Company is based on the following data:

	2010 HK$'000	2009 HK$'000
Loss		
Loss for the purpose of basic and diluted loss per share (loss for the year attributable the equity holders of the Company)	**(9,840)**	(36,136)
Number of shares		
Weighted average number of ordinary shares for the purpose of diluted loss per share	**975,640,000**	959,859,178

No diluted loss per share are presented as the Company did not have any dilutive potential ordinary shares during the two years ended 31 March 2010 and 2009.

17. RETIREMENT BENEFITS SCHEMES

The Group has arranged for its employees (including certain executive directors) provident funds under a defined contribution scheme (the "Scheme") managed by independent trustee. The employees make monthly contributions to the Scheme with an amount of 3% of their basic salaries, while the Group makes monthly contributions to the Scheme with an amount of 5% of the employees' basic salaries. The employees are entitled to receive their entire contribution and the accrued interest thereon, and 100% of the employer's contribution and the accrued interest thereon upon retirement or leaving the Group after completing 10 years of service, or at a reduced scale of between 30% and 100% after completing 3 to 10 years of service. During the year, no benefits were forfeited in accordance with the Scheme's rules to reduce the employer's contribution (2009: Nil).

17. RETIREMENT BENEFITS SCHEMES *(Continued)*

Effective from 1 December 2000, the Group has simultaneously implemented a mandatory provident fund scheme (the "MPF Scheme") in accordance with the Mandatory Provident Fund Schemes Ordinance in Hong Kong. Both the Group (the employer) and its employees make monthly contributions to the MPF Scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund Schemes Ordinance. The contributions of employer and employees are subject to a cap of monthly earnings of HK$20,000 and thereafter contributions are voluntary. The assets of the fund are held separately from those of the Group and are managed by independent professional fund managers.

18. INTANGIBLE ASSETS

The Group

	Advertising rights HK$'000	**Business information** HK$'000	**Total** HK$'000
COST			
At 1 April 2008, 31 March 2009 and 31 March 2010	6,645	1,800	8,445
AMORTISATION AND IMPAIRMENT			
At 1 April 2008, 31 March 2009 and 31 March 2010	6,645	1,800	8,445
CARRYING AMOUNTS			
At 31 March 2010	–	–	–
At 31 March 2009	–	–	–

18. INTANGIBLE ASSETS *(Continued)*

The Company

	Advertising rights HK$'000
COST	
At 1 April 2008, 31 March 2009 and 31 March 2010	6,645
AMORTISATION AND IMPAIRMENT	
At 1 April 2008, 31 March 2009 and 31 March 2010	6,645
CARRYING AMOUNTS	
At 31 March 2010	–
At 31 March 2009	–

Intangible assets comprise advertising rights and business information.

Advertising rights represent the costs of acquiring operating rights for the placement of advertisements in advertising display panels in the PRC and include any directly attributable costs of bringing advertising display panels to their present condition and location for their intended use. Advertising rights are stated at cost less accumulated amortisation and any impairment losses. These are amortised on a straight-line basis over the agreed period of use of ten years. All the cost of the amount were impaired in previous years.

Business information includes database of customers/vendors, potential exhibitors as well as market information, operations, financial and business plans in respect of the exhibition business acquired from a business partner.

No amortisation is provided for the business information as the Director of the Company are of the opinion that various studies including product life cycle studies, market, competitive trends and brand extension opportunities have been performed by the management of the Group, which supports that the business information is estimated to be indefinite. The cost of business information was impaired in prior year.

19. GOODWILL

	HK$'000
COST	
At 1 April 2008, 31 March 2009 and 31 March 2010	7,790
IMPAIRMENT	
At 1 April 2008, 31 March 2009 and 31 March 2010	7,790
CARRYING AMOUNTS	
At 31 March 2010	–
At 31 March 2009	–

For the year ended 31 March 2009, the Group engaged BMI Appraisal Limited, an independent qualified professional valuer to assess the recoverable amount of goodwill, and determined that goodwill associated with the Group's cash generating unit ("CGU"), was impaired by approximately HK$6,800,000. The recoverable amount of the CGU was assessed by reference to value-in-use calculation. A discount factor of approximately 17% p.a. was applied in the value-in-use model. The discount rate used is pre-tax and reflect specific risks relating to the industry.

The main factor contributing to the impairment of the CGU was the decrease in the estimated cash flow generated from the CGU. The goodwill is included in the "Exhibition organisation – Asia (other than the PRC)" segment disclosed in Note 7 to the consolidated financial statements.

Particulars regarding impairment testing on goodwill are disclosed in Note 20 to the consolidated financial statements.

