CCT TELECOM HOLDINGS LIMITED

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

(Stock Code: 00138)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2009

CHAIRMAN'S LETTER

On behalf of the board of directors (the "Board") of CCT Telecom Holdings Limited (the "Company"), I present herein the results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2009. I am pleased to report that all business sectors of the Group achieved significant improvement in result performance during the year, amidst extremely difficult and challenging business conditions.

During the year, the Group managed to turn around dramatically from a huge loss of $1,289 million in 2008 to a net profit after tax of $33 million in 2009, reflecting strong recovery of the Group's core businesses. Group's turnover, however, declined by 43.7% to $1,653 million, caused mainly by a significant decrease in turnover of the telecom product business, which was in turn affected by the poor world economy and the exit of the Group's previous single largest customer from the North American telephony market (the "Discontinuation").

PROPOSED FINAL DIVIDEND

The Board recommends the payment of a final dividend of $0.035 per share for the year 2009 to the shareholders whose names appear on the register of members of the Company on Monday, 31 May 2010, subject to the approval of the shareholders of the Company at the forthcoming annual general meeting of the Company. The proposed final dividend will be payable from the Company's distributable reserve and will be paid on or around Monday, 14 June 2010 following the shareholders' approval at the forthcoming annual general meeting of the Company. Taking into account the $0.03 per share 2009 interim dividend paid in October 2009, the total dividend per ordinary share amounted to $0.065 per share for this financial year 2009, a 18.2% increase compared with the total dividend of $0.055 per ordinary share distributed in respect of the year 2008.

REPURCHASE OF SHARES OF CCT TELECOM

The Company made two cash offers to repurchase its shares during the year.

The first offer made by the Company to repurchase up to 280,000,000 of the Company's shares at the offer price of $0.50 per share in cash (the "First Offer") was completed in March 2009 under which a total of 198,558,635 shares were repurchased and cancelled by the Company on 11 March 2009, at the total consideration of approximately $99.28 million also paid by the Company on 11 March 2009.

In October 2009, the Company made another offer to repurchase up to 80,000,000 of the Company's shares at the offer price of $1.00 per share in cash (the "Second Offer"). The Second Offer was completed in December 2009 under which a total of 48,911,284 shares in aggregate were repurchased and cancelled by the Company on 11 December 2009, at the total consideration of approximately $48.91 million also paid by the Company on 11 December 2009.

Upon completion of the First Offer and Second Offer, the issued share capital of the Company was reduced to 606,144,907 shares.

The First Offer and the Second Offer provided opportunities for the Company's shareholders to realise at least part of their investment in the Company at a premium to the then market price, or to increase their proportionate interest in the Company by retaining their shareholdings and participating in the future prospects of the Group.

ENTERING A LICENSE AGREEMENT WITH GE

Through months of negotiation with GE Trademark Licensing, Inc. ("GE"), two indirect subsidiaries of CCT Tech International Limited (the "Licensees") entered into the GE Trademark License Agreement (the "License Agreement") with GE in February 2010, pursuant to which GE has agreed to grant to the Licensees the license and right to use the GE trademark on certain telecommunication products, for sale and distribution by the Licensees worldwide.

We believe that the entering of the License Agreement will bring in significant potential benefits to CCT Tech International Limited ("CCT Tech") and its subsidiaries (collectively, the "CCT Tech Group") and the Group of which the CCT Tech Group forms a principal part. The License Agreement will enable the CCT Tech Group to re-enter the US market, which represents our previous largest market before the Discontinuation. In addition, the License Agreement will enable the CCT Tech Group to enter into the branded distribution business hence reduce its reliance on its ODM business. Furthermore, the license by the CCT Tech Group of such strong and well-known GE trademark will enhance the international recognition of CCT Tech and the products of CCT Tech Group, which will in turn benefit the Group.

