CHEN HSONG HOLDINGS LIMITED
震 雄 集 團 有 限 公 司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00057)

ANNUAL RESULTS ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009

FINANCIAL HIGHLIGHTS

	2009	2008	Change
RESULTS HIGHLIGHTS *(HK$'000)*			
Revenue	**1,603,107**	2,316,136	-31%
Profit before tax	**103,852**	338,974	-69%
Profit attributable to equity holders of the Company	**85,786**	317,829	-73%
Total assets	**2,885,343**	3,118,939	-7%
Shareholders' funds	**2,338,471**	2,380,863	-2%
Issued share capital	**62,883**	62,623	0%
Net current assets	**1,211,258**	1,334,758	-9%
PER SHARE DATA			
Basic earnings per share *(HK cents)*	**13.6**	50.8	-73%
Cash dividends per share *(HK cents)*	**7.0**	25.4	-72%
Net assets per share *(HK$)*	**3.7**	3.8	-3%
KEY FINANCIAL RATIOS			
Return on average shareholders' funds *(%)*	**3.6**	14.3	-75%
Return on average total assets *(%)*	**2.9**	11.0	-74%

SUMMARY OF RESULTS

The board of directors (the "Board") of Chen Hsong Holdings Limited (the "Company") announces that the consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2009, together with comparative figures for the previous year, as follows:

CONSOLIDATED INCOME STATEMENT
Year ended 31 March 2009

	Notes	Year ended 31 March 2009 HK$'000	2008 HK$'000
REVENUE	*3*	**1,603,107**	2,316,136
Cost of sales		**(1,234,089)**	(1,688,250)
Gross profit		**369,018**	627,886
Other income and gains, net		**31,824**	79,761
Selling and distribution expenses		**(191,628)**	(204,087)
Administrative expenses		**(115,325)**	(144,199)
Other operating income/(expenses), net		**13,245**	(17,098)
Finance costs		**(4,668)**	(4,419)
Share of profits less losses of associates		**1,386**	1,130
PROFIT BEFORE TAX	*4*	**103,852**	338,974
Tax	*5*	**(16,700)**	(18,129)
PROFIT FOR THE YEAR		**87,152**	320,845
ATTRIBUTABLE TO:			
Equity holders of the Company		**85,786**	317,829
Minority interests		**1,366**	3,016
		87,152	320,845
DIVIDENDS	*6*	**44,472**	159,240
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	*7*		
Basic *(HK cents)*		**13.6**	50.8
Diluted *(HK cents)*		**13.6**	50.6

CONSOLIDATED BALANCE SHEET
As at 31 March 2009

	Notes	**2009**	2008
		HK$'000	*HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**771,742**	709,192
Prepaid land lease payments		**55,735**	56,880
Goodwill		**94,931**	94,931
Interests in associates		**14,780**	2,394
Available-for-sale equity investments		**124,057**	124,057
Held-to-maturity investments		**-**	-
Deferred tax assets		**74,321**	69,540
Deposits for purchases of items of property, plant and equipment		**17,499**	17,299
Total non-current assets		**1,153,065**	1,074,293
CURRENT ASSETS			
Inventories		**704,309**	709,278
Trade and bills receivables	*8*	**516,082**	874,324
Deposits, prepayments and other receivables		**66,297**	61,500
Dividend receivable from an available-for-sale equity investment		**-**	37,800
Cash and bank balances		**445,590**	361,744
Total current assets		**1,732,278**	2,044,646
CURRENT LIABILITIES			
Trade and bills payables	*9*	**276,572**	410,373
Other payables and accruals		**194,122**	248,906
Bank loans, unsecured		**37,864**	27,814
Tax payable		**12,462**	22,795
Total current liabilities		**521,020**	709,888
NET CURRENT ASSETS		**1,211,258**	1,334,758
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,364,323**	2,409,051
NON-CURRENT LIABILITIES			
Deferred tax liabilities		**12,169**	16,147
NET ASSETS		**2,352,154**	2,392,904
EQUITY			
Equity attributable to equity holders of the Company			
Issued share capital		**62,883**	62,623
Reserves	*10*	**2,275,588**	2,318,240
		2,338,471	2,380,863
Minority interests		**13,683**	12,041
Total equity		**2,352,154**	2,392,904

NOTES:

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention.

