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SINCERE WATCH (HONG KONG) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0444)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 MARCH 2008

FINANCIAL HIGHLIGHTS

- Turnover for the financial year 2008 grew 56% to HK$733,211,000 from HK$470,833,000 last financial year 2007.

- Average gross margin maintained at 32.4% as gross margin increased to HK$237,442,000 from HK$151,891,000.

- Profit before taxation and exchange losses increased by 72% to HK$122,356,000 from HK$71,006,000 last year.

- Due to the severe weakening of the US dollar, the Hong Kong dollar against the Swiss Franc plunged in the fourth quarter of the current financial year; the realised foreign exchange loss for the year was HK$27,773,000 as compared with realised foreign exchange loss HK$13,188,000 last year. The unrealised foreign exchange loss this financial year was HK$52,743,000 as compared with unrealised foreign exchange loss HK$4,520,000 last financial year. The unrealised exchange difference arose from trade payables denominated in foreign currencies, which were translated at the exchange rates prevailing at the balance sheet dates and any differences in valuation were then recognised in the income statement as unrealised gains or losses.

- Due to the weak Hong Kong dollar in the fourth quarter, net profit for the year is HK$34,389,000 (2007: HK$43,615,000). Earnings per share is 8.4 HK cents in this financial year and 10.7 HK cents in last financial year.

- With the Group's financial position remaining strong and its good prospects, the Board recommended the payment of a final dividend for the year ended 31 March 2008 of 5 HK cents per share amounting to HK$20,400,000.

FINANCIAL RESULTS

The board of directors (the "Board") of Sincere Watch (Hong Kong) Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2008 (the "Financial Year 2008"), together with the audited comparative figures for the corresponding year ended 31 March 2007.

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2008

		2008	2007
	NOTES	***HK$'000***	*HK$'000*
Turnover	*3*	**733,211**	470,833
Cost of sales		**(495,769)**	(318,942)
Gross profit		**237,442**	151,891
Interest income		**1,990**	2,321
Selling and distribution costs		**(37,276)**	(29,131)
Administrative expense		**(79,800)**	(54,075)
Profit before taxation and exchange losses		**122,356**	71,006
Realised exchange loss		**(27,773)**	(13,188)
Unrealised exchange loss		**(52,743)**	(4,520)
Profit before taxation	*4*	**41,840**	53,298
Income tax expense	*5*	**(7,451)**	(9,683)
Profit for the year		**34,389**	43,615
Earnings per share			
– basic	*7*	**8.4 HK cents**	10.7 HK cents

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2008

	NOTES	2008 *HK$'000*	2007 *HK$'000*
Non-current assets			
Property, plant and equipment		**16,430**	8,191
Intangible asset		**11,865**	13,174
Deferred tax assets		**13,436**	11,411
		41,731	32,776
Current assets			
Inventories		**281,250**	281,648
Trade and other receivables	*8*	**119,000**	88,082
Tax recoverable		**1,187**	2,924
Bank balances and cash		**214,228**	135,657
		615,665	508,311
Current liabilities			
Trade and other payables	*9*	**424,215**	314,964
Amount due to immediate holding company		**71**	331
Amounts due to fellow subsidiaries		**1,566**	8,798
Taxation payable		**4,692**	1,458
		430,544	325,551
Net current assets		**185,121**	182,760
Total assets less current liabilities		**226,852**	215,536
Non-current liability			
Deferred tax liabilities		**2,700**	3,600
Net assets		**224,152**	211,936
Capital and reserves			
Share capital		**40,800**	40,800
Reserves		**183,352**	171,136
Equity attributable to equity holders of the Company		**224,152**	211,936

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 21 July 2004 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

The Company's ultimate holding company is Peace Mark (Holdings) Limited, a company incorporated in the Bermuda with limited liability. The Company's immediate holding company is Sincere Watch Limited ("SWL"), a company incorporated in the Republic of Singapore.

The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. The principal activities of the Group are distribution of branded luxury watches, timepieces and accessories in Hong Kong, Macau, Taiwan and the People's Republic of China (the "PRC").

