TIDETIME SUN (GROUP) LIMITED
泰德陽光(集團)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 307)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2009

RESULTS

The board of directors (the "Board") of Tidetime Sun (Group) Limited (the "Company") announces the consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2009 together with the comparative figures for the corresponding year in 2008.

* *for identification purpose only*

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2009
(Expressed in Hong Kong dollars)

	Notes	2009 HK$'000	2008 HK$'000
Turnover	3	**27,988**	50,686
Cost of sales		**(25,750)**	(47,380)
Gross profit		**2,238**	3,306
Other revenue		**1,195**	1,307
Other income and gains, net		**29,527**	28,746
Distribution costs		**(1,044)**	(2,561)
Administrative expenses		**(20,503)**	(25,261)
Impairment loss on goodwill		**–**	(3,184)
Impairment loss on intangible assets		**–**	(841)
Impairment loss on broadcasting programmes		**(9,917)**	–
Reversal of impairment loss on receivables		**2,059**	63
Impairment loss on trade receivables		**–**	(1,128)
Net loss on disposal of subsidiary		**–**	(1)
Profit from operations		**3,555**	446
Finance costs		**(1,618)**	(1,168)
Profit/(loss) before taxation	4	**1,937**	(722)
Income tax	5	**–**	–
Profit/(loss) for the year		**1,937**	(722)
Attributable to:			
Equity holders of the Company		**1,937**	(722)
Minority interests		**–**	–
Profit/(loss) for the year		**1,937**	(722)
Earnings/(losses) per share	7		
Basic		**HK0.34 cents**	HK(0.13) cents

CONSOLIDATED BALANCE SHEET

As at 31 March 2009

(Expressed in Hong Kong dollars)

	Notes	2009		2008	
		HK$'000	***HK$'000***	*HK$'000*	*HK$'000*
Non-current assets					
Property, plant and equipment			**1,380**		2,013
Other non-current financial assets			**–**		1,092
			1,380		3,105
Current assets					
Broadcasting programmes		**–**		15,868	
Trading securities		**10,223**		338	
Trade and other receivables	*8*	**7,720**		14,687	
Cash and cash equivalents		**36,484**		32,194	
		54,427		63,087	
Current liabilities					
Trade and other payables	*9*	**23,064**		42,380	
Obligation under a finance lease		**39**		234	
		23,103		42,614	
Net current assets			**31,324**		20,473
Total assets less current liabilities			**32,704**		23,578
Non-current liabilities					
Convertible notes		**–**		20,028	
Obligation under a finance lease		**–**	**–**	39	20,067
NET ASSETS			**32,704**		3,511
CAPITAL AND RESERVES					
Share capital			**10,009**		5,560
Reserves			**22,695**		(2,049)
Total equity attributable to equity holders of the Company			**32,704**		3,511
Minority interests			**–**		–
TOTAL EQUITY			**32,704**		3,511

Notes:

1. **Basis of preparation**

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards, which also include Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The financial statements have been prepared under the historical cost convention, except for trading securities and available-for-sale financial assets, which are stated at fair value.

2. **Impact of new and revised Hong Kong Financial Reporting Standards ("HKFRS")**

In the current year, the Group has applied, for the first time, the following new Hong Kong Accounting Standards ("HKAS"), amendment and interpretations ("Int") ("new HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are first effective for the Group's current financial year.

HKAS 39 & HKFRS 7 (Amendments)	Reclassification of Financial Assets
HK(IFRIC) – Int 12	Service Concession arrangements
HK(IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The adoption of the new HKFRS had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

3. **Segment reporting**

Segment information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format because this is more relevant to the Group's internal financial reporting.

3. Segment reporting (Continued)

Business segments

The Group comprises the following main business segments:

- *Broadcasting and content production: the production of broadcasting programmes.*
- *Publishing and multi-media product trading: the trade of multimedia products.*

	Broadcasting and content production		Publishing and multi-media product trading		Consolidated	
	2009	2008	**2009**	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Revenue from external customers	**5,707**	7,512	**22,281**	43,174	**27,988**	50,686
Segment results	**7,891**	(7,460)	**9,535**	9,114	**17,426**	1,654
Interest income					**203**	885
Unallocated corporate operating income					**160**	422
Unallocated corporate operating expenses					**(14,234)**	(2,515)
Profit from operations					**3,555**	446
Finance costs					**(1,618)**	(1,168)
Profit/(loss) before taxation					**1,937**	(722)
Income tax					**–**	–
Profit/(loss) for the year					**1,937**	(722)
Depreciation for the year	**811**	873	**1**	1,371	**812**	2,244
Impairment loss on:						
– goodwill	**–**	3,184	**–**	–	**–**	3,184
– intangible assets	**–**	841	**–**	–	**–**	841
– broadcasting programmes	**9,917**	–	**–**	–	**9,917**	–
Reversal of impairment loss on receivables	**(2,059)**	(63)	**–**	–	**(2,059)**	(63)
Impairment loss on trade receivables	**–**	1,128	**–**	–	**–**	1,128
Loss on disposal of property, plant and equipment	**223**	30	**22**	8,312	**245**	8,342
Gain on release of obligation upon lapse of production and broadcasting agreement	**(6,971)**	–	**–**	–	**(6,971)**	–
Gain on waiver of payables	**(8,556)**	–	**–**	–	**(8,556)**	–