The adoption of the new and revised HKFRSs, that are effective for annual periods beginning on or after 1 April 2008, has had no material impact on the accounting policies of the Group and the methods of computation in the Group's consolidated financial statements.

2. SEGMENT INFORMATION

(a) Geographical segments based on the location of customers

The following tables present revenue, results, certain assets, liabilities and expenditure information for the Group's geographical segments.

	Segment revenue from external customers		**Segment results**	
	2009	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Mainland China and Hong Kong	**981,092**	1,588,771	**80,536**	290,651
Taiwan	**188,902**	257,159	**15,070**	25,636
Other overseas countries	**433,113**	470,206	**42,308**	74,787
	1,603,107	2,316,136	**137,914**	391,074
Unallocated income and gains			**2,493**	3,823
Corporate and unallocated expenses			**(33,273)**	(52,634)
Finance costs			**(4,668)**	(4,419)
Share of profits less losses of associates			**1,386**	1,130
Profit before tax			**103,852**	338,974

2. SEGMENT INFORMATION *(continued)*

(a) Geographical segments based on the location of customers *(continued)*

	Segment assets		Segment liabilities	
	2009	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Mainland China and Hong Kong	**2,478,527**	2,508,207	**365,296**	447,133
Taiwan	**157,749**	234,212	**46,502**	102,478
Other overseas countries	**149,009**	270,565	**58,896**	109,668
	2,785,285	3,012,984	**470,694**	659,279
Interests in associates	**14,780**	2,394	**-**	-
Unallocated assets	**85,278**	103,561	**-**	-
Unallocated liabilities	**-**	-	**62,495**	66,756
	2,885,343	3,118,939	**533,189**	726,035

Other segment information

	Depreciation and amortization		Other non-cash expenses/(income)		Capital expenditure	
	2009	2008	**2009**	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Mainland China and Hong Kong	**58,164**	51,809	**(39,510)**	41,720	**115,285**	55,360
Taiwan	**2,017**	2,190	**677**	2,850	**1,742**	761
Other overseas countries	**2,089**	3,600	**(1,000)**	4,606	**5,063**	5,847
	62,270	57,599	**(39,833)**	49,176	**122,090**	61,968

2. SEGMENT INFORMATION *(continued)*

(b) Geographical segments based on the location of assets

	Segment assets	
	2009	2008
	HK$'000	*HK$'000*
Mainland China and Hong Kong	**2,480,722**	2,572,890
Taiwan	**304,563**	440,094
	2,785,285	3,012,984
Interests in associates	**14,780**	2,394
Unallocated assets	**85,278**	103,561
	2,885,343	3,118,939

	Capital expenditure	
	2009	2008
	HK$'000	*HK$'000*
Mainland China and Hong Kong	**118,647**	60,745
Taiwan	**3,443**	1,223
	122,090	61,968

(c) Business segments

Over 90% of the Group's revenue and assets are attributable to the manufacture and sale of plastic injection moulding machines and related products. Therefore, no analysis by business segment is presented.

3. REVENUE

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold during the year, after allowances for returns and trade discounts, excluding intra-group transactions.

4. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2009	2008
	HK$'000	*HK$'000*
Cost of inventories sold	**1,234,089**	1,688,250
Depreciation	**60,378**	55,794
Recognition of prepaid land lease payments	**1,892**	1,805
Gain on disposal of items of property, plant and equipment	**(738)**	(84)
Dividend income from an available-for-sale equity investment	**-**	(37,800)
Impairment/(write-back of impairment) of trade and bills receivables, net	**(14,725)**	14,342
Impairment/(write-back of impairment) of inventories, net	**(24,425)**	34,608
Interest income	**(2,493)**	(3,823)