20. IMPAIRMENT TESTING ON GOODWILL

As explained in Note 7 to the consolidated financial statements, the Group uses business segments as its primary segment for reporting segment information. The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired. The carrying amount of goodwill (net of accumulated impairment losses) as at 31 March 2010 and 2009 is allocated as follow:

	2010	2009
	HK$'000	HK$'000
Exhibition organisation – Asia (other than the PRC)	**–**	–

The valuation for the year ended 31 March 2009 was prepared using the value-in-use model and was determined from the cash flow projection based on the CGU's financial budgets approved by senior management covering a period of five-years, and discounted at 17% p.a. The key assumption for the value-in-use calculation is the discount rate applied which is determined based on past performance and the expectations for the market development. Goodwill was fully impaired since the year ended 31 March 2009.

21. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements HK$'000	Furniture and equipment HK$'000	Motor vehicles HK$'000	Total HK$'000
COST				
At 1 April 2008	721	4,906	1,597	7,224
Exchange adjustments	–	2	9	11
Additions	497	1,021	547	2,065
At 31 March 2009	1,218	5,929	2,153	9,300
Exchange adjustments	–	12	1	13
Additions	647	167	530	1,344
Disposals	(497)	–	–	(497)
At 31 March 2010	**1,368**	**6,108**	**2,684**	**10,160**
DEPRECIATION				
At 1 April 2008	54	4,029	914	4,997
Exchange adjustments	–	1	1	2
Charge for the year	228	434	226	888
At 31 March 2009	282	4,464	1,141	5,887
Exchange adjustments	–	(16)	14	(2)
Charge for the year	251	428	265	944
Write rack	(158)	–	–	(158)
At 31 March 2010	**375**	**4,876**	**1,420**	**6,671**
CARRYING AMOUNTS				
At 31 March 2010	**993**	**1,232**	**1,264**	**3,489**
At 31 March 2009	936	1,465	1,012	3,413

The above items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Leasehold improvements	20%
Furniture and equipment	20%
Motor vehicles	20%

The carrying amount of a motor vehicle includes an amount of approximately HK$136,000 (2009: HK$202,000) in respect of asset held under obligation under finance lease which shown in Note 30 to the consolidated financial statements.

22. INVESTMENT IN A JOINTLY-CONTROLLED ENTITY

	2010 HK$'000	2009 HK$'000
Share of net assets	**220**	166

Details of the jointly-controlled entity as at 31 March 2010 are set as follows:

Name of entity	Form of business structure	Place of incorporation	Principal place of operation	Class of share held	Proportion of nominal value of issued capital held by the Group	Proportion of voting power held	Principal activities
余姚市訊展會議展覽有限公司 (Yuyao Xunzhan Convention & Exhibition Co., Ltd*)	Incorporated	The PRC	The PRC	Ordinary	30%	30%	Exhibition organisation

The following amounts are the Group's share of the jointly-controlled entity that are accounted for by the equity method of accounting.

	2010 HK$'000	2009 HK$'000
At 31 March		
Current assets	**229**	165
Non-current assets	**2**	1
Current liabilities	**(11)**	–
Net assets	**220**	166
Year ended 31 March		
Turnover and revenue	**1,332**	1
Expenses	**(1,278)**	(22)
Group's share of profit/(loss) of a jointly-controlled entity	**54**	(21)

* English name is for identification purpose only.

23. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments comprise:

	2010 **HK$'000**	2009 HK$'000
Unlisted securities:		
– Equity securities	**300**	300
– Less: Impairment losses recognised	**(300)**	(300)
Total	**–**	–

The unlisted equity securities represent 19.5% equity interests in Inforchain, a company incorporated in the BVI and the branch of which operates a portal that provides online exhibition services complementary to the Group's offline exhibition business. The investments were measured at costs less impairment at each reporting date because the ranges of reasonable fair values estimates were so significant that the Directors of the Company were of the opinion that their fair values could not be measured.

24. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

Name of subsidiary	Place/country of incorporation or registration	Issued and fully paid share capital/ registered capital	Proportion ownership interest held by the Company				Proportion of voting power held by the Company		Principal activities
			Directly		Indirectly				
			2010	2009	**2010**	2009	**2010**	2009	
			%	%	**%**	%	**%**	%	
Infosky Group Limited	BVI	US$201	**99.5**	99.5	**–**	–	**99.5**	99.5	Investment holding
Chan Chao International Co., Limited *(Note (i))*	BVI	US$1,000	**–**	–	**–**	49.85	**–**	49.85	Exhibition organisation and provision of promotion and marketing services
Global Challenge Limited ("GCL")	BVI	US$10	**–**	–	**99.5**	99.5	**99.5**	99.5	Exhibition organisation and provision of promotion and marketing services
Paper Communication Publications Limited	Hong Kong	HK$1,000	**–**	–	**99.5**	99.5	**99.5**	99.5	Publication of trade magazine
廣東訊展會議展覽有限公司 (Guangdong Xunzhan Convention & Exhibition Limited*) *(Note (ii))*	The PRC	HK$1,000,000	**–**	–	**99.5**	99.5	**99.5**	99.5	Exhibition organisation
上海訊展會議展覽有限公司 (Shanghai Xunzhan Convention & Exhibition Limited*) *(Note (iii))*	The PRC	US$140,000	**–**	–	**99.5**	99.5	**99.5**	99.5	Exhibition organisation
Billion Station Limited ("BSL")	BVI	US$10,000	**100**	100	**–**	–	**100**	100	Investment holding
Glory Prospect Limited	Hong Kong	HK$1	**–**	–	**100**	100	**100**	100	Provision of administrative services

* English name is for identification purpose only.

