

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.



ALCO HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Website: <http://www.alco.com.hk>

(Stock Code: 328)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2009

PERFORMANCE HIGHLIGHTS

	2009	2008
— Revenue (HK\$)	5,993m	4,364m
— Profit attributable to equity holders (HK\$)	190m	213m
— Final dividend per share	HK14 cents	HK14 cents
— Full year dividend per share	HK23 cents	HK23 cents

The directors of Alco Holdings Limited (the "Company") are pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31st March 2009 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31st March 2009

	<i>Note</i>	2009 HK\$'000	2008 HK\$'000
Revenue	3	5,993,075	4,363,889
Cost of goods sold	5	(5,321,070)	(3,905,694)
Gross profit		672,005	458,195
Other income	4	2,394	29,851
Selling expenses	5	(303,236)	(153,233)
Administrative expenses	5	(100,132)	(104,554)
Other operating expenses	5	(12,869)	(5,723)
Exchange loss on loans and receivables	9	(25,957)	—
Operating profit		232,205	224,536
Finance income		8,130	23,082
Finance costs		(23,839)	(8,009)
Profit before income tax		216,496	239,609
Income tax expense	6	(26,311)	(26,257)
Profit attributable to equity holders of the Company		<u>190,185</u>	<u>213,352</u>
Earnings per share attributable to equity holders of the Company			
— basic	7	HK34.1 cents	HK38.1 cents
— diluted	7	HK34.1 cents	HK38.1 cents
Dividends	8	<u>128,033</u>	<u>128,689</u>

CONSOLIDATED BALANCE SHEET

As at 31st March 2009

	Note	2009 HK\$'000	2008 HK\$'000
Non-current assets			
Property, plant and equipment		332,065	345,180
Investment properties		65,970	70,492
Leasehold land and land use rights		58,648	58,991
Intangible assets		81,658	83,863
Loans and receivables	9	64,104	–
Available-for-sale financial assets	10	96,156	–
Held-to-maturity financial assets		–	46,800
Deposits for investment		–	23,833
		698,601	629,159
Current assets			
Inventories		703,846	1,333,283
Trade and other receivables	11	608,697	569,970
Cash and cash equivalents		872,307	358,669
		2,184,850	2,261,922
Current liabilities			
Trade and other payables	12	831,317	756,952
Trust receipt loans		–	440,975
Current income tax liabilities		38,439	18,656
Borrowings		74,808	63,108
		944,564	1,279,691
Net current assets		1,240,286	982,231
Total assets less current liabilities		1,938,887	1,611,390
Capital and reserves attributable to equity holders of the Company			
Share capital		55,666	55,867
Reserves		1,545,966	1,521,185
Total equity		1,601,632	1,577,052
Non-current liabilities			
Borrowings		307,761	2,483
Deferred income tax liabilities		29,494	31,855
		337,255	34,338
Total equity and non-current liabilities		1,938,887	1,611,390

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparation and accounting policies

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants, the disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, which are carried at fair value.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

2. The adoption of new/revised HKFRS

The following amendments to existing standards and new interpretations are relevant to the Group and are mandatory for the financial year ended 31st March 2009:

HKAS 39 & HKFRS 7 (Amendments)	Reclassification of Financial Assets
HK(IFRIC) – Int 12	Service Concession Arrangements
HK(IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The adoption of the above amendments to existing standards and new interpretations did not have a significant impact to the Group's financial statements and has not led to any changes in the Group's accounting policies.

3. Segment information

The Group is principally engaged in designing, manufacturing and selling of consumer electronic products and plastic products.

(a) Primary reporting format - business segment

The Group mainly operates in the People's Republic of China (the "PRC") and Hong Kong in two main business segments:

Consumer electronic products	–	Design, manufacture and sale of consumer electronic products
Plastic products	–	Manufacture and sale of plastic and packaging products

The Group's inter-segment transactions mainly consist of sale of plastic products between subsidiaries. The transactions were entered into under normal commercial terms and conditions that would also be available to unrelated third parties.