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

2. SIGNIFICANT ACCOUNTING POLICIES

In the current year, the Group has applied, for the first time, the following new standard, amendment of Hong Kong Accounting Standards ("HKAS") and Interpretations ("INT") (hereinafter collectively referred to as "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are effective for the Group's financial year beginning 1 April 2007.

HKAS 1 (Amendment)	Capital disclosures
HKFRS 7	Financial instruments: Disclosures
HK(IFRIC)*-INT 7	Applying the restatement approach under HKAS 29 "Financial Reporting in Hyperinflationary Economics"
HK(IFRIC)-INT 8	Scope of HKFRS 2
HK(IFRIC)-INT 9	Reassessment of embedded derivatives
HK(IFRIC)-INT 10	Interim financial reporting and impairment
HK(IFRIC)-INT 11	HKFRS 2: Group and Treasury Share Transactions

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

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

The Group has not early applied the following new standards, amendment or interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the application of these new standards, amendment or interpretations will have no material impact on the results and the financial position of the Group.

HKAS 1 (Revised)	Presentation of financial statements[1]
HKAS 23 (Revised)	Borrowing costs[1]
HKAS 27 (Revised)	Consolidated and separate financial statements[2]
HKFRS 2 (Amendment)	Vesting conditions and cancellations[1]
HKFRS 3 (Revised)	Business combinations[2]
HKFRS 8	Operating segments[2]
HK(IFRIC)-INT 12	Service concession arrangements[3]
HK(IFRIC)-INT 13	Customer loyalty programmes[4]
HK(IFRIC)-INT 14	HKAS 19 – The limit on a defined benefit asset, minimum funding requirement and their interaction[3]

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 January 2008.
4 Effective for annual periods beginning on or after 1 July 2008.

* IFRIC represents the International Financial Reporting Interpretations Committee

The consolidated financial statements have been prepared on the historical cost basis.

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

3. TURNOVER AND SEGMENT INFORMATION

The Group's principal activity is brand management and distribution of branded luxury watches, timepieces and accessories as a single business segment.

An analysis of the Group's turnover and results by geographical market based on location of its customers is as follows:

Year ended 31 March 2008

	Hong Kong *HK$'000*	**PRC other than Hong Kong** *HK$'000*	**Other Asian locations** *HK$'000*	**Total** *HK$'000*
REVENUE				
Sales	**568,626**	**96,506**	**68,079**	**733,211**
RESULT				
Segment result	**170,665**	**39,993**	**17,671**	**228,329**
Unallocated expenses				**(188,479)**
Unallocated income				**1,990**
Profit before taxation				**41,840**
Income tax expense				**(7,451)**
Profit for the year attributable to equity holders of the Company				**34,389**

Year ended 31 March 2007

	Hong Kong *HK$'000*	PRC other than Hong Kong *HK$'000*	Other Asian locations *HK$'000*	Total *HK$'000*
REVENUE				
Sales	396,122	42,683	32,028	470,833
RESULT				
Segment result	122,745	9,972	9,705	142,422
Unallocated expenses				(91,445)
Unallocated income				2,321
Profit before taxation				53,298
Income tax expense				(9,683)
Profit for the year attributable to equity holders of the Company				43,615

	2008 *HK$'000*	2007 *HK$'000*
SEGMENT ASSETS (BY LOCATION OF CUSTOMERS)		
Hong Kong	**85,800**	64,545
PRC other than Hong Kong	**17,280**	3,804
Other Asian locations	**27,785**	25,454
	130,865	93,803
Unallocated assets	**526,531**	447,284
	657,396	541,087
SEGMENT ASSETS (BY LOCATION OF ASSETS)		
Hong Kong	**514,463**	454,923
PRC other than Hong Kong	**65,520**	14,405
Other Asian locations	**62,790**	57,424
	642,773	526,752
Unallocated assets	**14,623**	14,335
	657,396	541,087

Most of the Group's liabilities represent trade payables to suppliers in Europe. Accordingly, no segment liabilities by location of customers were presented.