24. PARTICULARS OF SUBSIDIARIES OF THE COMPANY *(Continued)*

Notes

(i) Chan Chao International Co., Limited ("Chan Chao") was incorporated in British Virgin Islands on 22 February 2001. 49.85% of shares of Chan Chao was owned by the Company. During the year, the two of the directors in GCL and Paper Communication Publications Limited respectively are also the directors of Chan Chao. During the year, the two directors declared that they did not exercise any control over the business and/or operations on Chan Chao. Therefore, the Group do not exercise any control and significant influence in Chan Chao. Chan Chao was derecognised as a former subsidiary as at 31 March 2010.

(ii) 廣東訊展會議展覽有限公司 (Guangdong Xunzhan Convention & Exhibition Limited) was established as wholly-foreign owned enterprise under the laws of the PRC with limited liability on 27 December 2004 and is currently wholly-owned by GCL.

(iii) 上海訊展會議展覽有限公司 (Shanghai Xunzhan Convention & Exhibition Limited) was established as wholly-foreign owned enterprise under the laws of the PRC with limited liability on 8 August 2006 and is currently wholly-owned by GCL.

25. TRADE AND OTHER RECEIVABLES

	2010 HK$'000	2009 HK$'000
Trade receivables *(Note (i))*	**2,702**	2,920
Less: Impairment loss recognised	**(1,748)**	(2,162)
	954	758
Utility deposits paid and prepayments *(Note (ii))*	**1,964**	14,840
Sales deposits paid	**1,066**	742
Amount due from a related company *(Note (iii))*	**–**	40
Other receivable	**866**	–
Less: Impairment loss recognised	**–**	(1,633)
	3,896	13,989
Total trade and other receivables	**4,850**	14,747

Notes

(i) Credit terms are normally negotiable between the Group and its customers and vary for the different business activities of the Group. For the exhibition organising business, customers are normally required to pay a 50% deposit upon signing of agreements and the remaining 50% prior to the opening of exhibitions. A credit period of up to 9 months may be given to those customers who have longstanding business relationships with the Group for the remaining 50% balance, following financial assessment by the senior management and based on the established payment records of the customers. For the promotion and marketing services, the Group normally requires full payment before rendering of services and the advertising fees from placement of advertisements in newspapers and magazines are normally payable on per issue basis 30 days before the date of publication. For the publication business, customers are required to make full payment at the time of subscription to the trade magazines published by the Group.

25. TRADE AND OTHER RECEIVABLES *(Continued)*

Notes *(Continued)*

(ii) As at 31 Mar 2009, included in other receivables is an amount of accrued interest at 6% per annum amounted to approximately US$1,144,000 (equivalent to approximately HK$8,924,000), arising from a deposit maintained with a reputable bank in the PRC for acquisition of the entire equity interest and subscription of new shares in Triumph Fund A Limited (the "Target") as detailed in Note 26 to the consolidated financial statements. The accrued interest was fully settled by Mr. Zhao Ming (the "Vendor"), on 10 September 2009.

(iii) It was an amount due from Chan Chao International Co., Limited, a company incorporated in Taiwan, Republic of China ("Chan Chao Taiwan") amounted to approximately HK$nil (2009: HK$40,000), in which a shareholder of the Company, who was also a director of the Company's subsidiary, had beneficial interests. The amount due was unsecured, interest-free and had no fixed terms of repayment.

The aging analysis of trade receivables net of impairment loss as at the reporting date is as follows:

	2010	2009
	HK$'000	HK$'000
Current – 30 days	**277**	226
31 – 60 days	**76**	69
Over 60 days	**601**	463
	954	758

Included in the Group's trade receivables balance are debtors with an aggregate carrying amount of approximately HK$574,000 (2009: approximately HK$83,000) which are past due at the reporting date for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances.

25. TRADE AND OTHER RECEIVABLES *(Continued)*

Movement of impairment losses recognised

	2010 **HK$'000**	2009 HK$'000
Balance at beginning of the year	**3,795**	2,782
Impairment losses recognised on receivables	**171**	1,203
Amount written off as uncollectible	**–**	(172)
Amount reversed during the year	**(2,173)**	(8)
Amount recovered during the year	**(45)**	(10)
Balance at end of the year	**1,748**	3,795

The Group has provided in full all receivables overdue for one year (2009: one year) because historical experience is such that receivables that are past due beyond one year are generally not recoverable.