3. Segment reporting (Continued)

Business segments (Continued)

	Broadcasting and content production		Publishing and multi-media product trading		Consolidated	
	2009	2008	**2009**	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment assets	**3,886**	20,658	**41,323**	43,131	**45,209**	63,789
Unallocated corporate assets					**10,598**	2,403
Total assets					**55,807**	66,192
Segment liabilities	**14,226**	30,450	**8,277**	1,847	**22,503**	32,297
Unallocated corporate liabilities					**600**	30,384
Total liabilities					**23,103**	62,681
Capital expenditure incurred during the year	**401**	393	**–**	25	**401**	418

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of the assets.

	Mainland China		Hong Kong		Consolidated	
	2009	2008	**2009**	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Revenue from external customers	**6,957**	19,133	**21,031**	31,553	**27,988**	50,686
Carrying amount of segment assets	**3,886**	19,535	**51,921**	46,657	**55,807**	66,192
Capital expenditure incurred during the year	**401**	232	**–**	186	**401**	418

4. Profit/(loss) before taxation

Profit/(loss) before taxation is arrived at after charging/(crediting):

	2009	2008
	HK$'000	*HK$'000*
Depreciation		
– owned assets	**580**	2,020
– leased asset	**232**	224
Net foreign exchange loss/(gain)	**116**	(16)
Auditors' remuneration	**400**	385
Operating lease charges:		
minimum lease payments in respect of property rentals	**1,250**	3,182
Cost of inventories	**25,750**	47,380
Loss on disposal of property, plant and equipment	**245**	8,342
Loss on redemption of convertible notes	**1,987**	–
Loss on disposal of non-current financial assets	**4,247**	–
Net realised loss on trading securities	**1,591**	1,318
Unrealised loss on trading securities	**3,733**	2,477

5. Income tax in the consolidated income statement

For the year ended 31 March 2009, no provision for Hong Kong profits tax has been made as the Group companies have either no estimated assessable profits or have accumulated tax losses brought forward to offset the current year's estimated assessable profits. For the year ended 31 March 2008, no provision for Hong Kong profits tax had been made as the Group had no estimated assessable profits arising in Hong Kong during that year.

No provision for overseas taxation has been made as the overseas subsidiaries have no estimated assessable profits arising from their jurisdictions during the years ended 31 March 2009 and 2008.

6. Dividend

No dividend was paid or proposed during the year 2009, nor has any dividend been proposed since the balance sheet date (2008: Nil).

7. Earnings/(losses) per share

(a) Basic earnings/(losses) per share

The calculation of basic earnings per share is based on the Group's profit attributable to equity holders of the Company of HK$1,937,000 (2008: loss of HK$722,000) and the weighted average of 563,958,000 ordinary shares (2008: 556,037,000 ordinary shares) in issue during the year. Weighted average number of ordinary shares is calculated as follows:

	2009	2008
	Number of shares	*Number of shares*
	'000	*'000*
Issued ordinary shares at 1 April	**556,037**	556,037
Effect of shares issued on Placing	**7,921**	–
Weighted average number of ordinary shares at 31 March	**563,958**	556,037

(b) Diluted earnings/(losses) per share

No disclosure of diluted earnings per share for the year ended 31 March 2009 is shown as the exercise prices of the outstanding share options of the Company during the year are higher than the average market prices of the ordinary shares of the Company and accordingly there is no dilutive effect on the basic earnings per share.

Diluted losses per share for the year ended 31 March 2008 had not been disclosed as the share options and convertible notes outstanding during the year had an anti-dilutive effect on the basic losses per share for that year.