	2008	2007
	HK$'000	*HK$'000*
Capital additions (by location of assets)		
Hong Kong	**7,146**	7,552
PRC other than Hong Kong	**5,625**	–
Other Asian locations	**1,311**	15,609
	14,082	23,161
Depreciation and amortisation (by location of assets)		
Hong Kong	**4,009**	1,309
PRC other than Hong Kong	**1,072**	–
Other Asian locations	**2,107**	1,362
	7,188	2,671
Allowance for (reversal of allowance for) doubtful debts (by location of customers)		
Hong Kong	**1,945**	–
Hong Kong	**(339)**	–
Allowance for (reversal of allowance for) inventories (by location of assets)		
Hong Kong	**7,070**	(11,946)
Other Asian locations	**4,228**	–
Loss on disposal of property, plant and equipment (by location of assets)		
Hong Kong	**–**	17

The capital expenditure, depreciation and other non-cash expenditure, by nature, are not separable by location of customers.

4. PROFIT BEFORE TAXATION

	2008	2007
	HK$'000	*HK$'000*
Profit before taxation has been arrived at after charging:		
Directors' remuneration	**15,735**	16,290
Other staff costs	**17,877**	13,323
Other staff's retirement benefit scheme contributions	**404**	345
Total staff costs	**34,016**	29,958
Allowance for doubtful debts	**1,945**	–
Allowance for inventories	**11,298**	–
Amortisation of intangible assets	**1,309**	1,126
Depreciation of property, plant and equipment	**5,879**	1,545
Minimum lease payments in respect of rented premises	**21,382**	11,914
and after crediting:		
Reversal of allowance for doubtful debts	**339**	–
Reversal of allowance for inventories	**–**	11,946

Note: Included in directors' remuneration are rentals of HK$180,000 (2007: HK$180,000) paid during the year in respect of a director's accommodation.

5. INCOME TAX EXPENSE

	2008	2007
	HK$'000	*HK$'000*
The charge comprises:		
Current tax		
–Hong Kong Profits Tax	**4,740**	6,031
–Tax in other jurisdictions	**5,524**	868
	10,264	6,899
Deferred tax	**(2,813)**	2,784
	7,451	9,683

Hong Kong Profits Tax is calculated at 17.5% (2007:17.5%) of the estimated assessable profit for the year. Taxation arising in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

6. DIVIDEND

The final dividend for the year ended 31 March 2007 of HK$0.06 (2007: HK$0.07 in respect of year ended 31 March 2006) per share amounting to HK$24,480,000 (2007: HK$28,560,000) in total was paid during the year.

A final dividend for the year ended 31 March 2008 of HK$0.05 per share amounting to HK$20,400,000 has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

7. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit for the year attributable to equity holders of the Company of HK$34,389,000 (2007: HK$43,615,000) and on the number of 408,000,000 shares (2007: 408,000,000 shares) that were in issue throughout the year.

There were no potential ordinary shares outstanding during both years.

8. TRADE AND OTHER RECEIVABLE

	2008	2007
	HK$'000	*HK$'000*
Trade receivables	**99,704**	80,629
Other receivables	**19,296**	7,453
	119,000	88,082

The following is an aged analysis of trade receivables:

	2008	2007
	HK$'000	*HK$'000*
Within 30 days	**75,280**	43,896
31-90 days	**17,545**	36,726
91-120 days	**6,868**	7
Over 120 days	**2,690**	1,146
	102,383	81,775
Allowance for doubtful debts	**(2,679)**	(1,146)
	99,704	80,629

The Group allows a credit period normally ranging from 30 to 90 days to its trade customers.

9. TRADE AND OTHER PAYABLE

	2008	2007
	HK$'000	*HK$'000*
Trade payables	**391,283**	277,111
Other payables	**32,932**	37,853
	424,215	314,964

The following is an aged analysis of trade payables:

	2008	2007
	HK$'000	*HK$'000*
Within 90 days	**43,239**	47,499
91 days – 365 days	**325,994**	214,166
Over 365 days	**22,050**	15,446
	391,283	277,111

FINANCIAL REVIEW

For the year ended 31 March 2008 ("FY2008") the Group's turnover rose 56% to HK$733,211,000 from HK$470,833,000 achieved in the year ended 31 March 2007 ("FY2007").