The trade receivables are denominated in the following currencies:

	2010 **HK$'000**	2009 HK$'000
Hong Kong dollar	**2,676**	2,896
Renminbi	**26**	24
	2,702	2,920

26. DEPOSIT FOR ACQUISITION

	2010 **HK$'000**	2009 HK$'000
Deposit for acquisition	**–**	156,000

On 27 May 2008, Billion Station Limited ("BSL"), a wholly-owned subsidiary of the Company, announced that it had entered into a conditional sale and purchase agreement dated 18 April 2008 (the "Agreement") with a third party to acquire the entire equity interest for sale consideration of approximately HK$460,599,000 and subscription of new shares in the Target for subscription consideration of approximately HK$554,939,000 (the "Acquisition"). Pursuant to the Agreement, BSL shall pay a deposit amounted to US$20,000,000 (the "Deposit") (equivalent to approximately HK$156,000,000) as part payment of the consideration for the subscription of equity interest in the Target. The Vendor has guaranteed to BSL, for the return of the Deposit together with the accrued interest thereon at 6% per annum. Completion is subject to fulfillment of a number of conditions within 120 business days from the date of the Agreement, failing which the Target shall forthwith after such cessation and determination, refund the deposit together with interest at 6% per annum accrued thereon, to BSL.

26. DEPOSIT FOR ACQUISITION *(Continued)*

In prior year, the Deposit was duly paid to the Target, and it was retained in a designated bank account with a reputable bank in the PRC.

On 26 May 2008, the Vendor, the Target and its subsidiary and Shanxi Puhua Deqin Metallurgy Technology Co., Limited (collectively referred to as the "Warrantors") and BSL entered into a supplementary agreement to amend, vary or modify certain terms and conditions of the Agreement.

On 15 August 2008, BSL and the Warrantors entered into the second supplemental agreement pursuant to which the date on or before which the conditions precedent for the acquisition have to be satisfied has been extended to 18 December 2008.

On 17 December 2008, BSL and the Warrantors entered into the third supplemental agreements pursuant to which the date on or before which the conditions precedent for the acquisition have to be satisfied has been extended to 30 June 2009.

On 31 March 2009, the Company announced that BSL has given notice to the Warrantors to terminate the Agreement (as supplemented by three subsequent supplemental agreements respectively dated 26 May 2008, 15 August 2008 and 15 December 2008) (collectively, the "Original Agreement").

Following the termination of the Acquisition, there has been renegotiation between BSL and the Vendor. On 26 June 2009, BSL and the Warrantors entered into memorandum of understanding (the "MOU") in relation to a potential acquisition of entire issued share capital of and subscription of new shares to be issued by the Target (the "Proposed Acquisition").

On 27 July 2009, the Company announced that the Warrantors have given notice to BSL confirming their intention not to proceed with the negotiation with BSL in relation to the Proposed Acquisition contemplated under the MOU. Negotiation in relation to the Proposed Acquisition has therefore ceased. On the same date, BSL has given notice to the Vendor and the Target for the immediate return of the Deposit together with the interest at 6% per annum accrued thereon.

On 23 September 2009, the Company announced that the Vendor has on 10 September 2009 returned the Deposit and the interest thereon to the Group.

27. BANK BALANCES AND CASH

Bank balances and cash comprised cash held by the Group and bank balances that are interest bearing at prevailing market rate and have original maturity of three months or less.

Bank balances carry interest at market rates which range from 0.59% to 1.52% per annum. (2009: 0.29% to 1.28% per annum). No pledged bank deposits were held by the Group and the Company for the years ended 31 March 2010 and 2009.

The bank balances and cash of the Group are mainly denominated in Hong Kong dollars and Renminbi ("RMB"). Included in the bank balances and cash as at 31 March 2010 was amount denominated in RMB of approximately HK$9,483,000 (2009: approximately HK$3,376,000). RMB is not freely convertible into their currencies.

28. TRADE AND OTHER PAYABLES

	2010 HK$'000	2009 HK$'000
Trade payables	**443**	589
Other payables *(Note (ii))*	**8,442**	13,822
	8,885	14,411

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

	2010 HK$'000	2009 HK$'000
0 – 30 days	**390**	215
31 – 60 days	**53**	354
Over 60 days	**–**	20
	443	589

The balances are denominated in the following currencies:

	2010 HK$'000	2009 HK$'000
Hong Kong dollar	**348**	569
Renminbi	**95**	20
	443	589

Notes

(i) The average credit period given by the suppliers is of 30 days. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

As at the reporting date, none of the trade payables were past due. Trade and other payables are non-interest-bearing.

(ii) At 31 March 2009, included in other payables are the amounts of accrued interest expenses at a fixed rate of 6% per annum on the loans from Linden Ventures III (BVI) Limited ("Linden Ventures") and CMTF Private Equity One ("CMTF") amounted to approximately US$715,000 and approximately US$429,000 respectively (equivalent to approximately HK$5,577,000 and approximately HK$3,347,000 respectively), as detailed in Note 29 to the consolidated financial statements.

