INFO COMMUNICATION HOLDINGS LIMITED
訊 通 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 8082)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2008

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "EXCHANGE")

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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

This announcement, 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 announcement is accurate and complete in all material respects and not misleading; 2. There are no other matters the omission of which would make any statement in this announcement misleading; and 3. All opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

AUDITED CONSOLIDATED RESULTS FOR THE YEAR ENDED 31 MARCH 2008

The Directors are pleased to announce the audited consolidated financial statements of Info Communication Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2008, together with the audited comparative figures for the year ended 31 March 2007 as follows:

	Note	**2008** **HK$'000**	2007 *HK$'000*
Turnover	*3*	**88,545**	79,621
Other income	*4*	**423**	1,807
Exhibition costs		**(23,603)**	(11,878)
Printing, postage and paper costs		**(5,185)**	(4,537)
Promotion expenses		**(9,958)**	(6,048)
Staff costs	*5*	**(19,538)**	(14,830)
Finance costs	*6*	**(4)**	–
Other operating expenses		**(20,993)**	(14,028)
Profit before tax		**9,687**	30,107
Income tax expense	*8*	**(1,175)**	(9,798)
Profit for the year	*5*	**8,512**	20,309
Attributable to:			
Equity holders of the Company		**7,432**	19,787
Minority interests		**1,080**	522
		8,512	20,309
Dividends	*9*	**13,285**	14,375
Earnings per share			
Basic (HK cents per share)	*10*	**0.87**	2.34
Diluted (HK cents per share)	*10*	**0.85**	2.33

CONSOLIDATED BALANCE SHEET
At 31 March 2008

	Note	**2008** *HK$'000*	2007 *HK$'000*
Non-current assets			
Intangible assets		**–**	4,800
Goodwill		**6,800**	7,790
Property, plant and equipment		**2,227**	667
Available-for-sale investments		**–**	–
		9,027	13,257
Current assets			
Trade and other receivables	*11*	**6,594**	8,013
Bank balances and cash		**25,444**	31,638
		32,038	39,651
Current liabilities			
Trade and other payables	*12*	**4,901**	4,892
Sales deposits receipt in advance		**6,620**	7,530
Obligation under finance lease		**32**	–
Tax liabilities		**1,718**	7,623
		13,271	20,045
Net current assets		**18,767**	19,606
Total assets less current liabilities		**27,794**	32,863
Non-current liability			
Obligation under finance lease		**47**	–
Net assets		**27,747**	32,863
Capital and reserves			
Share capital		**8,856**	8,456
Reserves			
Proposed final dividend		**–**	4,228
Others		**18,822**	20,175
Equity attributable to equity holders of the Company		**27,678**	32,859
Minority interests		**69**	4
Total equity		**27,747**	32,863

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2008

	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 *HK$'000*	Proposed dividend *HK$'000*	Total *HK$'000*	Minority interests *HK$'000*	Total *HK$'000*
At 1 April 2006	8,456	4,552	–	900	–	–	9,311	1,691	24,910	4	24,914
Profit for the year	–	–	–	–	–	–	15,559	4,228	19,787	522	20,309
Total recognised income for the year	–	–	–	–	–	–	15,559	4,228	19,787	522	20,309
Dividends paid:											
– 2006 final dividend	–	–	–	–	–	–	–	(1,691)	(1,691)	–	(1,691)
– 2007 interim dividend	–	–	–	–	–	–	(10,147)	–	(10,147)	–	(10,147)
Dividend paid to a minority shareholder	–	–	–	–	–	–	–	–	–	(522)	(522)
At 31 March 2007 and 1 April 2007	8,456	4,552	–	900	–	–	14,723	4,228	32,859	4	32,863
Exchange differences arising on translation of foreign operations	–	–	1,164	–	–	–	–	–	1,164	–	1,164
Net income recognised directly in equity	–	–	1,164	–	–	–	–	–	1,164	–	1,164
Profit for the year	–	–	–	–	–	–	7,432	–	7,432	1,080	8,512
Total recognised income for the year	–	–	1,164	–	–	–	7,432	–	8,596	1,080	9,676
Issue of ordinary shares upon exercise of share options	400	2,800	–	–	–	–	–	–	3,200	–	3,200
Transaction costs attributable to issue of new shares	–	(62)	–	–	–	–	–	–	(62)	–	(62)
Recognition of equity settled share-based payments	–	–	–	–	–	598	–	–	598	–	598
Capital contributions from a minority shareholder	–	–	–	–	–	–	–	–	–	105	105
Allocation to statutory reserve	–	–	–	–	741	–	(741)	–	–	–	–
Dividends paid:											
– 2007 final dividend	–	–	–	–	–	–	–	(4,228)	(4,228)	–	(4,228)
– 2008 special dividend	–	(4,552)	–	–	–	–	(8,733)	–	(13,285)	–	(13,285)
Dividend paid to minority shareholders	–	–	–	–	–	–	–	–	–	(1,120)	(1,120)
At 31 March 2008	**8,856**	**2,738**	**1,164**	**900**	**741**	**598**	**12,681**	**–**	**27,678**	**69**	**27,747**

