ZHI CHENG HOLDINGS LIMITED
智城控股有限公司*

(formerly known as Xing Lin Medical Information Technology Company Limited 杏林醫療信息科技有限公司)*
(incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 8130 and 8389)

RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 MARCH 2011

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

GEM has been established 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 and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors (the "Directors") of Zhi Cheng Holdings Limited (the "Company") collectively and individually accept responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

* *For identification purposes only*

RESULTS

The board of directors (the "Board") of Zhi Cheng Holdings Limited (the "Company") is pleased to present the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2011 together with the comparative figures for the corresponding year in 2010.

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2011

	Notes	2011 HK$'000	2010 HK$'000
Continuing operations			
Turnover	6	**19,953**	18,963
Cost of sales		**(7,657)**	(13,439)
Gross profit		**12,296**	5,524
Other revenue	7	**1,234**	1,632
Administration expenses		**(118,283)**	(53,335)
Fair value changes on investment properties		**1,564**	12,680
Gain on disposal of investment properties		**1,330**	–
Impairment loss recognised in respect of intangible assets		**(240,205)**	–
Gain on early redemption of convertible loan note		**–**	33,668
Change in fair value of embedded derivative in convertible loan note		**–**	(35,275)
Loss on redemption of promissory note		**(262,061)**	(6,324)
Loss from operations	8	**(604,125)**	(41,430)
Finance costs	9	**(46,151)**	(29,423)
Loss before taxation		**(650,276)**	(70,853)
Income tax	10	**(109)**	(657)
Loss for the year from continuing operations		**(650,385)**	(71,510)
Discontinued operations			
Loss for the year from discontinued operations		**–**	(2,692)
Loss for the year		**(650,385)**	(74,202)
Loss for the year attributable to:			
Owners of the Company		**(650,385)**	(74,202)
Loss per share	11		
From continuing and discontinued operations			
Basic and diluted		**(HK34.07) cents**	(HK32.27) cents
From continuing operations			
Basic and diluted		**(HK34.07) cents**	(HK31.10) cents
From discontinued operations			
Basic and diluted		**–**	(HK1.17) cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2011

	2011	2010
	HK$'000	*HK$'000*
Loss for the year	**(650,385)**	(74,202)
Other comprehensive income for the year		
Exchange differences on translation of financial statements of overseas subsidiaries	**1,709**	3,199
Total comprehensive income for the year attributable to the owners of the Company	**(648,676)**	(71,003)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2011

	Notes	**2011**	2010
		HK$'000	*HK$'000*
Non-current assets			
Property, plant and equipment		**1,835**	1,667
Investment properties		**25,665**	57,254
Goodwill		**1,449**	1,449
Intangible assets		**1,053,920**	1,158,057
Deferred tax assets		**851**	818
Available-for-sale investments		**1,000**	–
Deposit for investments		**–**	145,000
		1,084,720	1,364,245
Current assets			
Trade and other receivables	*12*	**30,650**	24,068
Bank balances and cash		**217,007**	328,766
		247,657	352,834
Current liabilities			
Trade and other payables	*13*	**9,047**	14,627
Bank loan		**504**	469
Tax payable		**56**	1,039
		9,607	16,135
Net current assets		**238,050**	336,699
Total assets less current liabilities		**1,322,770**	1,700,944
Capital and reserves			
Share capital		**44,669**	73,247
Reserves		**1,096,451**	1,134,572
		1,141,120	1,207,819
Non-current liabilities			
Promissory note		**–**	320,440
Convertible bonds		**176,720**	167,638
Bank loan		**920**	1,345
Deferred tax liabilities		**4,010**	3,702
		181,650	493,125
		1,322,770	1,700,944

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2011

	Issued capital HK$'000	Share premium HK$'000	Contributed surplus HK$'000	Share-based compensation reserve HK$'000	Convertible bonds reserve HK$'000	Statutory reserve HK$'000	Translation reserve HK$'000	Accumulated losses HK$'000	Total HK$'000
At 1 April 2009	12,569	98,535	87,254	4,200	–	–	(2,288)	(9,594)	190,676
Comprehensive income for the year	–	–	–	–	–	–	–	(74,202)	(74,202)
Other comprehensive income for the year	–	–	–	–	–	–	3,199	–	3,199
Total comprehensive income for the year	–	–	–	–	–	–	3,199	(74,202)	(71,003)
Transfer to reserve	–	–	–	–	–	394	–	(394)	–
Capital reduction	(11,538)	(99,136)	110,674	–	–	–	–	–	–
Placing of new shares	50,000	450,000	–	–	–	–	–	–	500,000
Share issue expenses	–	(15,993)	–	–	–	–	–	–	(15,993)
Recognition of equity-settled share-based payments	–	–	–	2,703	–	–	–	–	2,703
Issue of shares upon exercise of share options	416	9,801	–	(2,610)	–	–	–	–	7,607
Issue of convertible bonds	–	–	–	–	527,530	–	–	–	527,530
Conversion of convertible bonds	21,800	197,834	–	–	(153,335)	–	–	–	66,299
At 31 March 2010 and 1 April 2010	73,247	641,041	197,928	4,293	374,195	394	911	(84,190)	1,207,819
Comprehensive income for the year	–	–	–	–	–	–	–	(650,385)	(650,385)
Other comprehensive income for the year	–	–	–	–	–	–	1,709	–	1,709
Total comprehensive income for the year	–	–	–	–	–	–	1,709	(650,385)	(648,676)
Issue of shares on open offer	18,312	164,806	–	–	–	–	–	–	183,118
Capital reduction	(85,434)	–	85,434	–	–	–	–	–	–
Placing of new shares	20,176	219,975	–	–	–	–	–	–	240,151
Share issue expenses	–	(4,696)	–	–	–	–	–	–	(4,696)
Recognition of equity-settled share-based payments	–	–	–	2,627	–	–	–	–	2,627
Lapsed of share options	–	–	–	(795)	–	–	–	795	–
Issue of convertible bonds	–	–	–	–	50,498	–	–	–	50,498
Conversion of convertible bonds	18,368	164,917	–	–	(73,006)	–	–	–	110,279
At 31 March 2011	44,669	1,186,043	283,362	6,125	351,687	394	2,620	(733,780)	1,141,120