29. BORROWINGS

	2010	2009
	HK$'000	HK$'000
Loan from a related party *(Note (i))*	**–**	97,500
Loan from an entity *(Note (ii))*	**–**	58,500
Loan from a director *(Note (iv))*	**4,000**	–
	4,000	156,000

Notes

(i) An unsecured fixed rate loan with Linden Ventures amounted to US$12,500,000 (equivalent to approximately HK$97,500,000) with maturity periods of three months from the drawdown date which may be extended not exceeding four months provided that BSL, Linden Ventures and the Company mutually agree in writing. The weighted average effective interest rate on the fixed rate loan is 6% per annum.

For the year ended 31 March 2009, the Group was accrued interest expenses for the year on the loan with a carrying amount of approximately HK$97,500,000.

During the year, the loan which was extended under a series of extension agreements reached maturity on 18 June 2009 on which Linden Ventures did not request accelerated repayment of the loan together with interest thereon and the terms of the loan were not changed.

(ii) An unsecured fixed rate loan with CMTF amounted to US$7,500,000 (equivalent to approximately HK$58,500,000) with maturity periods of three months from the drawdown date which may be extended not exceeding four months provided that BSL, CMTF and the Company mutually agree in writing. The weighted average effective interest rate on the fixed rate loan is 6% per annum.

For the year ended 31 March 2009, the Group was accrued interest expenses for the year on the loan with a carrying amount of approximately HK$58,500,000.

During the year, the loan which was extended under a series of extension reached maturity on 18 June 2009 on which CMTF did not request accelerated repayment of the loan together with interest thereon and the terms of the loan were not changed.

(iii) On 10 September 2009, the repayment of the above mentioned loans and outstanding accelerated interest payments as detailed in Note 28(ii) to the consolidated financial statements was settled by the Vendor by way of deeds of release. Accordingly, all the BSL's obligations in respect of the loans have been fully discharged and the Company has been released and discharged from all the obligations under the guarantees in relation to the loans by way of deeds of release and discharge executed under seal in favour of BSL and the Company respectively.

(iv) An unsecured fixed rate loan with TLX Holdings Limited amounted to HK$4,000,000 which is repayable at any time on demand from the drawdown date. The weighted average effective interest rate on the fixed rate loan is 3% per annum. Mr. Chui Bing Sun, was the sole shareholder of TLX Holdings Limited is also a director of the Company.

30. OBLIGATION UNDER FINANCE LEASE

During the year, the Group has obligation under finance lease with a motor vehicle. The lease term is 3 years (2009: 3 years). Interest rate underlying the obligation under finance lease is fixed at contract date of 6.5% (2009: 6.5%) per annum. The lease has no terms of renewal or purchase options and escalation clauses. No arrangements have been entered into for contingent rental payments.

	Minimum lease payments		Present value of minimum lease payments	
	2010	2009	**2010**	2009
	HK$'000	HK$'000	**HK$'000**	HK$'000
Amounts payable under finance lease:				
Within one year	**12**	37	**12**	35
In more than one year but not more than five years	**–**	12	**–**	12
	12	49	**12**	47
Less: future finance charges	**–**	(2)	**–**	–
Present value of lease obligation	**12**	47	**12**	47
Less: Amount due for settlement with 12 months (shown under current liabilities)			**12**	(35)
Amount due for settlement after 12 months			**–**	12

The Group's obligation under finance lease is secured by the charge over the leased asset.

Financial lease obligation is denominated in Hong Kong dollars.

31. SHARE CAPITAL

	Number of shares		Share capital	
	2010	2009	**2010**	2009
	'000	'000	**HK$'000**	HK$'000
Authorised				
2,000,000,000 ordinary shares of HK$0.01 each	**2,000,000**	2,000,000	**20,000**	20,000
Issued and fully paid				
At beginning of the year	**975,640**	885,640	**9,756**	8,856
Placement of shares *(Note (i))*	**–**	90,000	**–**	900
At end of the year	**975,640**	975,640	**9,756**	9,756

Notes

(i) Pursuant to a placing and subscription agreement dated 28 May 2008 between the Company and Goldin Securities Limited (the "Placing Agent"), the Company agreed to place through the Placing Agent 90,000,000 new shares of the Company at the placing price of HK$0.31 per share. The placing was completed on 3 June 2008 and net proceed of approximately HK$27,000,000 was received on 3 June 2008. Details of the placing are set out in a circular to the shareholders of the Company dated 29 May 2008. These shares issued rank pari passu in all respects with the existing shares of the Company. The proceeds were used to provide general working capital for the Company.

(ii) None of the Company's subsidiaries repurchased, sold or redeemed any of the Company's listed shares during the year.

32. SHARE-BASED PAYMENT TRANSACTIONS

Pursuant to the share option scheme (the "Share Option Scheme") adopted by the Company on 22 October 2001, the Directors may at their discretion grant options to (i) any director, employee or consultant of the Group or a company in which the Group holds an equity interest or a subsidiary of such company (the "Affiliate"); or (ii) any discretionary trust whose discretionary objects include any director, employee or consultant of the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee or consultant of the Group or an Affiliate; or (iv) any person or entity whose service to the Group or business with the Group contributes or is expected to contribute to the business or operation of the Group, to subscribe for shares of the Company during such period as may be determined by the Directors (which shall not be more than ten years from the date of issue of the relevant options).