This is another stellar performance, attributed to the increased demand for the Group's timepieces from its expanded distribution network and boutiques across the North Asia region. In particular, the Group benefited from Hong Kong's strong economic performance and the increase in tourist traffic from the region, especially China.

With significantly higher FY2008 sales, Group gross profit has improved by 56% to HK$237,442,000, up from HK$151,891,000 in the last financial year, and gross margins maintained at 32.4% in FY2008.

For Hong Kong, the Group saw spectacular growth with revenue jumping from HK$396,122,000 to HK$568,626,000. For the PRC and Macau, the revenue doubled from HK$42,683,000 to HK$96,506,000 benefiting from Macau's dynamic economic boom, the opening of new attractions there and the development of its infrastructures. The Group also saw maiden contributions from the Taiwan market, amounting to HK$68,079,000 due to the acquisition of the Taiwanese subsidiary in October 2006.

Operating expenses went up in the current year from HK$83,206,000 to HK$117,076,000. The increase in selling and distribution costs was in line with the level of business done as more promotional and marketing activities were held during the financial year. Administrative expenses comprised mainly rentals, depreciation and staff costs. Besides increased rental rates, overall rents and depreciation grew as a result of newly opened boutiques like the Shin Kong Place Beijing, Venetian Casino and Resort Macau and Plaza 66 Shanghai. In addition, the Company's flagship Franck Muller boutique at Central Hong Kong was considerably enlarged and refurbished.

The Group's profit before taxation and exchange losses rose by 72% to HK$122,356,000 in FY2008. The Group also incurred unrealised exchange loss of HK$52,743,000 for the financial year 2008 compared to HK$4,520,000 in the last financial year. The unrealised exchange difference arose from trade payables denominated in foreign currencies, which were translated at the exchange rates prevailing at the balance sheet dates and any differences in valuation were then recognised in the income statement as unrealised gains or losses.

The Group's profit before taxation of HK$41,840,000 for the financial year 2008 was however less than HK$53,298,000 for the financial year 2007. This was largely due to currency exchange difference when the Hong Kong dollar against the Swiss Franc plunged since January 2008. The Group incurred realised exchange loss of HK$27,773,000 for the financial year 2008 as compared to a HK$13,188,000 recorded in last financial year 2007.

Group net profit after taking into account the unrealised foreign exchange loss, stood at HK$34,389,000.

Group Net Asset Value per share (NAV) improved to HK54.94 cents as at 31 March 2008 up from HK51.95 cents as at 31 March 2007.

Earnings per share for the year ended 31 March 2008 were HK8.4 cents (2007: HK10.7 cents).

BUSINESS REVIEW

The Group is the sole distributor of Franck Muller watches and accessories in Hong Kong, Macau, the PRC and in Taiwan. We also represent four other exclusive luxury brands – de Grisogono, European Company Watch, Pierre Kunz and Cvstos. We maintained our overall brand portfolio as the Group focused its attention on strengthening its presence in North Asia, by growing its distribution network of independent watch retailers and mono-brand boutiques.

These mono-brand boutiques form a vital part of the Group's brand management strategy, as they are in prime shopping areas, serving as a showcase for the exclusive luxury brands that the Group represents. As at 31 March 2008, the Group runs eight mono-brand boutiques – three in Hong Kong, two in Macau, two in PRC and one in Taiwan, retailing under the brands of Franck Muller and de Grisogono. These mono-brand boutiques have been well received by customers and have made positive contributions to the Group's top and bottom lines.

Distribution: Expansion of network

The Group has successfully established a network of 43 quality watch distributors retail outlets run by 23 independent watch dealers in Hong Kong, Macau, the PRC and in Taiwan.

The Group's sterling performance reflected the success of its marketing and branding strategies in capitalizing on the growth in demand for luxury goods in North Asia. The Group's recent milestones include the opening of Franck Muller boutique in Beijing in April 2007, the Venetian Casino and Resort Macau in August 2007 and the new Franck Muller boutique in Shanghai in November 2007. In addition, the de Grisogono boutique in the International Finance Centre was refurbished and re-opened in October 2007.

Brand Management : Enhanced branding activities

The discipline of brand management starts with understanding the Group's portfolio of luxury watch brands in order to optimize brand management practices.

