采藝多媒體控股有限公司
Brilliant Arts Multi-Media Holding Limited

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code : 8130)

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2009

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

GEM has been positioned as a market designed to accommodate companies to which a high investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risk 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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors ("Directors") of Brilliants Arts Multi-Media Holding Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. 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.

HIGHLIGHTS

1. Turnover of the Group for the year ended 31 March 2009 was approximately HK$1.6 million (2008: HK$10.6 million), representing a decrease of approximately 84.9% as compared with previous year.

2. Loss for the year ended 31 March 2009 was approximately HK$20.6 million (2008: profit of approximately HK$19.3 million).

3. Basic loss per share for the year ended 31 March 2009 was approximately HK$0.53 (2008: earnings per share of approximately HK$4.69).

4. The Board does not recommend the payment of any dividend for the year ended 31 March 2009 (2008: HK$Nil).

ANNUAL RESULTS

The Directors announce the audited consolidated results of Brilliant Arts Multi-Media Holding Limited (the "Company") and its subsidiaries (together, the "Group") for the year ended 31 March 2009 together with the comparative figures for the corresponding year in 2008 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2009

	Notes	**2009** **HK$'000**	2008 HK$'000
Turnover	3	**1,585**	10,632
Cost of sales		**—**	(9,261)
Gross profit		**1,585**	1,371
Other revenue and other income	3	**1,498**	3,345
Other operating expenses		**(12,927)**	(15,906)
Loss on redemption of convertible bonds		**(430)**	—
Fair value (loss)/gain on investment properties	9	**(11,200)**	7,700
Loss from operations	5	**(21,474)**	(3,490)
Gain on disposal of subsidiaries		**—**	25,736
Finance costs	6	**(133)**	(1,635)
(Loss)/profit before taxation		**(21,607)**	20,611
Taxation	7	**1,014**	(1,322)
(Loss)/profit for the year		**(20,593)**	19,289
(Loss)/earnings per share	8		(Restated)
— Basic		**(HK$0.53)**	HK$4.69
— Diluted		**(HK$0.53)**	HK$3.94

CONSOLIDATED BALANCE SHEET

At 31 March 2009

	Notes	2009 HK$'000	2008 HK$'000
Non-current assets			
Property, plant and equipment		**1,047**	1,333
Investment properties	*9*	**40,408**	55,506
Goodwill		**1,449**	1,449
		42,904	58,288
Current assets			
Films in progress		**13,218**	12,315
Trade and other receivables	*10*	**408**	372
Bank balances and cash		**142,409**	101,760
		156,035	114,447
Current liabilities			
Other payables	*11*	**3,717**	1,212
Bank loan		**343**	397
		4,060	1,609
Net current assets		**151,975**	112,838
Total assets less current liabilities		**194,879**	171,126
Capital and reserves			
Share capital		**12,569**	125,690
Reserves		**178,107**	38,279
Total equity		**190,676**	163,969
Non-current liabilities			
Convertible bonds		**—**	662
Bank loan		**1,476**	2,229
Deferred tax liabilities		**2,727**	4,266
		4,203	7,157
		194,879	171,126