Segment assets consist primarily of property, plant and equipment, leasehold land and land use rights, intangible assets, deposits, loans and receivables, available-for-sales financial assets, inventories, receivables and operating cash and exclude items such as investment properties and held-to-maturity financial assets.

Segment liabilities comprise operating liabilities and exclude items such as taxation and certain corporate borrowings.

Capital expenditure comprises additions to property, plant and equipment, investment properties, leasehold land and land use rights and intangible assets.

3. Segment information (continued)

The segment results and other segment items for the years ended 31st March 2009 and 2008 are as follows:

	2009				2008			
	Consumer electronic products HK\$'000	Plastic products HK\$'000	Elimination HK\$'000	Group HK\$'000	Consumer electronic products HK\$'000	Plastic products HK\$'000	Elimination HK\$'000	Group HK\$'000
Segment revenue								
External sales	5,983,815	9,260	–	5,993,075	4,360,637	3,252	–	4,363,889
Inter-segment sales	–	161,735	(161,735)	–	–	157,592	(157,592)	–
	<u>5,983,815</u>	<u>170,995</u>	<u>(161,735)</u>	<u>5,993,075</u>	<u>4,360,637</u>	<u>160,844</u>	<u>(157,592)</u>	<u>4,363,889</u>
Segment results	234,274	(2,069)		232,205	224,633	(97)		224,536
Finance income				8,130				23,082
Finance costs				(23,839)				(8,009)
Profit before income tax				216,496				239,609
Income tax expense				(26,311)				(26,257)
Profit attributable to equity holders of the Company				<u>190,185</u>				<u>213,352</u>
Capital expenditure	77,449	2,185		79,634	181,946	4,840		186,786
Depreciation of property, plant and equipment	62,094	11,546		73,640	52,342	13,372		65,714
Amortisation of leasehold land and land use rights	446	12		458	436	12		448
Amortisation and write-off of intangible assets	16,241	–		16,241	10,673	–		10,673

3. Segment information (continued)

The segment assets and liabilities as at 31st March 2009 and 2008 are as follows:

	2009				2008			
	Consumer electronic products HK\$'000	Plastic products HK\$'000	Elimination HK\$'000	Group HK\$'000	Consumer electronic products HK\$'000	Plastic products HK\$'000	Elimination HK\$'000	Group HK\$'000
Segment assets	2,749,141	68,340	–	2,817,481	2,692,987	80,802	–	2,773,789
Unallocated corporate assets				65,970				117,292
Total assets				<u>2,883,451</u>				<u>2,891,081</u>
Segment liabilities	820,283	11,034	–	831,317	1,187,700	10,227	–	1,197,927
Unallocated corporate liabilities				450,502				116,102
Total liabilities				<u>1,281,819</u>				<u>1,314,029</u>

(b) Secondary reporting format-geographical segment

The segment revenue for the years ended 31st March 2009 and 2008 are as follows:

	2009 HK\$'000	2008 HK\$'000
North America	4,645,446	3,241,502
Europe	831,360	691,792
Asia	371,906	334,879
Others	144,363	95,716
	<u>5,993,075</u>	<u>4,363,889</u>

The analysis of revenue by geographical segment is based on the destination to which the shipments are made. No analysis of the contribution by geographical segment has been presented as the ratios of profit to revenue achieved for the above geographical segments are not substantially out of line with the Group's overall ratio of profit to revenue. Primarily all of its assets and capital expenditure for the years ended 31st March 2009 and 2008 were located or utilised in the PRC and Hong Kong.