5. TAX

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the year. Hong Kong profits tax has not been provided for the year ended 31 March 2008 as the Group did not generate any assessable profits arising in Hong Kong during that year. The lower Hong Kong profits tax rate is effective from the year of assessment 2008/2009, and so is applicable to the assessable profits arising in Hong Kong for the whole year ended 31 March 2009. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	2009	2008
	HK$'000	*HK$'000*
Current:		
Charge for the year		
Hong Kong	**16**	-
Elsewhere	**20,285**	38,991
Under/(over) provision in prior years	**2,363**	(807)
Deferred	**(5,964)**	(20,055)
Tax charge for the year	**16,700**	18,129

6. DIVIDENDS

	2009	2008
	HK$'000	*HK$'000*
Additional final dividend due to exercise of share options	**453**	189
Interim dividend of HK$0.02 (2008: HK$0.08) per ordinary share	**12,577**	50,028
Additional interim dividend due to exercise of share options	**-**	59
Proposed final dividend of HK$0.05 (2008: HK$0.174) per ordinary share	**31,442**	108,964
	44,472	159,240

7. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share is based on the Group's profit attributable to equity holders of the Company for the year of HK$85,786,000 (2008: HK$317,829,000) and on the weighted average number of 628,595,677 (2008: 625,175,677) ordinary shares in issue during the year.

The calculation of diluted earnings per share is based on the Group's profit attributable to equity holders of the Company for the year of HK$85,786,000 (2008: HK$317,829,000) and on the weighted average number of 628,815,151 (2008: 628,602,816) ordinary shares, being the weighted average number of 628,595,677 (2008: 625,175,677) ordinary shares in issue during the year as used in the basic earnings per share calculation and the weighted average number of 219,474 (2008: 3,427,139) ordinary shares assumed to have been issued at no consideration on the deemed exercise of all share options outstanding during the year.

8. TRADE AND BILLS RECEIVABLES

Trading terms with customers are either cash on delivery, bank bills or on credit. Customers are granted credit at the discretion of the Group, subject to their respective business strength and creditability. The average credit period is 90 days and extension of credit period is made for customers with good trading and repayment records. The Group adopts strict control policies over credit terms and receivables that serve to minimize credit risk.

In view of the aforementioned and the fact that the Group's trade and bills receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade and bills receivables are non-interest-bearing.

The aged analysis of the trade and bills receivables that are not considered to be impaired is as follows:

	2009	2008
	HK$'000	*HK$'000*
Current (neither past due nor impaired)	**335,172**	546,023
Less than 90 days past due	**67,482**	176,622
91 to 180 days past due	**48,536**	107,104
Over 180 days past due	**64,892**	44,575
	516,082	874,324

9. TRADE AND BILLS PAYABLES

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

	2009	2008
	HK$'000	*HK$'000*
Current	**77,000**	321,172
1 to 90 days	**48,354**	69,035
91 to 180 days	**121,595**	6,341
Over 180 days	**29,623**	13,825
	276,572	410,373

The trade and bills payable are non-interest-bearing.

10. RESERVES

	HK$'000
At 1 April 2007	2,014,962
Total income and expense for the year recognized directly in equity:	
Exchange realignment	132,193
Profit for the year	317,829
Total income and expense for the year	450,022
Issue of new shares	3,146
Equity-settled share option arrangements	252
Final dividend for the year ended 31 March 2007	(100,055)
Interim dividend	(50,087)
At 31 March 2008 and 1 April 2008	2,318,240
Total income and expense for the year recognized directly in equity:	
Exchange realignment	(11,393)
Profit for the year	85,786
Total income and expense for the year	74,393
Issue of new shares	4,920
Equity-settled share option arrangements	29
Final dividend for the year ended 31 March 2008	(109,417)
Interim dividend	(12,577)
At 31 March 2009	2,275,588

FINAL DIVIDEND

The Board has recommended the payment of a final dividend of HK5 cents (2008: HK17.4 cents) per ordinary share, subject to shareholders' approval at the forthcoming annual general meeting. Together with the interim dividend of HK2 cents (2008: HK8 cents) per ordinary share, the total dividend for the year ended 31 March 2009 will be HK7 cents (2008: HK25.4 cents) per ordinary share.