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2009

	Attributable to equity holders of the Company							
	Share capital *HK$'000*	Share premium *HK$'000*	Contributed surplus *HK$'000*	Share-based compensation reserve *HK$'000*	Convertible bonds reserve *HK$'000*	Translation reserve *HK$'000*	Accumulated losses *HK$'000*	Total *HK$'000*
At 1 April 2007	10,620	18,074	10	1,030	2,369	—	(50,247)	(18,144)
Profit for the year	—	—	—	—	—	—	19,289	19,289
Issue of shares	80,452	16,230	—	—	—	—	—	96,682
Share issue expenses	—	(2,241)	—	—	—	—	—	(2,241)
Recognition of equity-settled share-based payments	—	—	—	4,370	—	—	—	4,370
Issue of convertible bonds	—	—	—	—	10,107	—	—	10,107
Conversion into shares from convertible bonds	31,456	30,855	—	—	(12,226)	—	—	50,085
Shares issued upon exercise of share options	3,162	2,650	—	(1,699)	—	—	—	4,113
Cancellation of share options	—	—	—	(1,030)	—	—	1,030	—
Exchange differences arising on translation of financial statements of foreign operation	—	—	—	—	—	(292)	—	(292)
At 31 March 2008 and 1 April 2008	125,690	65,568	10	2,671	250	(292)	(29,928)	163,969
Loss for the year	—	—	—	—	—	—	(20,593)	(20,593)
Capital reduction	(124,433)	—	87,244	—	—	—	37,189	—
Issue of shares	11,312	33,936	—	—	—	—	—	45,248
Share issue expenses	—	(969)	—	—	—	—	—	(969)
Recognition of equity-settled share-based payments	—	—	—	5,017	—	—	—	5,017
Redemption of convertible bonds	—	—	—	—	(250)	—	250	—
Cancellation of share options	—	—	—	(2,091)	—	—	2,091	—
Share options lapsed	—	—	—	(1,397)	—	—	1,397	—
Exchange differences arising on translation of financial statements of foreign operation	—	—	—	—	—	(1,996)	—	(1,996)
At 31 March 2009	12,569	98,535	87,254	4,200	—	(2,288)	(9,594)	190,676

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 March 2009

1. GENERAL

The Company was incorporated in the Cayman Islands on 9 November 2001 and continued in Bermuda as an exempted company with limited liability on 20 April 2009 and its shares are being listed on the GEM of the Stock Exchange. The registered office and principal place of business of the Company are located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and Unit 1611, 16/F., Shun Tak Centre, West Tower, 168-200 Connaught Road Central, Hong Kong respectively.

The principal activities of the Group are the provision of film production services, production of television movies, investment in film productions and worldwide film distribution and properties investment.

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has where applicable applied the following amendments and interpretations ("INTs") (collectively referred to as "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") which are or have become effective.

HKAS 39 & HKFRS 7 (Amendments)	Reclassification of Financial Assets
HK(IFRIC) — Int 11	HKFRS 2: Group and Treasury Share Transactions
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 application 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 not early applied any of the following new and revised standards, amendments or interpretations which have been issued but are not yet effective for the current accounting period.

HKFRSs (Amendments)	Improvements to HKFRSs[5]
HKFRSs (Amendments)	Improvements to HKFRSs 2009[8]
HKAS 1 (Revised)	Presentation of financial statements[1]
HKAS 23 (Revised)	Borrowing costs[1]
HKAS 27 (Revised)	Consolidated and separate financial statements[2]
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation[1]
HKAS 39 (Amendment)	Eligible hedged items[2]
HKAS 39 & HKFRS 7 (Amendments)	Reclassification of financial assets[3]
HKFRS 1 & HKAS 27 (Amendments)	Cost of an investment in a subsidiary, jointly controlled entity or associate[1]
HKFRS 1 (Revised)	First-time Adoption of Hong Kong Financial Reporting Standards[2]
HKFRS 2 (Amendment)	Vesting conditions and cancellations[1]
HKFRS 3 (Revised)	Business combinations[2]
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments[1]
HKFRS 8	Operating Segments[1]
HK(IFRIC) — Int 19 & HKAS 39 (Amendments)	Embedded Derivatives[7]
HK(IFRIC) — Int 13	Customer loyalty programmes[3]
HK(IFRIC) — Int 15	Agreements for the construction of real estate[1]
HK(IFRIC) — Int 16	Hedges of a net investment in a foreign operation[4]
HK(IFRIC) — Int 17	Distributions of non-cash assets to owners[2]
HK(IFRIC) — Int 18	Transfers of Assets from Customers[6]

1 Effective for annual periods beginning on or after 1 January 2009
2 Effective for annual periods beginning on or after 1 July 2009
3 Effective for annual periods beginning on or after 1 July 2008
4 Effective for annual periods beginning on or after 1 October 2008
5 Effective for annual periods beginning on or after 1 January 2009 except for the amendments to HKFRS 5, effective for annual periods beginning on or after 1 July 2009
6 Effective for transfers of assets from customers received on or after 1 July 2009
7 Effective for annual periods ending on or after 30 June 2009
8 Effective for annual periods beginning on or after 1 January 2009, 1 July 2009 and 1 January 2010, as appropriate.