Notes:

1. GENERAL INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 9 November 2001 and continued in Bermuda on 20 April 2009. The Company's shares have been listed on the Growth Enterprise Market (the "GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 26 August 2002.

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 2111, 21/F., Shun Tak Centre, West Tower, 168-200 Connaught Road Central, Hong Kong respectively.

The consolidated financial statements are presented in Hong Kong dollars ("HK$"), which is the same as the functional currency of the Company and all values are rounded to the nearest thousand (HK$'000) except otherwise indicated.

The Group is principally engaged in the provision of Wi-Fi/RFID medical information digitalization system, property investment and provision of consultancy services.

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 and revised standards and interpretations (collectively referred to as the "new and revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), which are effective for the Group's financial year beginning on 1 April 2010. A summary of the new and revised HKFRSs adopted by the Group is set out as follows:

HKFRSs (Amendments)	Amendments to HKFRS 5 as part of Improvements to HKFRSs 2008
HKFRSs (Amendments)	Improvements to HKFRSs 2009
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 32 (Amendments)	Classification of Rights Issues
HKAS 39 (Amendments)	Eligible Hedged Items
HKFRS 1 (Amendments)	Additional Exemptions for First-time Adopters
HKFRS 1 (Revised)	First-time Adoption of Hong Kong Financial Reporting Standards
HKFRS 2 (Amendments)	Group Cash-settled Share-based Payment Transactions
HKFRS 3 (Revised)	Business Combinations
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners
HK – Int 4 Amendment	Amendment to HK-Int 4 Lease – Determination of the Length of Lease Term in respect of Hong Kong Land Leases
HK – Int 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The adoption of the new and revised HKFRSs has no material effect on the consolidated financial statements of the Group for the current or prior accounting period.

3. ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

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

HKFRSs (Amendments)	Improvements to HKFRSs 2010[1]
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets[2]
HKAS 24 (Revised)	Related Party Disclosures[3]
HKFRS 1 (Amendments)	Limited Exemption from Comparative HKFRS 7 Disclosures for Firsts-time Adopters[4]
HKFRS 1 (Amendments)	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters[5]
HKFRS 7 (Amendments)	Disclosures – Transfer of Financial Assets[5]
HKFRS 9	Financial Instruments[6]
HK(IFRIC) – Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement[3]
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments[4]

1 Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate
2 Effective for annual periods beginning on or after 1 January 2012
3 Effective for annual periods beginning on or after 1 January 2011
4 Effective for annual periods beginning on or after 1 July 2010
5 Effective for annual periods beginning on or after 1 July 2011
6 Effective for annual periods beginning on or after 1 January 2013

The directors of the Company have commenced their assessments of the impact of the above new and revised HKFRSs, but it is not yet in a position to state whether these new and revised HKFRSs would have a material impact on the results and the financial position of the Group.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the year presented, unless otherwise stated.

(a) Basis of preparation

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs, which is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations ("Ints") issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "GEM Listing Rules") and by the Hong Kong Companies Ordinance.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost convention, as modified for the revaluation of certain financial instruments and investment properties which are stated at their fair values.

The preparation of the consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements.

Certain comparative figures have been reclassified to conform to the current year's presentation.

(b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and of the Group made up to 31 March each year. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statements from the effective date of acquisition and up to the effect date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

5. SEGMENT INFORMATION

The Group manages its businesses by business line. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following four reportable segments. No operating segments have been aggregated to form the following reportable segments.

(i) Properties investments: Leasing of properties to generate rental income. Currently, the Group's properties investments portfolio is located in Canada.

(ii) MIDS: Provision of RFID system, HIS system and PACS. Currently, the Group's MIDS portfolio is located in the PRC.

(iii) Consultancy services: Provision of consultancy and advisory services to entities in relation to the rechargeable stored value SIM card business. Currently, the Group's prepaid SIM cards consultancy and advisory services is provided in Hong Kong.

(iv) Film distribution: Distribution of films through the distributors to various licensees. The Group's film distribution portfolio is located in Hong Kong and was discontinued.

The Group's reportable segments are strategic business units that operate different activities. They are managed separately because each business has different market and requires different marketing strategies.