The final dividend will be paid on or about 17 September 2009 to shareholders whose names appear on the Register of Members of the Company on 28 August 2009.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Tuesday, 25 August 2009 to Friday, 28 August 2009, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrars in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 24 August 2009.

MANAGEMENT'S DISCUSSION & ANALYSIS

BUSINESS PERFORMANCE

During the financial year of 2009, the Group registered its first performance setback since the "911" terrorist attack incident in 2001, with turnover and profit attributable to equity holders declining 30.8% and 73.0% to HK$1,603 million (2008: HK$2,316 million) and HK$85.8 million (2008: HK$318 million) respectively. Basic earnings per share is HK13.6 cents (2008: HK50.8 cents).

The financial year of 2009 is one of the most difficult operating environments that the Group has ever encountered in its 50-year history. The "Global Financial Tsunami", which started in late September 2008, pushed the economic and financial systems of many countries to the brink of collapse in just a few months. The broadness and speed of this crisis' impacts are unprecedented, and global liquidity dried up extremely rapidly causing severe hardships to operators in a broad range of industries. Under such unprecedented circumstances, a company has only its financial strength, quality of management and quickness of response to rely upon.

The Group immediately experienced the drastic drop of order intake since the early outbreak of the financial tsunami, with most customers halting all capital investment activities – even customers who had already placed orders called in to delay deliveries. After internal discussions, the Group's management believed, at the time, that the financial crisis would intensify and, with future uncertainties abound, decided to implement a series of emergency measures. These measures were introduced to manage liquidity in order to preserve enough cash for the Group to weather through the current economic shock. They included:

1. Launched a fundamental review of all operational plans and expense budgets; immediate adjustments were made according to the latest market conditions.

2. Round-the-clock tightened monitoring and updating of customer operating conditions in order to ensure appropriate and prompt response.

3. Revised credit approval procedures and strengthened review policies of credit terms based on the conditions of different markets.

4. Focused on inventory reduction as the primary objective in order to maximize cash flow.

5. Reviewed human resource requirements, kept employees and staff fully updated on the latest conditions via large-scale communication sessions, and implemented new measures to optimize labour structure – including flexible working hours. These measures were intended to allow all employees to stand together with the company against the difficult business environment.

The Group's financial status in the second half of the financial year reflects the immediate results of these emergency measures, for instance:

1. Accounts receivable dropped from HK$864 million at the end of the first half of the financial year to HK$516 million at the year-end, a decline of 40%. This decline is 41% when compared to the same period of last year, signifying much reduced exposure to receivables risk.

2. Inventory levels dropped from HK$827 million at the end of the first half to HK$704 million at the year-end, a decline of 15%. Finished goods inventory rose from 26% at the end of the first half to 31% at the year-end, indicating that more raw materials inventory was converted into sellable liquid stock, which in turn helped improve the liquidity of the Group's inventory assets.

3. Cash position rose from HK$320 million at the end of the first half to HK$446 million at the year-end, an increase of 39%. At the same time, bank borrowings and accounts payable dropped by HK$147 million and HK$180 million respectively. After these improvements, the Group ended this financial year with a net cash balance of HK$408 million – a substantial increase over the HK$135 million at the end of the first half.

4. The Group's major operating expenses, such as administrative costs, labour costs etc., all registered significant reductions, which helped the Group's cash flow position.

MARKET ANALYSIS

Breakdown of turnover, based on the location of customers, for the year ended 31 March 2009 is as follows:

Customer Location	**2009** ***(HK$ million)***	2008 *(HK$ million)*	Change
Mainland China and Hong Kong	**981**	1,589	-38%
Taiwan	**189**	257	-26%
Other overseas countries	**433**	470	-8%
	1,603	2,316	-31%

During this financial year, the China market went from one extreme to another. Firstly, the Chinese Government tightened monetary policy during the first half, resulting in substantial increases in the demand of credit from customers. At the same time, the new "Labour Contract Law" went into effect in 2008 – a regulation that many manufacturing companies believed would add to their labour costs, and which reduced their urge to purchase new machines.