The application of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009.

HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions.

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 results and the financial position of the Group.

3. TURNOVER, OTHER REVENUE AND OTHER INCOME

Turnover represents the net amounts received and receivables for goods sold and rendering of services by the Group.

Turnover, other revenue and other income consist of:

	2009	2008
	HK$'000	*HK$'000*
Turnover		
Film production	**—**	7,500
Film distribution	**—**	2,755
Gross rentals from investment properties	**1,585**	377
	1,585	10,632
Other revenue		
Bank interest income	**1,498**	1,274
Total interest income on financial assets not at fair value through profit or loss	**1,498**	1,274
Others	**—**	14
	1,498	1,288
Other income		
Excess of interest in fair value of acquiree's identifiable assets and liabilities over the cost of a business combination	**—**	2,057
Other revenue and other income	**1,498**	3,345
Total	**3,083**	13,977

4. BUSINESS AND GEOGRAPHICAL SEGMENTS

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.

(a) Business segments

For management purposes, the Group is currently organised into three operating divisions, namely, film production, film distribution and properties investment. These divisions are the basis on which the Group reports its primary segment information.

Film production: production of films to customers

Film distribution: distribution of films through the distributors to various licencees

Properties investment: leasing of properties to generate rental income

Income statement

	Film production		Film distribution		Properties investment		Consolidated	
	2009	2008	**2009**	2008	**2009**	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Turnover	**—**	7,500	**—**	2,755	**1,585**	377	**1,585**	10,632
Segment results	**—**	1,215	**(1,737)**	(221)	**(11,414)**	8,077	**(13,151)**	9,071
Unallocated corporate income							**—**	2,071
Unallocated corporate expenses							**(9,821)**	(15,906)
Loss from operations							**(22,972)**	(4,764)
Interest income							**1,498**	1,274
Gain on disposal of subsidiaries							**—**	25,736
Finance costs							**(133)**	(1,635)
(Loss)/profit before taxation							**(21,607)**	20,611
Taxation							**1,014**	(1,322)
(Loss)/profit for the year							**(20,593)**	19,289

Balance sheet

	Film production		Film distribution		Properties investment		Consolidated	
	2009	2008	**2009**	2008	**2009**	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment assets	**—**	—	**34,329**	33,848	**42,131**	57,376	**76,460**	91,224
Unallocated corporate assets							**122,479**	81,511
Consolidated total assets							**198,939**	172,735
Segment liabilities	**—**	—	**(1,632)**	—	**(4,982)**	(7,413)	**(6,614)**	(7,413)
Unallocated corporate liabilities							**(1,649)**	(1,353)
Consolidated total liabilities							**(8,263)**	(8,766)

Other information

	Film production		Film distribution		Properties investment		Unallocated		Consolidated	
	2009	2008	**2009**	2008	**2009**	2008	**2009**	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Capital expenditure incurred during the year	**—**	4	**—**	77	**—**	56,935	**—**	—	**—**	57,016
Depreciation	**—**	102	**—**	393	**286**	95	**—**	646	**286**	1,236
Additions of film rights	**—**	—	**—**	4,697	**—**	—	**—**	—	**—**	4,697
Fair value (loss)/gain on investment properties	**—**	—	**—**	—	**(11,200)**	7,700	**—**	—	**(11,200)**	7,700
Amortisation of film rights	**—**	—	**—**	2,976	**—**	—	**—**	—	**—**	2,976
Impairment loss of films in progress	**—**	—	**1,432**	—	**—**	—	**—**	—	**1,432**	—
Loss on disposal of property, plant and equipment	**—**	—	**—**	3	**—**	—	**—**	—	**—**	3

(b) Geographical segments

The Group's film distribution and film production income are derived from Hong Kong and overseas distribution and rental income are derived from property located at Canada. Segment revenue is based on the geographical location of customers. The following table provides an analysis of the Group's sales revenue by geographical market:

	2009	2008
	HK$'000	*HK$'000*
Hong Kong	**—**	8,551
Overseas	**1,585**	2,081
	1,585	10,632

The following is an analysis of the carrying amount of segment assets and additions to property, plant and equipment, analysed by the geographical area in which the assets are located:

	Carrying amount of segment assets		**Additions to property, plant and equipment**	
	2009	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**180,962**	149,554	**—**	1,510
Overseas	**17,977**	23,181	**—**	—
	198,939	172,735	**—**	1,510

5. LOSS FROM OPERATIONS

Loss from operations has been arrived at after charging/(crediting):

	2009	2008
	HK$'000	*HK$'000*
Auditor's remuneration	**260**	260
Amortisation of film rights (included in cost of sales)	**—**	2,976
Impairment loss of films in progress	**1,432**	—
Production cost (included in cost of sales)	**—**	6,285
Depreciation of property, plant and equipment		
— assets held for use under finance leases	**—**	49
— owned assets	**286**	1,187
Net foreign exchange loss	**976**	140
Operating lease rental in respect of premises	**—**	793
Loss on disposal of property, plant and equipment	**—**	3
Rental income less direct outgoings of HK$675,000 (2008: HK$195,000)	**(910)**	(182)
Staff costs (include Directors' remuneration)		
Salaries and allowances	**2,005**	3,437
Share-based payment expenses	**5,017**	4,370
Staff welfare and messing	**—**	9
Contribution to retirement benefits scheme	**13**	90
Total staff costs	**7,035**	7,906

6. FINANCE COSTS

	2009	2008
	HK$'000	*HK$'000*
Interests on:		
Bank loans wholly repayable within five years	**125**	—
Bank loans wholly repayable over five years	**—**	25
Amounts due to related companies	**—**	667
Effective interest expenses on convertible bonds wholly repayable within five years	**8**	935
Finance charges on obligations under finance leases	**—**	8
Total interest expense on financial liabilities not at fair value through profit or loss	**133**	1,635

7. TAXATION

	2009	2008
	HK$'000	*HK$'000*
Current tax charge for the year		
Hong Kong	**—**	—
Other jurisdiction	**—**	—
	—	—
Deferred tax charge		
Current year	**(1,823)**	1,360
Attributable to a change in other jurisdiction tax rate	**809**	(38)
	(1,014)	1,322
	(1,014)	1,322

No provision for Hong Kong profits tax has been made in the consolidated financial statements as the Group has no assessable profits in Hong Kong for the year ended 31 March 2009 and 2008. Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries.

Income tax for the year can be reconciled to the (loss)/profit before taxation per the consolidated income statement as follows:

	2009	2008
	HK$'000	*HK$'000*
(Loss)/profit before taxation	**(21,607)**	20,611
Notional tax on (loss)/profit before taxation, calculated at the rates applicable to profits in the tax jurisdictions concerned	**(3,390)**	3,623
Tax effect of unrecognised tax losses	**1,380**	640
Tax effect of non-taxable incomes	**(246)**	(6,656)
Tax effect of non-deductible expenses	**685**	3,753
Tax effect of unrecognised temporary difference	**(252)**	—
Increase/(decrease) in opening deferred tax liabilities resulting from a change in tax rate	**809**	(38)
Actual tax (credit)/expenses	**(1,014)**	1,322

8. (LOSS)/EARNINGS PER SHARE

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

	2009	2008
	HK$'000	*HK$'000*
(Loss)/profit attributable to equity holders of the Company (basic and diluted)	**(20,593)**	19,289