(a) Segment revenue and results

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

	Continuing operations								Discontinued operations			
	Properties investments		MIDS business		Consultancy services		Sub-total		Film distribution		Total	
	2011	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Turnover:												
Sales to external customers	**1,749**	1,594	**18,204**	17,369	**–**	–	**19,953**	18,963	**–**	6,354	**19,953**	25,317
Segment results	**2,448**	10,644	**(324,742)**	(35,577)	**(990)**	–	**(323,284)**	(24,933)	**–**	(2,692)	**(323,284)**	(27,625)
Unallocated other revenue and income							**964**	47,955	**–**	–	**964**	47,955
Unallocated expenses							**(281,805)**	(64,452)	**–**	–	**(281,805)**	(64,452)
Loss from operating activities							**(604,125)**	(41,430)	**–**	(2,692)	**(604,125)**	(44,122)
Finance costs							**(46,151)**	(29,423)	**–**	–	**(46,151)**	(29,423)
Loss before tax							**(650,276)**	(70,853)	**–**	(2,692)	**(650,276)**	(73,545)
Tax charged							**(109)**	(657)	**–**	–	**(109)**	(657)
Loss for the year							**(650,385)**	(71,510)	**–**	(2,692)	**(650,385)**	(74,202)

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in both years.

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment results represent the profit/(loss) earned/(suffered) by each segment without allocation of central administration cost including directors' remuneration, other gains or losses, finance costs, and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

(b) Segment assets and liabilities

	Continuing operations								Discontinued operations			
	Properties investments		MIDS business		Consultancy services		Sub-total		Film distribution		Total	
	2011	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment assets	**28,251**	60,044	**1,065,938**	1,193,996	**31,010**	–	**1,125,199**	1,254,040	**–**	–	**1,125,199**	1,254,040
Unallocated assets							**207,178**	463,039	**–**	–	**207,178**	463,039
Total assets							**1,332,377**	1,717,079	**–**	–	**1,332,377**	1,717,079
Segment liabilities	**628**	6,144	**7,040**	13,143	**–**	–	**7,668**	19,287	**–**	–	**7,668**	19,287
Unallocated liabilities							**183,589**	489,973	**–**	–	**183,589**	489,973
Total liabilities							**191,257**	509,260	**–**	–	**191,257**	509,260

For the purpose of monitoring segment performance and allocating resources between segments:

– all assets are allocated to reportable segments other than available-for-sale investments, other financial assets and current and deferred tax assets. Goodwill is allocated to reportable segments. Assets used jointly by segments are allocated on the basis of the revenues earned by individual segment; and

– all liabilities are allocated to reportable segments other than current and deferred tax liabilities, other financial liabilities, borrowing, convertible bonds and promissory note. Liabilities for which segments are jointly liable are allocated in proportion to segment assets.

(c) Other segment information

	Continuing operations								Discontinued operations			
	Properties investments		MIDS business		Consultancy services		Sub-total		Film distribution		Total	
	2011	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Interest expense	**(71)**	(96)	**–**	–	**–**	–	**(71)**	(96)	**–**	–	**(71)**	(96)
Depreciation of property, plant and equipment	**–**	(289)	**(603)**	(14)	**–**	–	**(603)**	(303)	**–**	(21)	**(603)**	(324)
Amortisation of intangible assets	**–**	–	**(83,760)**	(36,598)	**(990)**	–	**(84,750)**	(36,598)	**–**	–	**(84,750)**	(36,598)
Amortisation of film right	**–**	–	**–**	–	**–**	–	**–**	–	**–**	(5,986)	**–**	(5,986)
Fair value gain on investment properties	**1,564**	12,680	**–**	–	**–**	–	**1,564**	12,680	**–**	–	**1,564**	12,680

(d) Geographical information

The Group operates in three principal geographical areas – Hong Kong, the People's Republic of China (excluding Hong Kong) (the "PRC") and Canada.

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

	Revenue from external customers		Non-current assets	
	2011	2010	**2011**	2010
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Continuing operations				
Hong Kong	**–**	–	**159,191**	35,186
The PRC	**18,204**	17,369	**898,013**	1,158,938
Canada	**1,749**	1,594	**25,665**	24,303
	19,953	18,963	**1,082,869**	1,218,427
Discontinued operations				
Hong Kong	**–**	6,354	**–**	–
Total	**19,953**	25,317	**1,082,869**	1,218,427

* Non-current assets excluded financial instruments and deferred tax assets.

(e) **Information about major customer**

For the year ended 31 March 2011, revenue from three clients of the Group of approximately HK$18,204,000 reported in MIDS segment had individually accounted for over 10% of the Group's total revenue. For the year ended 31 March 2010, revenue from two clients of the Group of approximately HK$17,369,000 and HK$6,354,000 reported in MIDS segment and film distribution segment respectively had individually accounted for over 10% of the Group's total revenue. No other single customers contributed 10% or more to the Group's revenue for both 2011 and 2010.

6. TURNOVER

Turnover represents the net amounts received and receivables from goods sold and rendering of services by the Group to customers, after allowances for returns and trade discounts where applicable and services rendered.