8. Trade receivables

An ageing analysis of trade debtors net of allowance for impairment of bad and doubtful debts of HK$1,575,000 (2008: HK$3,572,000) is as follows:

	The Group	
	2009	2008
	HK$'000	*HK$'000*
Within 1 month	**6,630**	–
More than 1 month but within 2 months	**32**	–
More than 2 months but within 3 months	**–**	–
More than 3 months but within 6 months	**38**	7
Over 6 months but within 12 months	**724**	51
	7,424	58

9. Trade payables

An ageing analysis of trade payables as of the balance sheet date is as follows:

	The Group	
	2009	2008
	HK$'000	*HK$'000*
Within 1 month	**4,948**	–
More than 1 month but within 2 months	**–**	–
More than 2 months but within 3 months	**–**	–
Over 3 months	**388**	602
	5,336	602

EXTRACTS FROM INDEPENDENT AUDITOR'S REPORT

Extracts from independent auditor's report are set out as follows:

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2009 and of the Group's profit 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.

Emphasis of matter

Without qualifying our opinion, we draw attention to note 34 to the financial statements. The Company is the 1st defendant for alleged breach of agreements in respect of the sale of shares in the share capital of TV Viagens (Macau), S.A.R.L. between the Plaintiffs and the Company's former wholly-owned subsidiary (the 2nd defendant). The Plaintiffs sought damages of approximately HK$76,862,000 or such an amount as the court may determine, interest thereon, costs and/or other relief, from the Company. Based on legal advice, the directors of the Company are of the opinion that the Company has a very good chance of successfully defending the case and hence the claim would not result in losses to the Company. The directors of the Company consider the allegations to be without merit and too remote to be held against the Company, and no provision for any liability that may result has been made in the financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS AND FINANCIAL REVIEW

Amidst the global financial tsunami, the Group recorded consolidated turnover of HK$28 million for the year ended 31 March 2009, representing a decrease of 45% compared with HK$51 million in the last corresponding year. The net profit for the year was approximately HK$2 million, representing an increase of 368% compared to the last year. The improvement was mainly due to the reduction of distribution costs and administrative expenses of total HK$6.2 million.

Multi-media Product Trading:

2008/2009 has been a year of challenge. The Group experienced a shock of retracted consumer demand caused by the global economic recession. Sales contributed by the multi-media product trading business amounted to HK$22 million, a substantial decrease of 48% compared with last year. In response to such an adverse tide, the Group priced products cautiously and sought to offer a broader variety of products.

Broadcasting and Content Production:

Similar reduction in revenue was observed in TV program production and distribution from the Group's subsidiary, Shanghai New Culture TV and Radio Making Co., Ltd., which contributed a turnover of HK$6 million, a decrease of 24% from previous year. In view of intense competition, the Group continued to optimize the effectiveness of extensive distribution network and further enhance the quality of the products.

Add to this, the Group pursued efficiency in its operation and lowered the distribution costs and administrative expenses. The total of distribution costs and administrative expenses of the Group amounted to HK$21 million, representing a decrease of 23% from previous year. At the same time, the Board diversified into a new business by acquiring an advertising agency business and expects this business will bring in revenue to the Group in coming year.

Prospects

The Group will continue in its existing businesses, including multi-media product trading and broadcasting and content production. However, the Group will review the current operations and will consider to divest any business that does not create much value to the shareholders. Meanwhile the Group's revenue and profit base is expected to be expanded by the introduction of a new advertising agency business, which has already commenced operation in the year 2009. In March 2009, the Group's capital base has been strengthened through placing of new shares and open offer. The net proceeds from these transactions will be used for general working capital and/or diversification into any other business with earnings potential. The directors are also seeking for good acquisition opportunity so as to bring value to our shareholders.

Liquidity and Financial Resources

As at 31 March 2009, the Group's current ratio was 2.4 (2008: 1.5), with current assets of approximately HK$54 million (2008: HK$63 million) against current liabilities of approximately HK$23 million (2008: HK$43 million). Cash and cash equivalents were approximately HK$36 million (2008: HK$32 million). As the Group has redeemed all the convertible notes in the principal amount of HK$25,354,000 on 24 March 2009, the gearing ratio became 0 as at 31 March 2009 (2008: 5.7).

The Group's working capital is mainly financed through internal generated cashflow, borrowings and equity financing. There has not been any change in the Group's funding and treasury policies during the year, and the Group continues to follow the practice of prudent cash management.

The Company placed 111,204,000 new shares in March 2009 at a placing price of HK$0.065 per share, raising net proceeds of approximately HK$7.00 million for general working capital of the Group.

The Company also issued, by way of open offer, 333,620,560 new shares in March 2009 at the subscription price of HK$0.065 per share on the basis of one offer share for every two existing shares held by the shareholders on the register of members on 11 March 2009, raising net proceeds of approximately HK$20.90 million for financing possible diversified investments and general working capital of the Group.