	Number of ordinary shares	
	2009	2008
	'000	*'000*
		(Restated)
Weighted average number of ordinary shares (basic)		
Issued ordinary shares at 1 April	**1,256,897**	106,200
Effect of share options exercised	**—**	606
Effect of conversion into shares from convertible bonds	**—**	125,889
Effect of issue of new shares	**—**	159,062
Effect of consolidation of shares	**(1,482,982)**	(387,839)
Effect of open offer of shares	**265,171**	196
Weighted average number of ordinary shares for basic (loss)/earnings per share at 31 March	**39,086**	4,114
Weighted average number of ordinary shares (diluted)		
Weighted average number of ordinary shares at 31 March	**39,086**	4,114
Effect of exercise of share options	**—**	781
Weighted average number of ordinary shares for dilutive (loss)/earnings per share at 31 March	**39,086**	4,895
(Loss)/earnings per shares:		
— Basic	**(HK$0.53)**	HK$4.69
— Diluted	**(HK$0.53)**	HK$3.94

The weighted average number of ordinary shares of basic and diluted (loss)/earnings per share for both years have been adjusted for the share consolidation and open offer of shares during the year and the share consolidation subsequent to the balance sheet date.

Diluted loss per share equal to basic loss per share for the year ended 31 March 2009 as the exercise price of the Company's outstanding share options was higher than the average market price for shares for the year and therefore it is anticipated that no share option to subscribe for the Company's shares will be exercised.

The conversion of all potential ordinary shares arising from convertible bonds would have an anti-dilutive effect on the earnings per share for the year ended 31 March 2008.

9. INVESTMENT PROPERTIES

The Group

	2009	2008
	HK$'000	*HK$'000*
Fair Value		
At 1 April	**55,506**	—
Acquired on acquisition of subsidiaries	**—**	48,371
Net (decrease)/increase in fair value recognised in the consolidated income statement	**(11,200)**	7,700
Exchange adjustments	**(3,898)**	(565)
At 31 March	**40,408**	55,506

(a) The analysis of carrying amount of investment properties is as follows:

	2009	2008
	HK$'000	*HK$'000*
In Hong Kong		
Long-term lease	**23,100**	34,300
Outside Hong Kong		
Freehold	**17,308**	21,206
	40,408	55,506

(b) All investment properties of the Group carried at fair value were revalued as at 31 March 2009 on an open market value basis calculated by reference to recent market transactions in comparable properties. The valuations were carried out by an independent firm of surveyors, Grant Sherman Appraisal Limited, who have among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued.

(c) At 31 March 2009, investment property of the Group with a fair value of approximately HK$17,308,000 (2008: HK$21,206,000) was pledged to secure banking facilities granted to the Group.

10. TRADE AND OTHER RECEIVABLES

	The Group	
	2009	2008
	HK$'000	*HK$'000*
Trade debtors	**170**	159
Other debtors	**—**	28
Loans and receivables	**170**	187
Deposits and prepayment	**238**	185
	408	372

(a) Ageing analysis

The following is an ageing analysis of trade debtors at the balance sheet date:

	The Group	
	2009	2008
	HK$'000	*HK$'000*
Within 30 days	**121**	119
31 — 90 days	**49**	27
91 — 180 days	**—**	13
	170	159

The Group normally grants credit terms of 30 days to 90 days to its customers.

Management closely monitors the credit quality of trade debtors and considers the trade debtors that are neither past due nor impaired of good credit quality.

(b) Trade debtors that are not impaired

The ageing analysis of trade debtors that are neither individually nor collectively considered to be impaired are as follows:

	The Group	
	2009	2008
	HK$'000	*HK$'000*
Neither past due nor impaired	**170**	146
1 to 3 months past due	**—**	13
	170	159

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

11. OTHER PAYABLES

	The Group	
	2009	2008
	HK$'000	*HK$'000*
Other creditors and accruals	**2,914**	870
Amounts due to Directors	**527**	—
Financial liabilities measured at amortised cost	**3,441**	870
Tenant deposits	**37**	45
Other non-income tax payable	**239**	297
	3,717	1,212

Amounts due to Directors are interest free, unsecured and repayable on demand.

12. DIVIDEND

The Directors do not recommend the payment of any dividend for the year ended 31 March 2009 (2008: HK$Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview

Owing to the global economic downturn, the operating environment of the film industry has been increasingly challenging. Given the above, the Group has been alert and cautious in utilising its resources for the production of new films. The Group recorded a turnover of approximately HK$1.6 million (2008: HK$10.6 million) during the year under review. The Group did not have revenue generated from the business segment of film production and distribution. All of the revenue was generated from the leasing of the investment property located at Canada.