	2011	2010
	HK$'000	*HK$'000*
Continuing operations		
Gross rental income from investment properties	**1,749**	1,594
Provision of MIDS	**18,204**	17,369
	19,953	18,963
Discontinued operations		
Film distribution	**–**	6,354
Total	**19,953**	25,317

7. OTHER REVENUE

	2011	2010
	HK$'000	*HK$'000*
Continuing operations		
Effective interest income on convertible loan note	**–**	1,607
Bank interest income	**202**	15
Other income	**740**	10
Net foreign exchange gain	**292**	–
Total	**1,234**	1,632

8. LOSS FROM OPERATIONS

	2011 *HK$'000*	2010 *HK$'000*
Continuing operations		
Auditor's remuneration	**680**	540
Amortisation of intangible assets	**84,750**	36,598
Cost of sales	**7,657**	13,439
Depreciation of property, plant and equipment	**603**	303
Net foreign exchange (gain)/loss	**(292)**	402
Gross rental income from investment properties	**(1,749)**	(1,594)
Less: Direct operating expenses from investment properties that generate rental income during the year	**1,810**	1,050
	61	(544)
Operating lease payment in respect of rental premises	**1,141**	102
Staff costs (include directors' remuneration)		
Salaries and allowances	**6,397**	4,212
Share-based payment expenses	**2,627**	2,703
Contribution to retirement benefits scheme	**407**	97
	9,431	7,012
Discontinued operations		
Amortisation of film right	**–**	5,986
Distribution cost	**–**	2,801
Depreciation of property, plant and equipment	**–**	21
Staff costs (include directors' remuneration)		
Salaries and allowances	**–**	177
Share-based payment expenses	**–**	7
	–	184

9. FINANCE COSTS

	2011 *HK$'000*	2010 *HK$'000*
Continuing operations		
Interest on bank loans wholly repayable within five years	**71**	96
Interest on late payment of promissory note	**6,722**	–
Effective interest expenses on convertible bonds wholly repayable over five years	**19,859**	11,467
Effective interest expenses on promissory note wholly repayable over five years	**19,499**	17,860
Total	**46,151**	29,423

10. INCOME TAX

	2011	2010
	HK$'000	*HK$'000*
Continuing operations		
Current tax charged:		
Hong Kong Profit Tax	**–**	49
PRC Enterprise Income Tax	**–**	981
	–	1,030
Deferred tax:		
Current year	**387**	(307)
Attributable to a change in tax rate	**(278)**	(66)
	109	(373)
	109	657

Hong Kong Profits Tax is calculated at 16.5% (2010: 16.5%) on the estimated assessable profit for the year.

PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% (2010: 25%).

Canada subsidiaries are subject to Canada Corporate Tax comprising Federal Tax and Provincial Corporation Tax. With effective from 1 January 2011, the Canada Federal Tax has been reduced from 18% to 16.5% while the Provincial Corporation Tax remained at 2.5%. The deferred tax balance has been adjusted to reflect the tax rates that are expected to apply to the respective years when the asset is realised or the liability is settled.

11. LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on the loss for the year attributable to owners of the Company and the weighted average number of ordinary shares in issue during the year as adjusted for the effect of share consolidation.

From continuing and discontinued operations

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

	2011	2010
	HK$'000	*HK$'000*
Loss		
Loss attributable to owners of the Company for the purposes of basic and diluted loss per share	**(650,385)**	(74,202)

	2011	2010
	'000	*'000*
		(Restated)
Number of shares		
Weighted average number of ordinary share for the purposes of basic and diluted loss per share	**1,909,109**	229,961*

From continuing operations

The calculation of the basic and diluted loss per share from continuing operations attributable to owners of the Company is based on the following data:

	2011	2010
	HK$'000	*HK$'000*
Loss		
Loss attributable to owners of the Company for the purposes of basic and diluted loss per share	**(650,385)**	(71,510)

The denominators used are the same as those detailed above for both basis and diluted loss per share.

From discontinued operations

For the year ended 31 March 2010, basic and diluted loss per share for the discontinued operations is HK1.17 cents per share, based on the loss for the year from the discontinued operations of approximately HK$2,692,000 and the denominators used are the same as those detailed above.

* The weighted average number of ordinary shares for the year ended 31 March 2011 was adjusted retrospectively to reflect the effect of share consolidation in 2011.

For the year ended 31 March 2011 and 2010, diluted loss per share was not presented because the exercise of share option and conversion of all outstanding convertible bonds would have anti-dilutive effects.

12. TRADE AND OTHER RECEIVABLES

	The Group	
	2011	2010
	HK$'000	*HK$'000*
Trade debtors *(Note (a))*	**25,054**	18,137
Other debtors	**502**	1,740
Deposits and prepayment	**1,529**	1,171
Loan to key officer *(Note (b))*	**3,565**	3,020
	30,650	24,068

Notes:

(a) An aged analysis of the Group's trade receivables at the end of the reporting period is as follows:

	2011	2010
	HK$'000	*HK$'000*
0 – 30 days	**19,421**	18,137
31 – 60 days	**14**	–
61 – 90 days	**11**	–
Over 90 days	**5,608**	–
	25,054	18,137

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

There were no trade debtors that are past due or impaired for the two years ended 31 March 2011 and 2010.

(b) Loan to key officer:

Particulars of loan to key officer, being key personnel of the Group, disclosed as follows:

Name of officer	**Balance at 31/3/2011** *HK$'000*	Balance at 31/3/2010 and 1/4/2010 *HK$'000*	Balance at 1/4/2009 *HK$'000*	**Maximum balance outstanding during 2011** *HK$'000*	2010 *HK$'000*
Mr. Cheung Hon Wa, Dicto	**–**	3,020	–	**3,020**	3,020
Mr. Cheung Hon Chung	**3,565**	–	–	**7,190**	–

The loan to key officer is unsecured, non-interest bearing and repayable on demand.

There was no amount due but unpaid, nor any provision made against the principal amount of or interest on the loan at 31 March 2011 and 2010.