Treasury Policies

The Group adopts conservative funding and treasury policies in cash and financial management. Cash is generally placed in short-term deposits mostly denominated in Hong Kong dollars, Renminbi and United States Dollars ("US dollars"). The Group's financing requirements are regularly reviewed by the management.

The Group adopts a prudent treasury policy whereas majority of its bank balances and cash is denominated in Hong Kong dollars, Renminbi and US dollars and placed on short-term deposit.

Exposure to Fluctuation in Foreign Exchange

The Group's certain assets are principally denominated in US dollars. Since Hong Kong dollars is pegged to US dollars, thus foreign exchange exposure on US dollars is considered as minimal. The Group does not have a foreign currency hedging policy.

Charges on Assets and Contingent Liabilities

During the year, the Group leased a motor vehicle under a finance lease arrangement which was expired in May 2009. Save as disclosed herein, the Group did not have any charges on assets or have any material contingent liabilities as at 31 March 2009.

Human Resources

As at 31 March 2009, the Group had a total of 29 employees (2008: 14). Employees' remuneration packages are reviewed and determined by reference to the market pay and individual performance.

The staff benefits include contributions to mandatory provident fund, medical scheme and share option scheme.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in the Code on Corporate Governance Practices ("the Code") in Appendix 14 of the Listing Rules as its own code of corporate governance practice.

In the opinion of the Board, the Company has complied with the Code throughout the year ended 31 March 2009 except for certain deviations disclosed below:

a) Code Provision A.2.1

This Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Mr. Chen Ping held the position of the Chairman and the Chief Executive Officer of the Company from 1 April 2008 to 9 December 2008. On 10 December 2008, Mr. Chen resigned as the Chief Executive Officer but remains as the Chairman of the Board. On the same date, Mr. Pu Fuzhong was appointed as an Executive Director and the Acting Chief Executive Officer of the Company.

b) Code Provision A.4.1

This Code stipulates that non-executive directors should be appointed for a specific term and subject to re-election.

None of the existing Independent Non-executive Directors of the Company are appointed for a specific term. However, all directors of the Company (including Independent Non-executive Directors) are subject to retirement by rotation and re-election at least once every three years at the annual general meeting in accordance with the Bye-laws of the Company, and their appointment will be reviewed when they are due for re-election.

In addition, during the period from 6 October 2008 to 28 October 2008, the Company had only one Independent Non-executive Director and Audit Committee member. During the period from 29 October 2008 to 7 January 2009, the Company had only two Independent Non-executive Directors and Audit Committee members. On 8 January 2009, the Company appointed the third Independent Non-executive Director and Audit Committee member to meet the requirements under Rules 3.10 and 3.21 of the Listing Rules.

Notwithstanding the above, the Board will review the current corporate structure of the Group from time to time and shall make necessary amendments when the Board considers appropriate.

AUDIT COMMITTEE

The Audit Committee, which comprises three independent non-executive directors of the Company, namely Mr. Yan Tat Wah, Joseph, Mr. Lau Kwok Kuen and Mr. Lui Sai Wah, has reviewed the consolidated financial statements of the Group for the year ended 31 March 2009.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors as set out in Appendix 10 to the Listing Rules and, after specific enquiry, all directors of the Company confirmed that they have complied with the Model Code during the year ended 31 March 2009.

LITIGATION

On 10 July 2006, a legal action for damages of approximately HK$76,862,000 for breach of agreements was brought against the Company by four independent third parties. The details of the legal action were disclosed on page 113 of the annual report of the Company for the year ended 31 March 2008 as well as the 2009 annual report.

Up to the date of approval of the 2009 annual results, there is no progress to this litigation and no hearing date has been fixed since 31 March 2007.

PURCHASE, REDEMPTION OR SALE OF SHARES

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's shares during the year ended 31 March 2009.

PUBLICATION OF RESULTS ANNOUNCEMENT

The results announcement is published on the Stock Exchange's website at http://www.hkex.com.hk and the Company's website at http://www.irasia.com/listco/hk/tidetimesun/.

APPRECIATION

On behalf of the Board, I would like to thank our management team and staff for their dedication and hard work throughout the year.

By Order of the Board of
Tidetime Sun (Group) Limited
Pu Fuzhong
Acting Chief Executive Officer

Hong Kong, 20 July 2009

As of the date of this announcement, the Board comprises 4 Executive Directors: Mr. Chen Ping (Chairman), Mr. Pu Fuzhong (Acting Chief Executive Officer), Mdm. Ma Jian Ying and Mr. Chau Shing Yim, David and 3 Independent Non-executive Directors: Mr. Yan Tat Wah, Joseph, Mr. Lau Kwok Kuen and Lui Sai Wah.