4. Other income

	2009 HK\$'000	2008 HK\$'000
Fair value (loss)/gain on investment properties	(4,522)	23,662
Rental income from investment properties	4,670	3,881
Sale of moulds	2,065	454
Others	181	1,854
	<u>2,394</u>	<u>29,851</u>

5. Expenses by nature

Expenses included in cost of goods sold, selling expenses, administrative expenses and other operating expenses are analysed as follows:

	2009 HK\$'000	2008 HK\$'000
Amortisation of intangible assets	13,067	7,981
Amortisation of leasehold land and land use rights	458	448
Depreciation of property, plant and equipment	73,640	65,714
Employee benefit expenses (including directors' emoluments)	348,267	337,898

6. Income tax expense

Hong Kong profits tax has been provided at the rate of 16.5% (2008: 17.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

	2009 HK\$'000	2008 HK\$'000
Current income tax		
– Hong Kong profits tax	28,642	22,331
– Under/(over) provision in prior years	30	(70)
Deferred income tax	(2,361)	3,996
	<u>26,311</u>	<u>26,257</u>

7. Earnings per share

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2009	2008
Profit attributable to equity holders of the Company (HK\$'000)	<u>190,185</u>	<u>213,352</u>
Weighted average number of ordinary shares in issue (thousands)	<u>557,797</u>	<u>560,403</u>
Basic earnings per share (HK cents)	<u>34.1</u>	<u>38.1</u>

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

There were no dilutive potential ordinary shares during the years ended 31st March 2009 and 2008. Therefore, the diluted earnings per share is the same as basic earnings per share.

8. Dividends

	2009 HK\$'000	2008 HK\$'000
Interim dividend, paid, of HK9 cents (2008: HK9 cents) per ordinary share	50,100	50,476
Final dividend, proposed, of HK14 cents (2008: HK14 cents) per ordinary share	<u>77,933</u>	<u>78,213</u>
	<u>128,033</u>	<u>128,689</u>

9. Loans and receivables

	2009 HK\$'000	2008 HK\$'000
Corporate bonds, at cost	90,061	—
Less: exchange loss	<u>(25,957)</u>	<u>—</u>
	<u>64,104</u>	<u>—</u>

The loans and receivables represent the Group's investment in the five-year interest-bearing (4% per annum) corporate bonds issued by Hydis Technologies Company Limited ("Hydis"), a company incorporated in Korea. They are denominated in Korean Won.

10. Available-for-sale financial assets

	2009 HK\$'000	2008 HK\$'000
Unlisted equity securities outside Hong Kong, at cost	135,091	—
Less: exchange loss	(38,935)	—
	<u>96,156</u>	<u>—</u>

The available-for-sale financial assets represent the Group's investment in shares of Hydis. They are denominated in Korean Won.

11. Trade and other receivables

	2009 HK\$'000	2008 HK\$'000
Trade receivables	583,632	544,180
Prepayments, deposits and other receivables	25,065	25,790
	<u>608,697</u>	<u>569,970</u>

The credit terms given to customers vary and are generally based on the financial strengths of individual customers. In order to effectively manage the credit risks associated with trade receivables, credit evaluations of customers are performed periodically.

The fair values of the trade and other receivables approximate to their carrying values.

At 31st March 2009 and 2008, the ageing analysis of the trade receivables based on invoice date is as follows:

	2009 HK\$'000	2008 HK\$'000
0-30 days	299,693	337,191
31-60 days	241,968	159,990
61-90 days	40,448	45,479
Over 90 days	1,523	1,520
	<u>583,632</u>	<u>544,180</u>

12. Trade and other payables

	2009 <i>HK\$'000</i>	2008 <i>HK\$'000</i>
Trade payables	722,717	653,771
Other payables and accruals	108,600	103,181
	<u>831,317</u>	<u>756,952</u>

At 31st March 2009 and 2008, the ageing analysis of the trade payables based on invoice date is as follows:

	2009 <i>HK\$'000</i>	2008 <i>HK\$'000</i>
0-30 days	628,489	418,548
31-60 days	73,116	124,987
61-90 days	17,882	85,870
Over 90 days	3,230	24,366
	<u>722,717</u>	<u>653,771</u>

DIVIDENDS

The Board of Directors has recommended the payment of a final dividend of HK14 cents (2008: HK14 cents) per ordinary share for the year ended 31st March 2009 to the shareholders whose names appear on the register of members of the Company on 27th August 2009.