13. TRADE AND OTHER PAYABLES

	The Group 2011 *HK$'000*	2010 *HK$'000*
Trade payables *(Note (a))*	**5,267**	11,418
Other creditors and accruals	**1,528**	1,984
Tenant deposits	**48**	46
Amounts due to directors *(Note (b))*	**90**	180
Other non-income tax payable	**2,114**	999
	9,047	14,627

Notes:

(a) An aged analysis of the Group's trade payables at the end of the reporting period is as follows:

	2011 *HK$'000*	2010 *HK$'000*
0 – 30 days	**46**	11,418
31 – 60 days	**–**	–
61 – 90 days	**1,479**	–
Over 90 days	**3,742**	–
	5,267	11,418

(b) Amounts due to directors are interest free, unsecured and repayable on demand.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 March 2011 (2010: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Provision of Wi-Fi/RFID Medical Information Digitalisation System

In early 2011, the PRC government announced it has ramp up the overall budget of healthcare reform plan, unveiled in 2009, from RMB850 billion to the actual spending of RMB1,130 billion. These measures signal a continual commitment by the government to ensure universal access to health care public services and create opportunities to the medical IT industry in the PRC. The Medical Information Digitalisation System ("MIDS"), consisting of Wi-Fi, RFID and HIS modules, offers ways for hospitals to reduce clinical errors, provide improved informational support to healthcare professionals, thus increase the efficiency of care and indirectly improves the quality of patient care. With the expected investment increase on medical IT services in the PRC under the implementation of the reform plan, the prospects on the provision of MIDS continues to be positive.

On 1 April 2010, the Company entered into a sale and purchase agreement with an independent third party (the "Vendor") pursuant to which the Company shall purchase the entire issued share capital of Fortune Mark International Limited ("FMI") and sale loans at a total consideration of HK$135,000,000. FMI had entered into a software licensing agreement (the "Licensing Agreement") with Healthnet Limited ("Healthnet") pursuant to which Healthnet has granted to FMI an exclusive license to use and sublicense a software product (the "Software"). The Software is a scalable, reliable and integrated Picture Archiving and Communication System (PACS) and it is also HL-7 and DICOM compatible which consolidates a hospital's entire collection of medical imaging including X-ray, CT, MRI and ultrasound and merges with sophisticated workflow for radiology. The acquisition will enable the Group to expand into the area of PACS, as well as strengthening the coverage of MIDS, thus fulfilling the various emerging needs of hospitals in the PRC and altogether an important part of MIDS implementation. The transaction was completed on 18 May 2010.

On 24 September 2010, Gold Asia Technology Limited ("GAT"), a wholly owned subsidiary of the Company, entered into an agreement pursuant to which GAT had conditionally agreed to purchase 100% of the total registered and paid up capital of 天津市逸晨電子科技有限公司 (Tianjin Yi Chen Electronic Technology Company Limited**), a company incorporated in the PRC ("TYC") at a total consideration of, subject to post valuation adjustment, HK$45,000,000. The main asset of TYC is the Co-operation Agreement and the Strategic Co-operation Agreement, which sets out the framework for building and operating of the Regional Healthcare Information Collation Platform ("RHICP") based on Electronic Health Record in Liuzhou city in the PRC. Pursuant to the Strategic Co-operation Agreement which the TYC has agreed to provide financial support including marketing of the collaboration platform, construction of the regional operation centers, construction of the central computer cluster and the training, maintenance and upgrade of the platform, and is expected to obtain a share of the subscription fees from medical institutions in return for the financial support provided. The acquisition will enable the Group to further penetrate the healthcare information technology market sector by providing an affordable solution to smaller scale healthcare institutions. The software on demand operation model employed by the RHICP is flexible and scalable, thus allowing the focused use of resources on developing competitive advantage rather than hardware infrastructure at individual hospitals. The transaction was completed on 16 November 2010.

** *denotes a translation of a Chinese name and/or English name only*

On 21 January 2010, Innovate International Group Limited ("IIG"), a wholly owned subsidiary of the Company, entered into a sale and purchase agreement pursuant to which IIG had conditionally agreed to purchase 20% of the total registered capital of Redart Digital Technology Co., Limited, a company incorporated in the PRC at a total consideration of HK$145,000,000 ("the Deposit"). On 1 February 2011, as certain conditions cannot be fulfilled, IIG entered into a deed of termination with the vendor whereby all parties mutually agreed to terminate the agreement. The Deposit has been returned to the purchaser without interest. The Company intends to use the monies from the return of the Deposit for business expansion and other investments and for general working capital purpose. The Board considers that the termination of the agreement will not have any material adverse impact on the existing business or financials of the Group.

During the year under review, the revenue contributed by such segment was HK$18.2 million (2010: HK$17.4 million) and the gross profit margin was 57.9% (2010: 22.6%).

Property Investment

On 9 April 2010, Grand Billion Investments Limited ("Grand Billion"), a wholly-owned subsidiary of the Company, entered into a provisional sale and purchase agreement with an independent third party pursuant to which Grand Billion has agreed to dispose of an investment property owned by Grand Billion at a consideration of HK$36,000,000. The property was acquired by the Group in 2007 at a cost of HK$23,500,000 and has been held by the Group for capital appreciation. The property has been used by the Group for its own use as office after acquisition. The book value of the property at 31 March 2010 amounted to approximately HK$34.4 million and the transaction was completed on 26 October 2010.