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 March 2008

1. GENERAL

Info Communication Holdings Limited (the "Company") is 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.

As at the balance sheet date, the Company's parent company is TLX Holdings Limited, a company incorporated in the British Virgin Islands ("BVI").

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 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, for the first time, the following new standard, amendment and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are effective for the Group's financial year beginning 1 April 2007.

HKAS 1 (Amendment)	Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC) – Int 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies
HK(IFRIC) – Int 8	Scope of HKFRS 2
HK(IFRIC) – Int 9	Reassessment of Embedded Derivatives
HK(IFRIC) – Int 10	Interim Financial Reporting and Impairment
HK(IFRIC) – Int 11	HKFRS 2: Group and Treasury Share Transactions

The adoption of the new HKFRSs 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.

The Group has applied the disclosure requirements under HKAS 1 (Amendment) and HKFRS 7 retrospectively. Certain information presented in prior year under the requirements of HKAS 32 has been removed and the relevant comparative information based on the requirements of HKAS 1 (Amendment) and HKFRS 7 has been presented for the first time in the current year.

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

HKAS 1 (Revised)	Presentation of Financial Statements[1]
HKAS 23 (Revised)	Borrowing Costs[1]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[4]
HKFRS 2 (Amendment)	Shared-based Payment – Vesting Conditions and Cancellations[1]
HKFRS 3 (Revised)	Business Combinations[4]
HKFRS 8	Operating Segments[1]
HK(IFRIC) – Int 12	Service Concession Arranagements[2]
HK(IFRIC) – Int 13	Customer Loyalty Programmes[3]
HK(IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction[2]

[1] Effective for annual periods beginning on or after 1 January 2009
[2] Effective for annual periods beginning on or after 1 January 2008
[3] Effective for annual periods beginning on or after 1 July 2008
[4] Effective for annual periods beginning on or after 1 July 2009

The directors of the Company anticipate that the application of these standards or interpretations will have no material impact on the results and the financial position of the Group.

3. TURNOVER

An analysis of the Group's turnover for the year is as follows:

	2008	2007
	HK$'000	*HK$'000*
Exhibition organisation income	**85,649**	75,888
Promotion and marketing income	**2,645**	3,085
Publication income	**251**	648
	88,545	79,621

4. OTHER INCOME

	2008	2007
	HK$'000	*HK$'000*
Interest income on bank deposits	**160**	177
Consultancy fee income	**–**	1,486
Gain on deemed disposal of a subsidiary	**45**	–
Sundry income	**218**	144
	423	1,807

5. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging:

	2008	2007
	HK$'000	*HK$'000*
Depreciation for property, plant and equipment	**449**	235
Amortisation of intangible assets (included in other operating expenses)	**356**	664
Total depreciation and amortisation	**805**	899
Auditors' remuneration	**175**	200
Net foreign exchange losses	**223**	65
Impairment loss recognised in respect of goodwill	**990**	–
Impairment loss recognised in respect of intangible assets	**4,444**	2,594
Impairment loss recognised in respect of trade and other receivables	**700**	1,423
Operating lease rentals in respect of land and buildings	**700**	417
Staff costs:		
– Staff salaries and allowances	**18,518**	14,442
– Retirement benefits schemes contributions	**422**	388
– Equity settled share-based payment expenses	**598**	–
Total staff costs (including directors' emoluments)	**19,538**	14,830

6. FINANCE COSTS

	2008	2007
	HK$'000	*HK$'000*
Interest on finance lease	**4**	–

7. SEGMENT INFORMATION

Segment information is presented by way of the Group's primary segment reporting, by business segment. In determining the Group's geographical segments, turnover is attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

Business segments – Primary reporting format

For the year ended 31 March 2008 and 2007, over 90% of the Group's turnover were derived from exhibition organisation, accordingly, no further business segment information is presented.