Subject to shareholders' approval at the forthcoming Annual General Meeting, the final dividend is expected to be paid on 15th September 2009.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 25th August 2009 to Thursday, 27th August 2009, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the final dividend, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's share registrars in Hong Kong, Tricor Abacus Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 24th August 2009.

MANAGEMENT DISCUSSION AND ANALYSIS

Group results and dividends

On behalf of the Board of Directors, I present the financial results of Alco Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) for the year ended 31st March 2009. During the review period the Group recorded a turnover of HK\$6.0 billion, representing a year-on-year increase of 37% over last year (2008: HK\$4.4 billion). Profit attributable to shareholders totalled HK\$190 million (2008: HK\$213 million). Earnings per share were HK34.1 cents, compared to HK38.1 cents for 2008.

The Board of Directors remains committed to delivering stable returns to shareholders, despite the highly challenging market conditions that have affected the Group’s financial performance. As such, the payment of a final dividend of HK14 cents has been recommended. Including an interim dividend of HK9 cents per share, the total dividend will therefore amount to HK23 cents for the financial year (2008: HK23 cents), representing a payout ratio of 67%.

The final dividend will be paid on 15th September 2009 to the Group’s shareholders upon approval at the upcoming Annual General Meeting.

Review of operations

The past financial year was a challenging period for economies all over the world. During the first six months, we were confronted with a volatile business environment with fluctuating oil prices and material costs. The new labour laws in China, which took effect since January 2008, also placed pressure on labour costs for the whole industry. Moreover, stepping into the second half of 2008, the world economy was seriously affected by the financial tsunami triggered by the subprime mortgage crisis. Consequently, consumer confidence plummeted, companies faced tight credit, and retailers around the world, being cautious of worsening economies and high inventory, took preventive measures such as drastically reducing their purchases.

Flexible Business Strategies amid the Global Financial Crisis

The difficult business conditions ousted many suppliers from the audio-visual manufacturing industry. Partly due to the credit crunch that ensued, many of them found it hard to deliver sufficient products to their clients due to cash flow problems. We, however, managed to gain new orders and boosted overall sales during the period, benefiting from market consolidation and leveraging our strong financial position.

Aside from market consolidation, more and more North American retail chain stores are now requiring domestic deliveries, which tends to lengthen shipping window and inventory holding time for products, thus placing greater responsibility on suppliers for inventory control and financing. Our strong financial position has enabled us to adapt to this trend with ease and allowed us to gain orders that other suppliers were forced to give up. During the period under review, our market coverage remained relatively stable with North America accounting for approximately 78% of products shipped, and Europe at 14%.

Our LCD TV products, particularly models featuring 19-inch and 22-inch screens, continued to receive strong demand. As the majority of our retail customers cater for the mass market, popular consumer electronics products, such as home theatre units, portable DVD players, and audio systems with iPod docking feature continued to be our top performers. Our capacity to deliver innovative products early to market further contributed to sales growth. During the past financial year we took the lead in adding iPod dock feature to LCD TV and home theatre products, which were very well received by the market and commanded higher average selling prices. Also, with US federal law requiring the television stations to convert from analogue to digital broadcasting by 12th June 2009, demand for products incorporating digital TV tuners became very high, especially for our customers who operate national retail chains with widespread distribution throughout the USA.

Stringent Cost Control

Apart from seizing market opportunities despite the global financial crisis, we were also dedicated to strengthening our competitiveness through various cost control measures. We successfully decreased our direct labour costs and associated overheads by increasing automation and by trimming our workforce by approximately 10%. Furthermore, overtime expenditure was reduced through stringent operation and work flow management.

Our ongoing efforts to standardise parts and components, including PCB sub-assemblies and modules, have aided us as we pursue opportunities across different product segments. Parts and components sharing not only achieve such benefits as efficient assembly, economies of scale and production flexibility, but also decreases our production costs by reducing obsolescence of parts and components. Moreover, sharing proven components and platforms among different products can assure product quality as well as increase the efficiency of our research and development efforts.