During the year under review, the revenue contributed by such segment was HK$1.7 million (2010: HK$1.6 million).

Provision of Consultancy Services

On 18 February 2011, the Company's wholly-owned subsidiary entered into a sale acquisition agreement with an independent third party pursuant to which the Company shall purchase the entire issued share capital of Activepart Limited ("Activepart"). The main asset of Activepart is the consultancy agreement where Activepart would provide consultancy and advisory services to Asia Wireless Media Limited ("AWM") in relation to the rechargeable stored value SIM card business in Asia for a period of 5 years. AWM is a distributor in relation to the sale of rechargeable stored value SIM cards. The prepaid SIM cards and vouchers are tailored for specific market segments where the stored value would be used for local and international calls as well as mobile data services. Activepart shall receive 50% of the net profit of AWM in respect of the SIM Cards business as service fee. With the increasing popularity and growing usage of smartphones and low cost netbooks to access the internet for social networking, online gaming and entertain contents via mobile cellular network, apart from the postpaid subscriber market based on monthly subscription fees, the prepaid mobile subscriber market also represents business potentials especially when the services and marketing of prepaid SIM cards are tailored for specific market segments. As the Company continues to seek for opportunities in order to secure a stable source of revenue and diversify the earnings base, the Directors are of the view that the acquisition is in the interests of the Company and the shareholders as a whole. The transaction was completed on 9 March 2011. No revenue was recorded in such segment during the year.

Formation of a Joint Venture

On 18 October 2010, the Company entered into an agreement with Guangdong Jingxun Advanced Development Company Limited (the "Guangdong Jingxun") in relation to the formation of the joint venture company (the "JV Agreement"). The joint venture company (the "JV Company") will be engaged principally in planning, designing and operation of (i) emergency medical rescue center; (ii) BeiDou/GPS satellite positioning and tracking platform; (iii) intelligent traffic control system; (iv) mobile visual surveillance and control system; and (v) vehicle location monitoring center. Guangdong Jingxun is an all-in-one solution provider for the development, production, sales and service of satellite navigation and positioning systems, and will be responsible for the planning, setting up, operation and maintenance of the above businesses to be undertaken of the JV Company. Through the JV Company, the Group will be allowed to participate in providing emergency medical rescue center and satellite positioning system applications in the PRC, where there will be considerable market potential given the increasing demand in PRC. The Company and Guangdong Jingxun have on 30 March 2011 entered into a supplemental agreement pursuant to which the Long Stop Date has been extended to 30 September 2011. Save as the extension of the Long Stop Date, all the terms and conditions of the JV Agreement remains unchanged and in full force.

Financial Review

For the year under review, for continuing operations, revenue of the Group was approximately HK$20.0 million (2010: HK$19.0 million), of which HK$18.2 million (2010: HK$17.4 million) was generated from rollout of MIDS and HK$1.7 million (2010: HK$1.6 million) was generated from the leasing of an investment property located at Canada, representing an increase of approximately 5.2% as compared with the year ended 31 March 2010. Other revenue amounted to approximately HK$1.2 million, a decrease of 24.4% over the prior year.

Administration expenses increased by 1.22 times to approximately HK$118.3 million from HK$53.3 million in prior year. Such increase was mainly attributed to the amortisation of intangible assets of approximately HK$84.8 million (2010: HK$36.6 million); salaries and allowances of approximately HK$6.4 million (2010: HK$4.4 million); legal and professional fees of approximately HK$4.1 million (2010: HK$3.0 million); and overseas travelling expenses of approximately HK$4.1 million (2010: HK$1.1 million).

Finance costs increased by 56.9% to approximately HK$46.2 million from HK$29.4 million in prior year. The increase of approximately HK$16.7 million was mainly attributed to the increase in effective interest expenses on convertible bonds and promissory note. The effective interest expenses on convertible bonds and promissory note were approximately HK$19.9 million (2010: HK$11.5 million) and HK$19.5 million (2010: HK$17.9 million) respectively.

Loss attributable to owners of the Company was approximately HK$650.4 million (2010: HK$74.2 million). The deterioration in results was mainly attributed to the loss on redemption of promissory note of approximately HK$262.1 million (2010: HK$6.3 million); the impairment loss recognised in respect of intangible assets of approximately HK$240.2 million (2010: HK$Nil); the amortisation of intangible assets of approximately HK$84.8 million (2010: HK$36.6 million); and the increase in finance costs to approximately HK$46.2 million (2010: HK$29.4 million). After discounting these effects, the resultant loss was approximately HK$22.9 million.

	For the year ended 31 March 2011 *HK$'000*
For description purposes, included in loss for the year are the following items:	(650,385)
Loss on redemption of promissory note	262,061
Impairment loss recognised in respect of intangible assets	240,205
Amortisation of intangible assets	84,750
Effective interest expenses on convertible bonds	19,859
Effective interest expenses on promissory note	19,499
Share-based payments	2,627
Fair value changes on investment properties	(1,564)
	(22,948)

Future Plans

Looking ahead, Asia in particular PRC's market growth prospects remains solid. The management is optimistic under this general backdrop and with the possibility of RMB appreciation, the management will put more focus on costs as well as broaden the revenue streams of the Group.