Geographical segments – Secondary reporting format

The Group's exhibition organisation business operates in two main geographical areas – the Peoples' Republic of China (including Hong Kong) (the "PRC") and Asia (other than the PRC). All segments assets, liabilities and capital expenditure are located in the PRC and therefore no geographical segments are presented, except for the segment turnover.

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

Turnover from external customers

	2008	2007
	HK$'000	*HK$'000*
PRC	**78,607**	71,693
Asia (other than PRC)	**9,938**	7,928
	88,545	79,621

8. INCOME TAX EXPENSE

	2008	2007
	HK$'000	*HK$'000*
Current tax:		
Hong Kong Profits Tax	**973**	5,199
PRC Enterprise Income Tax	**3,151**	4,599
	4,124	9,798
Over provision in prior year:		
Hong Kong Profits Tax	**(2,381)**	–
PRC Enterprise Income Tax	**(568)**	–
	(2,949)	–
	1,175	9,798

Hong Kong Profits Tax is calculated at 17.5% (2007: 17.5%) of the estimated assessable profit for the year. PRC subsidiaries are subject to PRC Enterprise Income Tax at 33% (2007: 33%).

On 16 March 2007, the People's Republic of China promulgated the Law of the People's Republic of China on Enterprise Income Tax (the "New Law") by Order No. 63 of the President of the People's Republic of China. On 6 December 2007, the State Council issued Implementation Regulations of the New Law. The New Law and Implementation Regulations will change the tax rate from 33% to 25% for certain subsidiaries from 1 January 2008.

The tax charge for the year can be reconciled to the profit per the consolidated income statement as follows:

	2008	2007
	HK$'000	*HK$'000*
Profit before tax	**9,687**	30,107
Tax at the Hong Kong Profits Tax rate of 17.5% (2007: 17.5%)	**1,695**	5,269
Tax effect of expenses not deductible for tax purpose	**646**	3,098
Tax effect of income not taxable for tax purpose	**(1,085)**	(1,301)
Overprovision in prior year	**(2,949)**	–
Utilisation of tax losses previously not recognised	**–**	(42)
Effect of the different tax rates of group entities operating in jurisdictions other than Hong Kong	**2,868**	2,774
Tax charge for the year	**1,175**	9,798

Deferred tax:

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 2008 and 2007.

9. DIVIDENDS

	2008 *HK$'000*	2007 *HK$'000*
Dividends recognised as distributions during the year:		
Interim dividend of HK$ Nil (2007: HK$0.012) per ordinary share	**–**	10,147
Special dividend of HK$0.015 (2007: Nil) per ordinary share *(a)*	**13,285**	–
Proposed final dividend of HK$ Nil (2007: HK$0.005) per ordinary share *(b)*	**–**	4,228
	13,285	14,375
Dividends recognised as distributions in the previous year:		
Final dividend of HK$0.005 (2007: HK$0.002) per ordinary share, in respect of the previous financial year, approved and paid during the year	**4,228**	1,691

Note:

(a) At a meeting held on 14 November 2007, the Directors declared a special dividend of HK$0.015 (2007: Nil) per ordinary share pursuant to the agreement relating to the sale of 470,000,000 shares by a substantial shareholder of the Company.

(b) The Directors do not recommend the payment of a final dividend for the year ended 31 March 2008 (2007: HK$0.005 per ordinary share).