The aggregate number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other scheme(s) of the Company shall not exceed 30% of the shares of the Company in issue from time to time. Options may be granted without any initial payment at a price (subject to adjustments as provided therein) equal to the higher of (i) the nominal value of the shares; (ii) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; (iii) the average closing price per share as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant. Each option gives the holder the right to subscribe for one share.

32. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

The following table discloses movements of the Company's share options held by and employees during the year ended 31 March 2010:

Name/category of participants	Number of share options: At 1 April 2009	Granted during the year	Exercised during the year	At 31 March 2010	Date of grant of share options	Exercise period of share options	Exercise price per share	Options exercisable at the end of the year
Directors								
Mr. Lee Chi Shing, Caesar	8,000,000	–	–	8,000,000	14 December 2007	14 December 2007 - 13 December 2017	HK$0.28	8,000,000
	1,750,000	–	–	1,750,000	14 August 2008	14 August 2008 - 13 August 2018	HK$0.187	1,750,000
Mr. Kwok Kwan Hung	800,000	–	–	800,000	15 February 2008	15 February 2008 - 14 February 2018	HK$0.33	800,000
Mr. Leung Chi Kong	500,000	–	–	500,000	15 February 2008	15 February 2008 - 14 February 2018	HK$0.33	500,000
Mr. Chan Wai Man	500,000	–	–	500,000	15 February 2008	15 February 2008 - 14 February 2018	HK$0.33	500,000
Employee	500,000	–	–	500,000	25 March 2008	25 March 2008 - 24 March 2018	HK$0.25	500,000
Employee	300,000	–	–	300,000	14 August 2008	14 August 2008 - 13 August 2018	HK$0.187	300,000
Total	12,350,000	–	–	12,350,000				12,350,000
Weighted average exercise price	HK$0.271	–	–	HK$0.271				HK$0.271

Notes

(i) There were no share options cancelled, lapsed or forfeited during the year ended 31 March 2010.

(ii) There were no share options exercised during the year ended 31 March 2010.

(iii) There were no share options expired during the year ended 31 March 2010.

32. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

The following table discloses movements of the Company's share options held by directors and employees during the year ended 31 March 2009:

	Number of share options							
Name/category of participants	At 1 April 2008	Granted during the year	Exercised during the year	At 31 March 2009	Date of grant of share options	Exercise period of share options	Exercise price per share	Options exercisable at the end of the year
Directors								
Mr. Lee Chi Shing, Caesar	8,000,000	–	–	8,000,000	14 December 2007	14 December 2007 - 13 December 2017	HK$0.28	8,000,000
	–	1,750,000 *(Note (i))*	–	1,750,000	14 August 2008	14 August 2008 - 13 August 2018	HK$0.187	1,750,000
Mr. Kwok Kwan Hung	800,000	–	–	800,000	15 February 2008	15 February 2008 - 14 February 2018	HK$0.33	800,000
Mr. Leung Chi Kong	500,000	–	–	500,000	15 February 2008	15 February 2008 - 14 February 2018	HK$0.33	500,000
Mr. Chan Wai Man	500,000	–	–	500,000	15 February 2008	15 February 2008 - 14 February 2018	HK$0.33	500,000
Employee	500,000	–	–	500,000	25 March 2008	25 March 2008 - 24 March 2018	HK$0.25	500,000
Employees	–	300,000 *(Note (i))*	–	300,000	14 August 2008	14 August 2008 - 13 August 2018	HK$0.187	300,000
Total	10,300,000	2,050,000	–	12,350,000				12,350,000
Weighted average exercised price	HK$0.287	HK$0.187	–	HK$0.271				HK$0.271

Notes

(i) The closing price of the shares of the Company immediately before the date of grant (as of 14 August 2008) was HK$0.186.

(ii) There were no share options cancelled, lapsed or forfeited during the year ended 31 March 2009.

(iii) There were no share options exercised during the year ended 31 March 2009.

(iv) There were no share options expired during the year ended 31 March 2009.

32. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

The fair value of the options granted during the year ended 31 March 2009 was estimated as at the date of grant using the Black-Scholes option pricing model with the following assumptions:

(a) Risk-free interest rate–the yields of 10-year Hong Kong Exchange Fund Note;

(b) Expected volatility of share price–the 52 weeks historical volatility of closing prices of the shares of the Company from Bloomberg;

(c) Expected life of share options–one to two years;

(d) Dividend yield–Nil; and

(e) No other feature of the options granted was incorporated into the measurement of fair values.