A part of its brand management activities, the Group stepped up its advertising and promotion efforts, including advertising in newspapers, magazines, billboards, dealer promotions with dealers and other business parties like the Mercedes-Benz promotion night held in August 2007, and store promotions for new product launches and store openings.

Newly secured brands under the Group's stable of exclusive luxury watch brands, including Cvstos, de Grisogono and Pierre Kunz, made a successful entry into the market. These new brands cater to specific niches in an increasingly sophisticated luxury watch market and have sharpened the Group's competitive edge.

Strong brands produce higher returns to shareholders, and the Group will continue to forge new alliances with new watch brands with good potential.

GEOGRAPHIC MARKETS

Hong Kong

Riding on its robust economic outlook and rising consumer sentiment, Hong Kong contributed 78% or HK$568,626,000 of the Group's revenue in FY2008. The spectacular growth was 44% higher than the HK$396,122,000 revenue recorded for FY2007.

Tapping on the rising demand for luxury timepieces in Hong Kong, the Group is highly optimistic that the growth of its distribution and retail business in Hong Kong will continue to thrive.

The PRC and Macau

The PRC and Macau contributed HK$96,506,000 or 13% of the Group's revenue. This compares to HK$42,683,000 in revenue and 9% contribution last year. This increase of 126% year-on-year underscored the robust economic conditions in the PRC and Macau, as well as the Group's premier position and brand recognition in the industry.

The Group opened a Franck Muller flagship boutique at the Venetian Macau in August 2007.

To ride on the wealth of growth opportunities in the PRC, the Group opened the first Franck Muller boutique in Beijing in 2007. The Franck Muller boutique in Shanghai was opened in November 2007 at Plaza 66 Nanjing Xi Lu, the premier luxury shopping mall in Shanghai.

Taiwan

Taiwan accounted for 9% of the Group's revenue. This compares to HK$32,028,000 revenue and 7% contribution last year.

The Company has taken over the entire operation and business in Taiwan after the acquisition of Sincere Watch Co., Limited in Taiwan last year. It also acquired the sole exclusive distribution rights of Franck Muller watches and accessories in Taiwan. The Group continues the strategic move to extend the Group's business operations to Taiwan. The Group's wealth of experience in the luxury business and its established distribution network in Taiwan places it in a strong position to grow its business further.

PROSPECTS

Asia's economy is growing in the year of Beijing Olympics 2008. To capture the luxury market, the Group has committed to open three more boutiques in the coming financial year at Lee Theatre Causeway Bay, Peninsula Tsimshatsui and 1881 Heritage building Tsimshatsui.

To continue with the group's strategy in Macau, the Group intends to expand the distribution network and build additional brand boutiques in the forthcoming international casino projects.

To ride on the booming luxury demand in the PRC, the Group's stronger presence in Beijing and Shanghai will enable it to capitalize on the tourism boom expected during the upcoming Olympics 2008.

The Group will continue to build on its established goodwill with the Swiss watch principals and work together with them to introduce fresh initiatives and to promote a strong and robust culture of horology. It will continue to launch innovative retail concepts and marketing platforms in North Asia. It will look at expanding its portfolio to include new luxury brands with good growth potential.

Barring unforeseen fluctuations in foreign currencies and changes in the external business environment, the Group is optimistic about its outlook in the coming financial year. But in view of the overall healthy economic trends and the Group's dynamic growth plans in place, we expect to remain profitable for the coming year.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

As at 31 March 2008, the Group maintained healthy financial position with cash and bank deposits of HK$214,228,000 and no outstanding bank loan.

The Group generally finances its operations and investing activities with internally generated cash flows. As at 31 March 2008, the Group's audited net current asset amounted to HK$185,121,000 (31 March 2007: HK$182,760,000) and did not have any bank borrowings (31 March 2007: Nil). The consolidated total non-current liability amounted to HK$2,700,000 (31 March 2007: HK$3,600,000). The Directors believe the Group's existing financial resources are sufficient to fulfil its commitments and current working capital requirements.