During the second half, China was similarly heavily affected by the global financial tsunami in the same way as many other countries, with its exports processing sector being completely devastated, especially for manufacturing companies exporting to European and U.S markets. According to published national statistics, China witnessed an unprecedented decline in exports for seven consecutive months since November 2008, the first month that a decline was recorded. In addition, year-on-year decline in exports further deepened for March and April 2009, with May 2009 being a unique month in which exports declined year-on-year as well as month-on-month. All these are strong proof that the economic shock caused by the current financial crisis has persisted.

During the same period, China's Foreign Direct Investments ("FDI") also registered eight consecutive months of decline. Official and Industry forecasts both indicated that global FDI would decline by over 30%, with those for China declining by over 20%.

Financially weaker small and medium-sized companies (SME's) are the prime victims of the financial tsunami. From the start, many banks had focused on SME's to tighten credit, breaking those companies' liquidity life-line and generally made it extremely difficult for them to continue operations. According to market intelligence, in Guangdong province alone over 10,000 SME's went out of business after October 2008 – this trend was particularly pronounced for the toys and electrical appliances export processing sectors. Similarly, export processing companies and automotive component suppliers in the cities of Shanghai, Kunshan and Suzhou in Eastern China were dealt an equally hefty blow, with orders in the electronics export sector (dominated by Taiwanese funded companies) experiencing a sharp decline. These industry sectors had all been the Group's core markets, which was the main reason why the Group sensed danger in market conditions during the second half of the financial year.

The Taiwan domestic market and international markets had been strong-growth regions for the first half. A number of large customers expanded capacity in Taiwan during the first half, resulting in significant business growth. During the second half and the onset of the financial tsunami, however, Taiwan became a disaster zone with sales turnover declining by 78% due to its structural reliance on exports to the European and U.S. markets.

Turnover in international markets in the first part of second half year was buffered by traditionally longer delivery lead times and the common practice of secured Letters of Credit (L/C's) for payment, but the impacts of the financial crisis could be felt later from sharply-declining new orders. The global financial tsunami caused the credit market in many developing countries to shrink dangerously and their currencies to rapidly depreciate against the U.S. Dollar and Renminbi (some countries in Eastern Europe and South America saw depreciation up to 20%-40%), dealing a serious blow to their imports purchasing power. As a result, the Group's international market sales turnover dropped to low level unseen in many years during the fourth quarter (January to March 2009).

NEW TECHNOLOGIES AND NEW PRODUCTS DEVELOPMENT

Throughout many years, the Group has been persistent in its core direction of investing in R&D to develop new technologies for use in new product offerings. Even amid the global financial tsunami, the Group still maintains adequate resources and investments for key R&D projects, namely ultra-large-tonnage injection moulding machines and advanced energy-saving technologies.

The Group launched a number of new products during the last Chinaplas 2009 exhibition show which were met with favourable market acceptance. Among those exhibited included the JM650-SVP large-tonnage injection moulding machine with servo-drive and up to 70%+ energy-saving capability. Many customers who came and saw this new product were lured by its superior operating cost dynamics to consider replacing their existing old machines, and thus turned into new orders after the show. The SM250-TS In-Mould Labelling system developed by the Group's Taiwan subsidiary was a fully-automatic packaging production line for plastic containers with running speed less than three seconds per dry cycle – a perfect one-stop solution for customers requiring high-speed manufacturing of packaging containers. The newly launched SM-50P All-Electric injection moulding machine is a stunner in looks as well as superb performance, suitable for demanding customer segments in Europe and North America. It will become the Group's primary high-end product offering for the international markets when they recover in the future. The launch of these new products amid such economic turmoil further indicated that R&D is still one of the Group's core competitive advantages.

FINANCIAL REVIEW

Liquidity and Financial Conditions

As at 31 March 2009, the Group had net current assets of HK$1,211 million (2008: HK$1,335 million), which represented a 9% decrease over last year. Included in the net current assets were the bank balances of HK$446 million (2008: HK$362 million), an increase of HK$84 million over last year, and the bank borrowings of HK$38 million (2008: HK$28 million), an increase of HK$10 million. The bank borrowings were of short-term bank loans with floating interest rates, mainly used as working capital for the subsidiaries of the Group.