The variables and assumptions used in computing the fair values of the share options are based on the Directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

According to the Black-Scholes option pricing model, the fair value of the options granted during the year ended 31 March 2010 was nil (2009: approximately HK$174,000) of which the Group recognised a share option expense of nil (2009: approximately HK$213,000) for the year ended 31 March 2010.

As at 31 March 2010, the Company had 12,350,000 (2009: 12,350,000) options outstanding under the Share Option Scheme. The exercise in full of the remaining options would, under the present capital structure of the Company, result in the issue of 12,350,000 (2009: 12,350,000) additional ordinary shares of the Company.

33. RESERVES

The Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 35 to the financial statements.

The Company

	Share premium HK$'000	Retained profits/ (accumulated losses) HK$'000	Total HK$'000
At 1 April 2008	2,738	2,405	5,143
Loss for the year	–	(35,825)	(35,825)
Issue of ordinary shares	27,000	–	27,000
Transaction costs attributable to issue of new shares	(881)	–	(881)
Recognition of equity-settled share-based payments	–	213	213
At 31 March 2009 and 1 April 2009	28,857	(33,207)	(4,350)
Loss for the year	–	(8,266)	(8,266)
At 31 March 2010	**28,857**	**(41,473)**	**(12,616)**

Under the Companies Laws of the Cayman Islands, the share premium account is distributable to the equity holders of the Company provided that immediately following the distribution or payment of dividend, the Company is able to pay its debts as they fall due in the ordinary course of business. The Company's reserves available for distribution comprise the share premium account and retained profits. As at 31 March 2010, in the opinion of the Directors, no reserves of the Company available for distribution to the equity holders of the Company (2009: Nil).

34. OPERATING LEASES

The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2010 **HK$'000**	2009 HK$'000
Within one year	**836**	848
In the second to fifth years inclusive	**222**	180
	1,058	1,028

Operating lease payments represent rentals payable by the Group for certain of its office properties. Leases are negotiated and rentals are fixed for terms ranging from one to two years. (2009: one to two years).

35. COMMITMENTS

Pursuant to an agreement entered into between the Company and 中國吸煙與健康協會 (the "Association") in April 2004, the Association assigned to the Company the exclusive rights for the placement of advertisements in the advertising display panels which are to be built in primary and secondary schools in Guangzhou, the PRC, for a period of ten years. A fee would be paid to the Association for such exclusive rights in accordance with the terms of the agreement. As at 31 March 2010, the Company had future minimum payments under the non-cancellable terms of the agreement in respect of such exclusive rights amounting to approximately HK$1 million and such amount is payable within the next twelve months after the end of reporting period. According to the confirmation letter issued by the Association in August 2005, settlement of the amount would be deferred until the operation of the advertising display panels generates income. As income generated from the use of the aforementioned panels did not reach the Company's expected target, the Company had not paid the amount up to 31 March 2010. In the opinion of the Directors, the Company would not incur any legal liability to pay or to compensate the Association.

In addition, the Group has entered into an agreement for the consultancy service of exhibition organisation for a period of two years, which will give rise to an annual charge of HK$2,000,000 (2009: HK$500,000).

36. SIGNIFICANT RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in these financial statements, the Group had entered into the following significant related party transactions during the year:

Rentals

During the year ended 31 March 2010, the Group paid rent totaling HK$360,000 and HK$102,000 (2009: HK$360,000 and Nil) to a director of the Company's subsidiary and director of the Company respectively for the lease of office premises owned by him. The Directors consider that the rental was calculated by reference to open market rentals.

Agency and management services agreements

In prior year, the Group had entered into the following agency agreement and management service agreement with Chan Chao International Co. Limited ("Chan Chao Taiwan") and Chan Chao International Co. Limited ("Chan Chao BVI") respectively.

(i) Agency agreement

In prior year, an indirect non-wholly-owned subsidiary of the Company, GCL entered into an agreement with Chan Chao Taiwan for a term of one year commencing from 1 April 2008, pursuant to which GCL agreed to appoint Chan Chao Taiwan to (i) act as its agent to grant licences of booth space of the exhibitions designated by GCL for use by exhibitors in Taiwan and South East Asia; (ii) conduct promotion and marketing of the exhibitions in Taiwan and South East Asia; and (iii) conduct market research of holding and/or organising any exhibitions when instructed by GCL under the agency agreement. Chan Chao Taiwan is a company incorporated in Taiwan, Republic of China. Since there is no common directors or shareholders with the Group Company during the year, the transaction with Chan Chao Taiwan was no longer be classified as related party transaction.

During the year ended 31 March 2010, the aggregate commission paid by the Group to Chan Chao Taiwan was nil (2009: approximately HK$223,000).

(ii) Management service agreement

In prior year, a non-wholly-owned subsidiary of the Company, Chan Chao BVI, a company incorporated in BVI, entered into an agreement with Chan Chao Taiwan for a term of one year commencing from 1 April 2008, pursuant to which Chan Chao BVI agreed to engage Chan Chao Taiwan to plan, direct and manage the exhibitions organised by Chan Chao BVI, namely, exhibitions entitled "Linkage Industry Vietnam", "Rubber Plas Malaysia" and "Print-Label Malaysia". As stated in note 24(i), Chan Chao BVI was derecognised as a subsidiary of the Group at 31 March 2010. The transaction with Chan Chao BVI was no longer be classified as related party transaction.