10. EARNINGS PER SHARE

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

	2008 *HK$'000*	2007 *HK$'000*
Earnings		
Earnings attributable to the equity holder of the Company	**7,432**	19,787
Number of shares		
Weighted average number of ordinary shares for the purposes of basic earnings per share	**858,426,885**	845,640,000
Deemed issued of ordinary shares for no consideration	**18,789,703**	4,317,573
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**877,216,588**	849,957,573

The weighted average number of ordinary shares for the purpose of diluted earnings per share has been adjusted for the deemed issued of ordinary shares arising from the Company's share option scheme.

11. TRADE AND OTHER RECEIVABLES

	2008	2007
	HK$'000	*HK$'000*
Trade receivables *(Note)*	**3,751**	2,601
Less: Impairment loss recognised	**(1,384)**	(893)
	2,367	1,708
Other receivables, deposits and prepayments	**5,625**	7,494
Less: Impairment loss recognised	**(1,398)**	(1,189)
	4,227	6,305
Total trade and other receivables	**6,594**	8,013

Note:

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.

The following is an aged analysis of trade receivables net of impairment loss at the balance sheet date:

	2008	2007
	HK$'000	*HK$'000*
0 – 30 days	**476**	341
31 – 60 days	**155**	394
Over 60 days	**1,736**	973
	2,367	1,708

Included in the Group's trade receivables balance are debtors with aggregate carrying amount of HK$351,000 (2007: HK$163,000) which are past due at the reporting date for which the Group has not provided for impairment loss.

Movement of impairment losses recognised

	2008	2007
	HK$'000	*HK$'000*
Balance at beginning of the year	**2,082**	659
Impairment losses recognised on receivables	**744**	1,423
Amount recovered during the year	**(44)**	–
Balance at end of the year	**2,782**	2,082

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

Ageing of impaired trade receivables

	2008	2007
	HK$'000	*HK$'000*
31 – 60 days	–	–
Over 60 days	1,384	893
	1,384	893

12. TRADE AND OTHER PAYABLES

	2008	2007
	HK$'000	*HK$'000*
Trade payables	1,348	1,066
Other payables	3,553	3,826
	4,901	4,892

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

	2008	2007
	HK$'000	*HK$'000*
0 – 30 days	930	629
31 – 60 days	374	394
Over 60 days	44	43
	1,348	1,066

The average credit period given by the suppliers are of three months. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

As at the balance sheet date, none of the trade payables were past due.

ANNOUNCED CONTINUING CONNECTED TRANSACTIONS

During the year, the Group has entered into the following agency agreement and management service agreement with Chan Chao Taiwan and in which a shareholder of the Company, who is also a director of the Company's subsidiary, has beneficial interests. The transactions under the agency agreement and management service agreement constitute a continuing connected transaction, and is subject to reporting and announcement requirements and exempt from independent shareholders' approval requirements under Rule 20.34 of the GEM Listing Rules.

1. Agency agreement

During the year, an indirect wholly-owned subsidiary of the Company, Global Challenge Limited ("GCL"), entered into an agreement with Chan Chao Taiwan for a term of one year commencing from 1 April 2007, 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.

During the year ended 31 March 2008, the aggregate commission paid by the Group to Chan Chao Taiwan was approximately HK$573,000 (2007: approximately HK$135,000).

2. Management service agreement

During the year, a non-wholly-owned subsidiary of the Company, Chan Chao International Co., Limited ("Chan Chao BVI"), a company incorporated in the BVI, entered into an agreement with Chan Chao Taiwan for a term of one year commencing from 1 April 2007, 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".

During the year ended 31 March 2008, the aggregate management service fee paid by the Group to Chan Chao Taiwan was approximately HK$276,000 (2007: approximately HK$82,000).

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.

MANAGEMENT DISCUSSION AND ANALYSIS

Results and dividends

For the year ended 31 March 2008, the Group recorded a turnover of approximately HK$88,545,000 (2007: approximately HK$79,621,000) and a net profit attributable to equity holders of the Company of approximately HK$7,432,000 (2007: approximately HK$19,787,000). The basic earnings per share was HK 0.87 cents (2007: HK 2.34 cents).

On 14 November 2007, a special dividend of HK$0.015 per ordinary share, totalling HK$13,284,600 was declared and paid during the year ended 31 March 2008.

The Directors do not recommend the payment of a final dividend in respect of the year ended 31 March 2008 (2007: HK$0.005 per ordinary share).