On 4 April 2011, the Company's wholly-owned subsidiary entered into a share acquisition agreement with an independent third party pursuant to which the Company shall purchase the entire issued share capital of Unique Smart Group Limited ("USG"). The main asset of USG is the Advertising Services Agreement where USG would provide advertising agency services to iKanTV Limited in relation to exclusive advertising agency rights for certain airtime slots on display televisions commercial broadcast in a Hong Kong retail chain store for a period of 10 months and both parties are entitled to an option to renew for a further 3 years. iKanTV Limited is an advertising company providing services to commercial advertisement and information broadcasted via display televisions, and USG shall receive 30% of the advertising rental fees as income. Benefiting from the increasing number of mainland China visitors to Hong Kong on shopping excursions, the flow of customers to retails stores have been gaining momentum. This phenomenon provides new opportunities to advertise indoors, which movie motion advertisements are possible in contrast to conventional billboards. These television advertisements can be customized to target customers within the retails stores and can directly influence buying decision in particular to mainland China visitors. Advertising rights in these areas represent business potentials within the media and advertising industry where strong growth would be expected in the near future. As the Company continues to seek for opportunities in order to secure a stable source of revenue and diversify the earnings base, the proposed acquisition would further enhance the future growth and profitability of the Group. The transaction was completed on 19 April 2011.

Pursuant to the resolutions passed on 31 May 2011, capital reorganisation (the "Capital Reorganisation") has been effected by way of comprising (i) share consolidation that every twenty shares of HK$0.01 each in the issued share capital of the Company be consolidated into one consolidated share of HK$0.10 each ("Consolidated Shares"); and (ii) capital reduction that the par value of all issued Consolidated Shares from HK$0.20 each to HK$0.01 each by cancelling the paid-up capital to the extent of HK$0.19 on each issued Consolidated Share ("Adjusted Shares") and the credit arising from the reduction of issued share capital of the Company be transferred to the contributed surplus account of the Company and be applied to offset against the accumulated losses to the extent as permitted by the laws of Bermuda and the bye-laws. The board lot size for trading was changed to 20,000 Adjusted Shares after the Capital Reorganisation became effective. The Capital Reorganisation became effective on 1 June 2011.

Liquidity and Financial Resources

At 31 March 2011, the Group had total assets of approximately HK$1,332.4 million (2010: HK$1,717.1 million), including net cash and bank balances of approximately HK$217.0 million (2010: HK$328.8 million). The decrease in cash and bank balances coincide with the increase in capital investment.

During the year under review, the Group financed its operations with internally generated cash flows, the proceeds from the issuance of new shares.

Capital Structure

Save as disclosed below, there was no change with capital structure of the Group at 31 March 2011 as compared with that at 31 March 2010.

(a) Open Offer

On 30 April 2010, the Company proposed to raise not less than approximately HK$183.12 million, before expenses, by way of open offer of not less than 1,831,167,113 offer shares and not more than 1,831,710,077 offer shares at the subscription price of HK$0.10 per offer share on the basis of one offer share for every four existing shares held on the record date and payable in full on application. Qualifying shareholders are entitled to apply for excess offer shares not taken up in excess of their respective entitlements under the open offer. The open offer is fully underwritten in the manner that the Company entered into an underwriting agreement with an underwriter on 29 April 2010, whereby the underwriter has conditionally agreed to underwrite the offer shares which have not been taken up. The open offer was completed on 18 June 2010 and the Company issued 1,831,167,113 new shares.

(b) Share consolidation and capital reorganisation

Pursuant to the resolutions passed on 6 August 2010, capital reorganization (the "Capital Reorganisation") has been effected by way of comprising (i) share consolidation that every ten shares of HK$0.01 each in the issued share capital of the Company be consolidated into one consolidated share of HK$0.10 each ("Consolidated Shares"); and (ii) capital reduction that the par value of all issued Consolidated Shares from HK$0.10 each to HK$0.01 each by canceling the paid-up capital to the extent of HK$0.09 on each issued Consolidated Share ("Adjusted Shares") and the credit arising from the reduction of issued share capital of the Company be transferred to the contributed surplus account of the Company and be applied to offset against the accumulated losses to the extent as permitted by the laws of Bermuda and the Bye-laws. The Capital Reorganisation has been completed on 9 August 2010.

(c) Placing of new shares

On 20 August 2010, the Company entered into a placing agreement with the placing agent, pursuant to which, the Company has conditionally agreed to place, through the placing agent, up to 189,850,000 placing shares, on a best efforts basis, to place at a placing price of HK$0.205 per placing share. The placing of 189,850,000 placing shares was completed on 30 August 2010.

On 24 September 2010, the Company entered into a placing agreement with the placing agent, pursuant to which, the Company has conditionally agreed to place, through the Placing Agent, up to 227,800,000 placing shares, on a best efforts basis, to place at a placing price of HK$0.181 per placing share. The placing of 227,800,000 placing shares was completed on 5 October 2010.

On 8 October 2010, the Company entered into a placing agreement with the placing agent, pursuant to which, the Company has conditionally agreed to place, through the placing agent, up to 1,600,000,000 placing shares in one or more tranches provided that the number of the placing shares for each tranche is in integral multiples of 1,000,000, on a best efforts basis, to independent placees at a price of HK$0.10 per placing share. A circular containing the details of the placing was despatched to the shareholders on 30 November 2010. The placing was approved by the shareholders at the special general meeting held on 16 December 2010 and the placing of 1,600,000,000 placing shares was completed on 28 December 2010.