On 26 November 2008, the Company entered into a subscription agreement with Golife Concepts Holdings Limited, whose shares are listed on the GEM of the Stock Exchange, in respect of the subscription of convertible bonds in an aggregate principal amount of HK$100 million in five tranches of HK$20 million each (the "Subscription"). The Subscription constituted a very substantial acquisition of the Company under the GEM Listing Rules. A circular containing the details of the Subscription had been despatched to the shareholders of the Company on 29 December 2008. The Subscription was subsequently approved by the Company's shareholder at the extraordinary general meeting held on 14 January 2009. The Company subscribed the convertible bonds in the principal amount of HK$100 million on 28 April 2009.

Financial Review

For the year ended 31 March 2009, the Group recorded a loss attributable to equity holders of the Company of approximately HK$20.6 million (2008: profit of approximately HK$19.3 million). The deterioration in results was mainly attributed to the one-time fair value loss on investment property of approximately HK$11.2 million and impairment loss on film in progress of approximately HK$1.4 million incurred in the current year. On the other hand, the profit recorded in last year was attributed to the one-time gain on disposal of subsidiaries of approximately HK$25.7 million and fair value gain on investment property of approximately HK$7.7 million.

Excluding the one-time fair value loss on investment property of approximately HK$11.2 million and impairment loss on film in progress of approximately HK$1.4 million, the net loss attributable to equity holders of the Company was approximately HK$8.0 million.

During the year, the management had exercised prudence measures on cost control policies. As a result, other operating expenses decreased by 18.7% to approximately HK$12.9 million from HK$15.9 million in prior year. Such decrease was mainly contributed by the decrease in salaries and allowances, depreciation, rent and rates and legal and professional fees from HK$6.5 million, HK$1.2 million, HK$0.8 million and HK$3.6 million in last year to HK$5.6 million, HK$0.3 million, HK$0.1 million and HK$1.8 million in the current year respectively.

Finance costs decreased by 91.9% to approximately HK$0.1 million from HK$1.6 million in prior year. The decrease of approximately HK$1.5 million was mainly attributed to the decrease in interest on convertible bonds and interest on amounts due to related companies. The interest on convertible bonds and interest on amounts due to related companies were approximately HK$8,000 (2008: HK$0.9 million) and HK$Nil (2008: HK$0.7 million) respectively.

Dividend

The Board does not recommend the payment of a dividend for the year ended 31 March 2009.

Liquidity, Financial Resources and Capital Structure

At 31 March 2009, the Group had assets of approximately HK$198.9 million (2008: HK$172.7 million), including net cash and bank balances of approximately HK$142.4 million (2008: HK$101.8 million). The increase in net cash and bank balances was mainly contributed by net cash inflow from financing activities during the year.

During the year under review, the Group financed its operations with internally generated cash flows and the proceeds from the open offer.

Pursuant to the resolutions passed on 14 January 2009, the Company raised approximately HK$45.2 million before expenses, by way of open offer of 1,131,207,381 offer shares at a price of HK$0.04 per offer share on the basis of 9 offer shares for every 1 existing share held on the record date. The net proceeds of approximately HK$43.8 million were utilised for the subscription of the convertible bonds issued by Golife Concepts Holdings Limited.

At 31 March 2009, a subsidiary of the Company has pledged its investment property with a fair value of HK$17.3 million (2008: HK$21.2 million) to secure a mortgage loan amounted to approximately HK$1.8 million (2008: HK$2.6 million).

At 31 March 2009, save as the mortgage loan, the Group did not have any bank borrowings nor any banking facilities. The gearing ratio, expressed as a percentage of total liabilities over total assets, was 4.2% (2008: 5.1%).

Treasury Policies

The Group has not used any foreign currency derivative instruments to hedge its exposure to foreign exchange risk. However, the management monitors closely the exposures and will consider hedging the exposures should the need arise.