Annual general meeting

The annual general meeting of the Company will be held at Room 2406, Nan Fung Tower, 173 Des Voeux Road Central, Hong Kong at 4:00 p.m. on 15 August 2008 (Friday) (the "Annual General Meeting"). The notice of Annual General Meeting will be published and despatched to the shareholders of the Company in the manner as required by GEM Listing Rules in due course.

Financial review

For the year ended 31 March 2008, the Group recorded a turnover of approximately HK$88.5 million, representing an increase of approximately HK$8.9 million or 11.2% as compared to the Group's turnover for the previous financial year which amounted to approximately HK$79.6 million. Such increase in the Group's turnover was mainly attributable to the increase in exhibition organisation income.

The exhibition costs increased to approximately HK$23,603,000 from HK$11,878,000 recorded in prior year as a result of the increase in exhibition hall rentals and booth construction costs in the PRC exhibitions organised during the year.

The staff costs increased to approximately HK$19,538,000 or 31.7% when compared to previous year as a result of the increase in the total number of staff and general level of staff salaries.

The net profit attributable to equity holders of the Company for the year ended 31 March 2008 was approximately HK$7.4 million. The decrease in profitability was mainly attributable to the increase in exhibition costs and the increase in the number of rivals.

Business review

During the year ended 31 March 2008, the Group generated exhibition organisation income of approximately HK$85.6 million, representing an increase of 12.9% when compared with prior year. The steady increase in the exhibition organisation income was mainly attributable to the recurring exhibitions held by the Group, in particular, the Asia International Arts & Antiques Fair 2007, the 2nd Hong Kong International Pet & Aqua Accessory & Service Expo, the 9th China Dongguan International Plastics, Packaging, Rubber, Diecasting & Foundry Exhibition (DMP I) and the 9th China Dongguan International Mould & Metalworking Exhibition (DMP II).

Liquidity and financial resources

The Group generally finances its daily operations from internally generated cash flows. As at 31 March 2008, the Group had total assets of approximately HK$41,065,000 and had net assets of approximately HK$27,747,000. The Group's cash and bank balances as at 31 March 2008 amounted to approximately HK$25,444,000 and has an obligation under finance lease amounted to HK$79,000 but with no bank and other borrowings or other long-term liabilities. Taking into account the cash on hand and recurring cash flows from its core business, the Group's financial position is healthy, positioning the Group advantageously to expand its core business and to achieve its business objectives.

The gearing ratio, calculated on the basis of total liabilities over total equity holders' funds as at 31 March 2008, is approximately 48% (2007: approximately 61%).

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 2008, the Group had 72 (2007: 54) employees, including Directors. Total staff costs for the year under review, including Directors' remuneration, amounted to approximately HK$19,538,000 (2007: approximately HK$14,830,000). 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.

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 2008, a motor vehicle with net book value of approximately HK$283,000 was held under finance lease (2007: Nil).

Contingent liabilities

There was no significant contingent liabilities as at 31 March 2008.

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 2008.

Prospects

The Group has entered in the coal mining industry in the coming year. It anticipates the demand for coal in the domestic market remain strong. Coal price will remain at a high level. The economic development of the People's Republic of China (the "PRC") is maintained at a rapid rate, which results in the strong demand for coal by primary industries, such as power, metallurgy, building materials and chemicals, etc. Newly constructed coalmines will gradually increase production capabilities. Increase in coal price will facilitate expansion in coal production capabilities. The PRC is changing from a net coal export country to a net coal import country which will increase the domestic supply of coal. The railway transportation capacity has been enhanced, however, it is still the bottleneck that restricts coal supply. The China government is also aware of the importance of energy saving and reduction in carbon dioxide emission, which will accelerate the consolidation of the coal industry. The will in turn improve the centralisation of coal industry in the PRC and will enhance the competitive advantages of large-scale coal enterprises.

Post balance sheet event

(i) On 2 April 2008, a wholly-owned subsidiary of the Company, Global Challenge Limited lodged an objection against the Inland Revenue Department's ("IRD") assessment through the Group's tax representative in relation to a notice of additional assessment for the year of assessment 2001/02 relating to certain offshore claim on exhibition organisation income arising in prior years in which the IRD has challenged the tax treatment adopted by the subsidiary. The objection is on the grounds that the additional profits assessed were considered as offshore sourced and is not subject to Hong Kong Profits Tax.