(d) Conversion of convertible bonds

On 8 July 2010, 336,842,105 new shares were issued upon the exercise of the conversion rights attached to the convertible bonds issued on 6 October 2009 at a conversion price of HK$0.095.

On 20 December 2010, 220,000,000 new shares were issued upon the exercise of the conversion rights attached to the convertible bonds issued on 16 December 2010 at a conversion price of HK$0.1 per share.

On 30 December 2010, 730,000,000 new shares were issued upon the exercise of the conversion rights attached to the convertible bonds issued on 16 December 2010 at a conversion price of HK$0.1 per share.

On 6 January 2011, 550,000,000 new shares were issued upon the exercise of the conversion rights attached to the convertible bonds issued on 16 December 2010 at a conversion price of HK$0.1 per share.

At 31 March 2011, the total borrowings of the Group amounted to HK$178.1 million (2010: HK$489.9 million), comprising:

(a) the liability component of approximately HK$176.7 million in respect of the convertible bonds with an aggregate principal amount of HK$500 million issued to Growth Harvest Limited as part of the consideration of the acquisition of Sunny Chance Limited which is unsecured, interest and maturing in 6 October 2019;

(b) mortgage loan of approximately HK$1.4 million secured by an investment property of the Group located at Canada.

Gearing Ratio

The gearing ratio, expressed as a percentage of total liabilities over total assets, was 14.4% (2010: 29.7%).

Charge on the Group's Assets

At 31 March 2011, the Group has pledged its investment property located at Canada with a fair value of HK$25.7 million to secure a mortgage loan amounted to approximately HK$1.4 million (2010: HK$1.8 million).

Foreign Exchange Risk

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.

Commitments

At 31 March 2011, the Group, as a lessor, had operating lease commitments of approximately HK$10.8 million (2010: HK$5.9 million) and as a lessee, had operating lease commitment of approximately HK$1.7 million (2010: HK$0.2 million).

Contingent Liabilities

At 31 March 2011, the Group had no contingent liabilities (2010: HK$Nil).

Employee

At 31 Mach 2011, the Group had 27 employees (2010: 25). Their remuneration, promotion and salary review are assessed based on job responsibilities, work performance, professional experiences and the prevailing industry practices. The employees in Hong Kong joined the mandatory provident fund scheme. Other benefits include share options granted or to be granted under the share option scheme.

Significant Investment

The Group did not enter into any new significant investment during the year ended 31 March 2011.

Material acquisitions and disposal of subsidiaries and affiliated companies

Save as the acquisition and disposal as disclosed in the "Business Review" under the "Management Discussion and Analysis" section, the Group did not make any material acquisitions and disposal of subsidiaries and affiliated companies during the year ended 31 March 2011.

Future Plan for Material Investments and Capital Assets

Save as the proposed acquisition and disposal as disclosed in the "Future Plans" section, the Group does not have any concrete plan for material investments or capital assets for the coming year.

Change of Company Name and Stock Short Name

On 30 December 2010, the Company proposed that the name of the Company be changed from "Xing Lin Medical Information Technology Company Limited (杏林醫療信息科技有限公司*)" to "Zhi Cheng Holdings Limited (智城控股有限公司*)". The proposed change in name of the Company had been resolved as a special resolution by the shareholders of the Company at the special general meeting held on 1 February 2011. The Registrar of Companies in Bermuda and Hong Kong had granted approval for the proposed change in name of the Company on 7 February 2011 and 25 February 2011 respectively. The changes of name and stock short name of the Company were effective on 17 March 2011.

Purchase, sale or redemption of shares

During the year ended 31 March 2011, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Audit committee

The Company has established an audit committee 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. Ho Chun Ki, Frederick and Mr. Lai Miao Yuan. During the year, the audit committee held five meetings to review the Group's annual report, half-year report and quarterly reports.

The Group's annual results for the year ended 31 March 2011 have been reviewed by the audit committee.

Corporate Governance Practices

Save as disclosed below, the Company complied with Code of Corporate Governance Practices as set out in Appendix 15 of the GEM Listing Rules for the year ended 31 March 2011.

a. Under the Code provision A.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The roles of the chairman and chief executive officer of the Company have been performed by Mr. Lien Wai Hung, who is also an executive Director. The Board considered that the non-segregation would not result in considerable concentration of power in one person and has the advantage of a strong and consistent leadership which is conducive to making and implementing decisions quickly and consistently. The Board will review the effectiveness of this arrangement form time to time and will consider appointing an individual as the chief executive officer of the Company when it thinks appropriate.

b. Under the Code provision A4.1, all the non-executive directors should be appointed for a specific term, subject to re-election. The term of office for non-executive directors is subject to retirement from office by rotation and is eligible for re-election in accordance with the provisions of the Company's bye-laws. At each annual general meeting, one-third of the directors for the time being, (or if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation. As such, the Company considers that such provisions are sufficient to meet the underlying objective of this code provision.

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 that 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 2011.

By Order of the Board
Lien Wai Hung
Chairman

Hong Kong, 20 June 2011

As at the date of this announcement, the Board comprises one executive director, namely Mr. Lien Wai Hung and three independent non-executive directors, namely Mr. Leung Wai Man, Mr. Ho Chun Ki, Frederick and Mr. Lai Miao Yuan.

This announcement will be published on the GEM website on the "Latest Company Announcements" page for at least 7 days from the date of publication and on the Company's website at www.zhicheng-holdings.com.