Contingent Liabilities

As at 31 March 2009, the Group had no contingent liabilities.

Material Acquisitions and Disposal of Subsidiaries and Affiliated Companies

The Group did not make any material acquisitions and disposal of subsidiaries and affiliated companies during the year.

Capital Reorganisation, Share Consolidation, Change of Board Lot Size and Change in Domicile

(a) Pursuant to the resolutions passed on 19 March 2008, capital reorganisation was effected by the way of comprising (i) capital reduction that the nominal value of all issued and unissued shares be reduced from HK$0.10 each to HK$0.001 each; (ii) share consolidation that every 10 issued and unissued shares be consolidated into 1 consolidated share of the Company ("Consolidated Shares"); and (iii) the increase in authorised share capital from HK$3,000,000 to HK$30,000,000 by the creation of 2,700,000,000 new ordinary shares of the Company of HK$0.01 each. The capital reorganisation was completed on 20 June 2008. The board lot size for trading of shares of the Company was changed from 10,000 shares to 4,000 Consolidated Shares when the capital reorganisation became effective.

(b) Pursuant to the resolutions passed on 14 January 2009, the board lot size for trading of shares of the Company was changed from 4,000 shares to 40,000 after the completion of the open offer of which the details were set out in the Company's circular dated 29 December 2008. The change in board lot size was effective on 11 February 2009.

(c) Pursuant to the resolutions passed on 30 March 2009, the domicile of the Company was changed from the Cayman Islands to Bermuda by way of de-registration in the Cayman Islands and continuation as an exempted company under the laws of Bermuda. Capital reorganisation was effected by way of (i) the transfer of the entire amounts standing to the credit of each of the share premium account and the distributable capital reduction reserve to the contributed surplus accounts of the Company; (ii) after the change of domicile of the Company from the Cayman Islands to Bermuda, share consolidation whereby every 10 issued shares of HK$0.01 each in the share capital of the Company be consolidated into on issued consolidated share of HK$0.1 each ("Consolidated Shares"); (iii) capital reduction of issued share capital by reducing the par value of each of the issued Consolidated Shares from HK$0.1 each to HK$0.01 each by cancelling the paid-up capital to the extent of HK$0.09 on each issued Consolidated Shares. The change of domicile and capital reorganisation were completed on 20 April 2009 and 11 May 2009 respectively.

Employee Information

As at 31 Mach 2009, the Group had 6 (2008: 6) full times employees, including executive directors. The Group remunerated its employees in accordance their work performance and experience. The Directors had their discretions in granting share options and bonuses to the Group's employees depending upon the work performance of particular employee and the financial performance of the Group. For the year ended 31 March 2009, total staff costs, including directors' emoluments, amounted to approximately HK$7.0 million (2008: HK$7.9 million).

Prospects

Following the introduction of various economic rescue or stimulating measures by government around the globe, the overall economic climate around the globe have become improved and stablised. We remain cautiously hopeful the improving trend will be sustained and will turn to recovery of the economy.

The production of a film, titled "Written By"「再生號」(formerly titled "Missing"「思念」), by a subsidiary of the Company have been completed. The film is awarded as the opening film of the 2009 New York Asia Film Festival and will be released for exhibition in local cinemas on 10 July 2009.

On 15 June 2009, the Company entered into a Memorandum of Understanding (the "MOU") with an independent third party (the "Vendor") in relation to a possible acquisition of the entire issued share capital of Sunny Chance Limited (the "Target Company") which is principally engaged in the development and provision of custom built wireless RFID identification application system in both LAN and MAN to the healthcare sector in the PRC. Pursuant to the MOU, the Vendor has given the Company an exclusive right to acquire the entire issued share capital of the Target Company at the purchase price of HK$1,500 million from the date of the MOU to 15 September 2009.

On 15 June 2009, the Company entered into a placing agreement with a placing agent, pursuant to which, the Company has conditionally agreed to place, through the placing agent, up to 2,500,000,000 placing shares by tranches provided that the number of placing shares for each tranche is in integral multiples of 1,000,000 on a best effort basis, to independent investors at a price of HK$0.1 per placing share. The gross proceeds and the net proceeds from the placing will be approximately HK$250 million and approximately HK$247 million respectively which are intended to be used for financing possible diversified investment including the possible acquisition under the MOU and general working capital of the Group.