On 25 April 2008, the subsidiary received a notice from the IRD advising that the tax demanded would be held over on condition that the subsidiary purchased HK$402,817 of Tax Reserve Certificate (the "TRC") by 9 May 2008. Should any amount of tax held over on condition of the purchase of TRC become payable upon the final determination of the objection, the same amount of TRC would be used for settlement of tax due. In order to fulfil the condition of hold over of tax payment, the subsidiary purchased TRC of HK$402,817 on 28 April 2008.

(ii) On 27 May 2008, the Company announced that Billion Station Limited, a wholly-owned subsidiary of the Company entered into a conditional sale and purchase agreement dated 18 April 2008 with an independent third party to acquire the entire equity interests in Triumph Fund A Limited and its subsidiaries for a total consideration of approximately HK$460,599,000. The acquisition constitutes a very substantial acquisition for the Company under the GEM Listing Rules and thus it is subject to the Company's shareholders approval at a special general meeting. Further details of the acquisition are set out in the Company's announcement dated 27 May 2008.

(iii) On 29 May 2008, a substantial shareholder of the Company entered into a placing and subscription agreement with Goldin Securities Limited and the Company dated 28 May 2008. Pursuant to the agreement, the substantial shareholder agreed to place the shares to not less than six placees at a price of HK$0.31 each. For further details, please refer to the Company's announcement dated 29 May 2008.

On 3 June 2008, the placing of existing shares by a substantial shareholder of the Company totaling 90,000,000 of shares had been successfully completed and placed to not less than six placees at a price of HK$0.31 each. For details of the completion of placing of existing shares, please refer to the Company's announcement dated 3 June 2008.

Management contracts

Save as disclosed in the annual report of the Company, 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 adopted a code of conduct regarding securities transactions by directors 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 enquiry of all directors, all directors confirmed they have complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company.

Board practices and procedures

The Company has complied with Rule 5.34 of the GEM Listing Rules concerning board practices and procedures throughout the year ended 31 March 2008.

Competing interests

The Directors are not aware of, as at 31 March 2008 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.

Purchase, 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 2008.

Pre-emptive rights

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

Audit committee

The Company has established an audit committee ("Audit Committee") with specific terms of reference explaining its role and authorise delegated by the Directors. The Audit Committee consists of three independent non-executive directors, Mr. Kwok Kwan Hung, Mr. Chan Wai Man and Mr. Leung Chi Kong, who together 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 Code on Corporate Governance Practices, the terms of reference of the Audit Committee were also revised which are substantially the same as the provisions set out in the Code on Corporate Governance Practices.

The Audit Committee has also reviewed the Group's audited results for the year ended 31 March 2008.

Remuneration committee

According to the Code on Corporate Governance Practices, the Company established a remuneration committee ("Remuneration Committee"). During the year under review, the Remuneration Committee comprised three members, Mr. Kwok Kwan Hung, Mr. Chan Wai Man and Mr. Leung Chi Kong, all of them are independent non-executive directors and Mr. Leung Chi Kong was appointed as the Chairman of the Remuneration Committee.

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Group's policy and structure in relation to the remuneration of directors and senior management and reviewing the specific remuneration packages of all executive directors and senior management by reference to corporate goals and objectives resolved by the Board from time to time.

Publication of annual report on the GEM website

The announcement of the Company contains all the information required by the GEM Listing Rules will be published on the GEM website in due course.

By order of the Board
INFO COMMUNICATION HOLDINGS LIMITED
Chui Bing Sun
Chairman

Hong Kong, 6 June 2008

As at the date of this announcement, the Board comprises the following members:

Executive Directors

Mr. Chui Bing Sun *(Chairman)*
Mr. Lee Chi Shing, Caesar
Mr. Cheng Kwok Lai
Mr. Kwok Kam Tim

Independent non-executive Directors

Mr. Kwok Kwan Hung
Mr. Leung Chi Kong
Mr. Chan Wai Man

This announcement will appear and remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of its posting and on the website of the Company at www.infocommunication.com.hk.