Recognising the importance of securing reliable supply of TFT-LCD panels – a key component for many of our products – the Group in early 2008 acquired minority interest in a Korean company principally engaged in the development and manufacture of such panels. During the year under review, the Korean manufacturer's business performance was affected by the financial tsunami as demand for visual products dropped due to weak consumer sentiment. However, as demand and price of LCD panels have been surging since the second quarter of calendar year 2009, this deal will not only allow us to secure a steady supply of TFT-LCD panels, but also represent an investment with promising prospect in the long run.

Strong Financial Position

Acknowledging the added importance of remaining financially healthy and maintaining a high degree of liquidity during the global financial crisis, we adopted a prudent credit policy and held firm control of credit terms with clients. Our inventory has also been significantly reduced from HK\$1,333 million a year earlier to HK\$704 million as at 31st March 2009, a year-on-year decline of 47%. By eliminating bank loans, we achieved a strong net cash position of HK\$490 million.

PROSPECTS

With the global economic downturn expected to persist for at least the short to medium terms, our key objective will be to continue strengthening the Group's financial position. We will also adopt a flexible strategy to cope with changing market needs and deliver products to customers in an effective manner.

As we have seen throughout the year, despite depressed economies in many parts of the world, the demand for LCD TVs has continued to grow and consumers' interest in popular consumer electronic products such as DVD home theatres, portable DVD players and other audio items has remained strong. We will therefore direct our development and marketing efforts in these key areas, creating stylish, high demand products that bolster sales, capture market share and enhance the Group's turnover. To this end, we will be launching LCD TVs with further enhanced "combo features", and new models of higher-end iPod dock related products are set for introduction in the fourth quarter of the coming financial year.

In addition to refining our product line up, alertness to market developments is essential. The Chinese Government's economic stimulus plan, which includes a subsidy scheme for the rural population to purchase electrical appliances and consumer electronics products such as LCD TVs, will provide growth momentum for associated industries. Proactively, we recently participated in a convention held in Houjie Town, Dongguan City, which promoted products from many export manufacturers. Participating in the convention represented the first step for many export-based manufacturers seeking to achieve the ultimate goal of supplying products to retail channels in the mainland Chinese market. One of our long-term goals has always been to supply products to this key market and while there are certainly many unique challenges that require careful planning and finely executed strategies to overcome, we will continue to carefully explore all opportunities to expand our business in mainland China.

Besides, construction of a new manufacturing facility in the Houjie Industrial Park, Dongguan is progressing on schedule and will be completed towards the end of 2010 with production lines commencing operation in 2011. This new facility will allow us to more flexibly manufacture a wide range of products and enhance our economies of scale. Since the new plant will employ state-of-the-art production technologies, thus achieving greater production efficiency, our reliance on direct labour will be further reduced. By using energy efficient construction materials and employing environmental friendly and energy saving solutions, we will also be able to drive down our energy and related operating costs.

Though the global financial crisis has made the past year among the toughest that the Group has faced, this period has prompted consolidation of the audio-visual manufacturing industry, which will benefit us when the economy rebounds. Our strong financial position, coupled with flexible yet low-cost manufacturing operations, will allow us to weather the existing financial storm and emerge as a stronger company. We are confident that efforts to refine our product mix, control costs and enhance relationships with customers will stand us in good stead, not just for the present business climate, but for our long-term growth.

LIQUIDITY AND FINANCIAL RESOURCES

Total equity and total equity per share as at 31st March 2009 were approximately HK\$1,602 million (2008: HK\$1,577 million) and HK\$2.88 (2008: HK\$2.82) respectively.

As at 31st March 2009, our cash on hand and deposits totalled at approximately HK\$872 million. The Group's strong cash position was the result of stringent inventory control. After deducting long-term interest-bearing debts of HK\$383 million, the Group had net cash of HK\$489 million as at 31st March 2009.

Trade receivables balance as at 31st March 2009 was approximately HK\$584 million (2008: HK\$544 million). We have been adopting a prudent credit policy with credit terms granted based generally on the financial strengths of individual customer.

We finance our operations using internal funds and banking facilities. In early 2008, the Group invested HK\$135 million to acquire 10.42% of equity of a Korean TFT-LCD panel manufacturer and HK\$90 million to acquire the interest-bearing corporate bonds of the manufacturer.