Looking forward, the Group will not only continue to focus on its business of provision of film production service and film distribution, but also continue to seek for new investment opportunities. The Board will continue to put its best efforts to produce good economic results and better return to the shareholders.

POST BALANCE SHEET EVENTS

Save as disclosed in the above sections, on 9 April 2009, 60,218,500 share options to subscribe for 60,218,500 new ordinary shares of HK$0.01 each in the share capital of the Company were granted to five individuals under the share option scheme adopted by the Company on 2 August 2002. The exercise price of each share option is HK$0.025 (subject to adjustment).

DIRECTORS' INTEREST IN CONTRACTS

No contracts of significance to which the Company or 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.

COMPETING INTERESTS

At 31 March 2009, none of the directors, the substantial shareholders nor their respective associates had any interests in any business which competes or may compete with the business of the Group pursuant to Rule 11.04 of the GEM Listing Rules.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The Company has not redeemed any of its listed securities during the year. Neither the Company nor any of its subsidiaries has purchased, sold any of the Company's listed securities during the year ended 31 March 2009.

CORPORATE GOVERNANCE

For the year ended 31 March 2009, the Company complied with provisions set out in Appendix 15 of the Code of Corporate Governance Practices of the GEM Listing Rules.

PRE-EMPITVE RIGHTS

There is no provision for pre-emptive rights under the Company's bye-laws and there is no restriction against such rights under the laws of Bermuda, 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 on 2 August 2002 with written terms of reference in compliance with Rules 5.28 to 5.29 of the GEM Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control procedures of the Group. The audit committee comprises the three independent non-executive directors namely, Mr, Leung Wai Man, Mr. Man Kong Yui and Mr. Kwok Chuen Hung, Dominic. During the year, the audit committee held four meetings to review the Group's annual report, half-year report and quarterly reports. The Company's annual results for the year ended 31 March 2009 have been reviewed by the audit committee of the Company.

REMUNERATION COMMITTEE

A remuneration committee has been established with written terms of reference in accordance with the requirements of the Code on Corporate Governance Practices. The remuneration committee comprises two independent non-executive directors, namely Mr. Leung Wai Man and Mr. Kwok Chuen Hung, Dominic and one executive director, Mr. Lei Hong Wai who is the chairman of the remuneration committee. The principal responsibilities of the remuneration committee include recommendation to the Board on the Group's policy and structure for all remuneration of directors and senior managements, the determination of specific remuneration packages of all executive directors and senior managements, and review and approve performance-based remuneration.

NOMINATION COMMITTEE

A nomination committee has been established with written terms of reference in accordance with the requirements of the Code on Corporate Governance Practices. The nomination committee comprises two independent non-executive directors, namely Mr. Leung Wai Man and Mr. Kwok Chuen Hung, Dominic and one executive director, Mr. Lei Hong Wai. The roles and functions of the nomination committee include nomination of the potential candidates for directorship, reviewing the nomination of the Directors and making recommendations to the Board for ensuring that all nominations are fair and transparent.

COMPLIANCE WITH RULES 5.48 TO 5.67 OF THE GEM LISTING RULES

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less than exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, all Directors have complied with such code of conduct and the required standard of dealings regarding directors' securities throughout the year ended 31 March 2009.

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the independent non-executive directors an annual confirmation of independence pursuant to Rule 3.13 of the GEM Listing Rules and considers all the independent non-executive Directors to be independent.

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

Executive Directors:
Lei Hong Wai
Cheung Kwok Wai, Elton
Lee Chan Wah
Ho Ka Wai

Independent non-executive Directors
Leung Wai Man
Man Kong Yui
Kwok Chuen Hung, Dominic

By Order of the Board
Brilliant Arts Multi-Media Holding Limited
Lei Hong Wai
Chairman

Hong Kong, 23 June 2009

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