CAPITAL STRUCTURE AND FOREIGN EXCHANGE EXPOSURE

The Group placed approximately HK$2,921,000 (2007: HK$8,943,000) in equivalent Swiss Franc short-term interest bearing deposits with banks in Hong Kong as at 31 March 2008. The incomes of the Group are mainly dominated in Hong Kong dollars and the Group has adequate recurring cash flow to meet the working capital requirement.

The Group incurred realised exchange loss of HK$27,773,000 for the year ended 31 March 2008 as compared to a HK$13,188,000 recorded in last year due to the severe weakening of the HK dollar against the Swiss Franc in the fourth quarter of the current financial year. The Group incurred unrealised exchange loss of HK$52,743,000 for the year ended 31 March 2008 compared with HK$4,520,000 last year.

The Group adopts a prudent policy on financial risk management and the management of foreign currency and interest rate. The Group benefits from favourable payment terms from its suppliers which may result in unrealised gains or losses from time to time in applying Hong Kong Accounting Standard 21 "The Effects of Changes in Foreign Exchange Rates".

CHARGE ON ASSETS

The Group did not have any charge on their assets as at 31 March 2008 (31 March 2007: Nil).

SIGNIFICANT ACQUISITION OF SUBSIDIARY

In the last financial year, the Group acquired the entire interest of Sincere Watch Co., Ltd ("SWTW") and SWTW became a wholly owned subsidiary of the Company with effect from 1 October 2006. No significant acquisition of subsidiary was made for the current year.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

There was no definite future plan for material investments and acquisition of material capital assets as at 31 March 2008.

CONTINGENT LIABILITIES

The Group did not have any contingent liabilities as at 31 March 2008 (31 March 2007: Nil).

STAFF AND EMPLOYMENT

As at 31 March 2008, the Group employed a total work force of 84, including directors (31 March 2007: 56). Headcount increased due to the acquisition of the Taiwan subsidiary and the opening of boutiques in the PRC and Macau. Employees were paid at market rates with discretionary bonus and medical benefits, mandatory provident fund scheme and necessary training. The Group has been constantly reviewing staff remuneration to ensure it is competitive with relevant industries.

USE OF PROCEEDS FROM THE COMPANY INITIAL PUBLIC OFFERING

Net proceeds from the Company's initial public offering in October 2005 were about HK$94.5 million, after deduction of related listing expenses. During the year ended 31 March 2008, these proceeds were deployed in accordance with the future plans and prospects set out in the company's listing prospectus dated 30 September 2005 and within the limit of the net proceeds.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES AND MODEL CODE

During the year to the date of this announcement, the Company has complied with the code provisions set out in the Code on Corporate Governance Practice contained in Appendix 14 to the Listing Rules.

During the year to the date of this announcement, the Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as the code of conduct regarding director's securities transactions. Having made specific enquiry of all Directors, the Company confirmed that, in respect of the period from 1 April 2007 to the date of this announcement, all Directors have complied with the required standard set out in the Model Code.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

The Company has not redeemed any of its shares, and neither the Company nor any of its subsidiaries has purchased or sold any of the shares of the Company during the year.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 18 July 2008 to **23 July 2008** (both days inclusive) during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend and the entitlement to attend and vote at the forthcoming annual general meeting, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's branch share register and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 17 July 2008.

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive directors, namely Mr. Lew, Victor Robert (Chairman of the Audit Committee), Ms. Lim Suet Fern, and Mr. King Roger. The Group's audited financial statements for the year ended 31 March 2008 have been reviewed by the Audit Committee.

PUBLICATION OF FURTHER INFORMATION ON THE STOCK EXCHANGE'S WEBSITE

The annual report containing all the information required by the Listing Rules will be published on the Stock Exchange's website in due course.

As at the date of the announcement, the executive Directors are Mr. Tay Liam Wee, Mr. Chau Kwok Fun, Kevin and Ms. Tay Liam Wuan; the non-executive Director is Mr. Soh Gim Teik; and the independent non-executive Directors are Mr. Lew, Victor Robert, Ms. Lim Suet Fern, and Mr. King Roger.

By order of the Board
Tay Liam Wee
Chairman

Hong Kong, 26 May 2008