During the year ended 31 March 2010, the aggregate management service fee paid by the Group to Chan Chao Taiwan was nil (2009: approximately HK$65,000).

36. SIGNIFICANT RELATED PARTY TRANSACTIONS *(Continued)*

Borrowings and loan interest

For the year ended 31 March 2009, BSL entered into a loan agreement with Linden Ventures, which is a wholly-owned subsidiary of Linden Capital L.P. ("Linden Capital"). Since Linden Capital is a shareholder of the Company, the loan amounted to US$12,500,000 (equivalent to approximately HK$97,500,000) together with interest of 6% per annum thereon from Linden Ventures as detailed in Note 29(i) to the consolidated financial statements which constitutes a connected transaction on the part of the Company. As Linden Ventures provides financial assistance to the Company on normal commercial terms and no security over the assets of the Group is granted, the loan constitutes an exempted connected transaction on the part of the Company under Rule 20.65(4) of the GEM Listing Rules.

On 10 September 2009, the loan was settled and BSL's obligations in respect of the loans have been fully discharged. The aggregate interest paid by the Group to Linden Ventures was approximately HK$1,394,000 (2009: approximately HK$5,562,000) for the year ended 31 March 2010.

Compensation to key management personnel

The remuneration of directors during the year was as follow:

	2010	(restated) 2009
	HK$'000	HK$'000
Short-term benefits	**2,241**	3,025
Share-based payments	**–**	153
	2,241	3,178

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

Other related parties transactions

Details of balance with related parties at the year end date are set out in the consolidated statement of financial positions and notes 25 and 29.

37. POST BALANCE SHEET EVENTS

Save as disclosed elsewhere in these consolidated financial statements, subsequent to the reporting date, the Group had the following material events:

On 22 April 2010, the Company entered into the Subscription Agreement with New Brilliant Investments Limited ("New Brilliant"), to issue the convertible bonds ("Convertible Bonds") at an initial principal amount of HK$10,000,000. New Brilliant is wholly owned by the Director of the Company, Mr. Chui Bing Sun ("Mr. Chui"). The Company has the option to request New Brilliant to subscribe an additional Convertible Bonds with principal value up to HK$10,000,000 by giving written notice to New Brilliant within five business days after resumption of trading of the share take place.

On 19 May 2010, the Company has exercised the Option to request Mr. Chui Bing Sun to subscribe additional Convertible Bonds of HK$10 million. The aggregate amount of Convertible Bonds subscribed by Mr. Chui was HK$20 million. The Convertible Bonds bear interest at 1.5% per annum with maturity on 31 March 2015, and are convertible into new shares at the initial conversion price equal to 80% of closing price of the shares at date of resumption of trading taking place. The closing price of the share on 19 May 2010 as quoted on the Stock Exchange was HK$0.05. Accordingly, the conversion price shall be HK$0.04. The issue of Convertible Bonds to Mr. Chui is subject to independent shareholder approval on 17 June 2010.

On 3 June 2010, the Company has entered into 8 Convertible Bonds Subscription Agreements with each of the independent third party in relation to the subscription of Convertible Bonds for an aggregate principal amount HK$30,870,000 at conversion price of HK$0.03. In addition, the Company proposed to increase the authorized share capital from HK$20,000,000 comprising 2,000,000,000 shares to HK$80,000,000 comprising 8,000,000,000 shares by the creation of additional 6,000,000,000 shares. The issue of Convertible Bonds to 8 independent third parties and increase of authorized share capital are subject to shareholder approval on 9 July 2010.

On 17 June 2010, the independent shareholders approved the issue of Convertible Bonds to Mr. Chui.

38. COMPARATIVE FIGURES

Certain comparative figures of last year have been reclassified to confirm with current year's presentation.

Financial Summary

The following table summaries the results, assets and liabilities of the Group for the last five financial years as extracted from the audited financial statements:

	2010	2009	2008	2007	2006
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Revenue	**47,796**	68,869	88,545	79,621	48,618
(Loss)/Profit attributable to equity holders of the Company	**(9,840)**	(36,136)	7,432	19,787	8,129
Total assets	**27,257**	193,815	41,065	52,908	37,315
Total liabilities	**(18,038)**	(174,775)	(13,318)	(20,045)	(12,401)
Net assets	**9,219**	19,040	27,747	32,863	24,914

Notes

(i) The results and assets and liabilities of the Group for the year ended 31 March 2010 have been extracted from the consolidated income statement and consolidated statement of financial position as set out on pages 31 and 33 respectively of the accompanying consolidated financial statements.

(ii) The financial summary of the Group has been included is for information only and does not form part of the audited consolidated financial statements.