It is the policy of the Group to adopt a consistent financial management strategy, sufficient liquidity is maintained with appropriate levels of borrowings to meet the funding requirements of the Group's investments and operations.

Treasury and Foreign Exchange Risk Management

The Group adopts a conservative and centralized approach in managing its funding. Funds, primarily denominated in Hong Kong dollars, U.S. dollars and Renminbi, are normally placed with banks in short or medium term deposits for the working capital of the Group.

For foreign exchange risk management, the Group manages to reduce the risk exposure on its foreign currencies by making appropriate levels of borrowings in the corresponding currencies. As at 31 March 2009, the Group had total foreign currency borrowings equivalent to HK$38 million (2008: HK$28 million). The Group, from time to time, assesses the risk exposure on certain volatile foreign currencies and has it covered by forward exchange contracts to minimize the risk.

HUMAN RESOURCES

As at 31 March 2009, the Group, excluding its associates, had approximately 2,500 (2008: 3,700) full-time employees. The Group offers good remuneration and welfare packages to its employees and maintains market-competitive pay levels. Employee promotions and pay are rewarded on individual as well as the results performance of the Group. Share options of the Company are granted to selected employees of the Group for rewarding and retaining talents.

The Group conducted regular programmes, including comprehensive educational and professional training, and social activities counselling, to its employees to enhance staff quality, standards of professional knowledge and teamwork spirit.

FUTURE PROSPECTS

Many countries introduced emergency economic measures in response to the global financial tsunami. Latest published economic data indicated that the magnitude of economic recession has subsided. However, many uncertainties still exist, such as persistently high unemployment in many countries, weak commodity prices, ballooning government fiscal deficits, fluctuating currency exchange rates etc.. A consensus among economists and financiers appear to be that 2009 will remain challenging, while the most optimistic estimate of a global recovery will not happen until 2010.

The Group believes that China will be one of the first countries to recover. The Chinese Government has been acting strong to expand domestic consumption with a RMB4 trillion economic stimulus package. The Central Government's resolve in maintaining steady economic growth is also obvious from a series of measures implemented to catalyze an economic recovery, such as large reductions in interest rate, increased bank lending, increased exports tax rebates, and numerous assistance packages to key manufacturing industries (e.g. electrical appliances, automotive, infrastructure, mining, etc.).

As long as China continues in its current relaxed monetary policy and assistance to industries, the Group believes that its customers' demand for injection moulding machines will rebound to more normal levels. The Group has completed a large reorganization program and has started on a new marketing strategy during the past six months. It is now well positioned financially not only to successfully assail through the financial crisis but also to capture future opportunities when the market rebounds.

CORPORATE GOVERNANCE

The Company has complied with all the code provisions as set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited throughout the year ended 31 March 2009, except for the second limb of Code Provision A.4.2, which provides that every director should be subject to retirement by rotation at least once every three years. The directors of the Company (except the Chairman of the Company) are subject to retirement by rotation at least once every three years as the Chen Hsong Holdings Limited Company Act, 1991 of Bermuda provides that the chairman and managing director of the Company are not required to retire by rotation. Further information will be provided in the "Corporate Governance Report" of the 2009 Annual Report.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company during the year ended 31 March 2009.

REVIEW OF ACCOUNTS

The Audit Committee has reviewed with Management and the Company's external auditors, the consolidated financial statements for the year ended 31 March 2009 including the accounting principles and practices adopted by the Group. Also, these annual results have been agreed with the Company's external auditors.

By Order of the Board
Chen CHIANG
Chairman

Hong Kong, 14 July 2009

As at the date of this announcement, the executive directors of the Company are Dr. Chen CHIANG, Ms. Lai Yuen CHIANG, Mr. Chi Kin CHIANG, Mr. Stephen Hau Leung CHUNG and Mr. Sam Hon Wah NG and the independent non-executive directors of the Company are Mr. Johnson Chin Kwang TAN, Mr. Anish LALVANI, Mr. Bernard Charnwut CHAN and Mr. Michael Tze Hau LEE.