As at 31st March 2009, we had banking facilities of approximately HK\$2,030 million, of which approximately HK\$383 million were utilised. Among the used facilities, approximately HK\$75 million are repayable within one year and approximately HK\$308 million are repayable within three years.

Capital expenditure on fixed assets during the year was approximately HK\$66 million (2008: HK\$98 million), mainly for purchase of moulds, plant and equipment. All expenditures were financed with internal resources. As at 31st March 2009, we had capital commitments contracted but not provided for in respect of moulds, plant and machinery amounting to HK\$1,413,000 (2008: HK\$334,000).

We have limited exposure to trade-related foreign exchange risk as nearly all our sales, purchases and borrowings are denominated in United States dollar and Hong Kong dollar. Moreover, adhering to the policy of not engaging in speculative financial derivatives, we did not make any gain or loss for such activities during the reporting period.

EMPLOYEES

As at 31st March 2009, the Group had approximately 8,600 employees in Hong Kong and the PRC. Remuneration packages are generally structured by reference to market terms and individual qualifications. Salaries and wages are normally reviewed on an annual basis based on performance appraisals and other relevant factors. We also provide other benefits including medical insurance, provident fund and education subsidies to all eligible staff.

PURCHASE, SALE OR REDEMPTION OF SHARES

In October 2008, the Company repurchased 1,906,000 shares of HK\$0.10 per share, at prices that ranged from HK\$0.66 to HK\$0.88 per share, on The Stock Exchange of Hong Kong Limited. Total consideration was approximately HK\$1,427,780. These shares were then cancelled.

In November 2008, the Company repurchased 100,000 shares of HK\$0.10 per share, at price of HK\$0.73 per share, on The Stock Exchange of Hong Kong Limited. Total consideration was approximately HK\$73,000. These shares were then cancelled.

Save as disclosed above, neither the Company nor its subsidiary companies has purchased or sold any of the Company's shares during the year ended 31st March 2009 and the Company has not redeemed any of its shares during the same financial year.

CORPORATE GOVERNANCE

The Company has complied with all the applicable code provisions set out in the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), except for deviation from the Code provision A.4.1.

Under the Code provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. The non-executive directors of the Company are not appointed for a specific term. However, according to the Bye-laws of the Company, independent non-executive directors of the Company will retire by rotation every year and their appointments will be reviewed when they are due for re-election. In the opinion of the Company, this meets the same objective as the Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code") as its own code of conduct regarding securities transactions by the directors of the Company. Having made specific enquiry of the directors, all the directors confirmed that they had complied with the required standards as set out in the Model Code and its code of conduct regarding directors' securities transactions with the Company for the 12 months ended 31st March 2009.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including the review of the financial statements of the Group for the year ended 31st March 2009.

The Audit Committee currently comprises three independent non-executive directors of the Company, namely Mr WONG Po Yan, *G.B.M., J.P.*, the Hon LI Wah Ming, Fred, *S.B.S., J.P.* and Mr LAU Wang Yip, Derrick.

REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 March 2009 have been agreed by the Group's auditor, PricewaterhouseCoopers ("PwC Hong Kong"), to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PwC Hong Kong in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PwC Hong Kong on the preliminary announcement.

PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT

This final results announcement is available for viewing on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and on the website at www.irasia.com/listco/hk/alco/index.htm. The annual report of the Company containing all the information required by the Listing Rules will be published on the above websites in due course.

LIST OF DIRECTORS

As at the date of this announcement, the Board of Directors comprises three executive directors, namely Mr LEUNG Kai Ching, Kimen, Mr LEUNG Wai Sing, Wilson and Mr KUOK Kun Man, Andrew and three independent non-executive directors, namely Mr WONG Po Yan, The Hon LI Wah Ming, Fred and Mr LAU Wang Yip, Derrick.

On behalf of the Board
LEUNG Kai Ching, Kimen
Chairman

Hong Kong, 15th July 2009