REVIEW OF OPERATIONS

During the year under review, the principal businesses of the Group are (i) the manufacture and sale of telecom and electronic products; (ii) the manufacture and sale of electronic accessories and components; (iii) the manufacture and sale of infant and child products; (iv) the securities business; (v) the property development and holding; and (vi) the forestry resources business engaged by the Company's listed associate, CCT Resources Holdings Limited ("CCT Resources").

Telecom product business

The telecom product business engaged by the Company's principal subsidiary, CCT Tech and its subsidiaries, remains the largest business sector of the Group, in terms of turnover.

The financial year 2009 is again another difficult and challenging year for the telecom product business, given the continued impact of global financial tsunami that has dragged down the world economy since 2008. Shrinking of global consumer demand on telecom products significantly affected the Group's turnover from the telecom product business.

The Group's sales of telecom products to North America, our previous largest market, decreased sharply by 81.3% from approximately $1,355 million for 2008 to approximately $254 million for 2009, as a result of the Discontinuation. In response to the weak market situation, the Group has modified its business strategies by adopting more proactive and flexible marketing strategy and strengthening the market development. Greater emphasis has been put on exploring new markets in Europe and emerging markets in the rest of the world. European market replaced the North American market to become the largest market of the Group and accounted for 65.2% of the Group's turnover in 2009. The Group has dedicated itself to expand its market share in Europe. It is encouraging to see that some of our European customers outsourced more production to us during the year. Our effort to nurturing our business in emerging markets has shown result as the Group has made good progress in penetrating into new markets including Latin America, Middle East, the PRC and the Asian Pacific countries. The result of these measures is positive and has successfully reduced our reliance in any one single country and increased our market diversification.

During the economic downturn, the Group remained committed to product research and development. To increase competitiveness, we have continuously enhanced product offerings and actively pursued design improvements for our telecom products. Our investment in research and development has paid off and has improved our profit margins and attracted new customers for the telecom product business sector.

Amidst challenging times, the Group has taken decisive and swift actions to restructure and revitalize our telecom product business. We have consolidated manufacturing operations of our telecom product business and reallocated resources by integrating our production facilities in three different locations into the main factory in Huiyang, the Guangdong Province. These initiatives have enabled us to save costs and improve efficiency. Furthermore, various measures have been implemented across the board at all level of the Group toward cost optimization and enhancing efficiency. In turn, achievements have been made on improvement of the efficiency of the operation and the overall profitability of our telecom product business segment.

Manufacturing of electronic accessories and components

The Group's component business (representing manufacture of plastic casing, power supply and transformer) continues to provide vertical support to the CCT Tech Group for production of telecom and electronic products during the year. Most of these components are sold to the CCT Tech Group and some of the plastic component products are sold to independent third parties. Because of the vertical relationship between the telecom product business and the component business, the revenues of the component business dropped significantly by 41.3% to only $262 million, in proportion to the decline in revenue of the telecom product business. Despite the difficult business environment, the component business has managed to reduce its operating costs by streamlining production and operation costs and the operating loss of the segment has therefore been reduced by approximately 74.3% to only $28 million in 2009.

Infant and child product business

Amidst challenging operating environment, the infant and child product business outperformed other business segments of the Group and delivered solid growth in both revenue and earnings. The business was affected by the global economic downturn in the first six months of 2009, resulting in a drop in turnover by 19.5% in the first half. However, customers's confidence has restored and sales of the infant and child business picked up quickly in the second half, not only compensating the decline in revenue in the first half but helping the business sector to achieve an impressive increase in sales of 18.6% for the year. The business result is also better than expected, reporting an operating profit of $30 million, respresenting a sharp increase of 275.0%, as compared with $8 million for the last corresponding year. The excellent result performance was attributable to success of the Group to launch a series of new childcare products like milk bottle warmer and sterilisers which are well received by the market. The Group will continue to dedicate more resources for development of high quality products at competitive prices. We believe the infant and child product business has a plenty of room for future growth as this business is less subjective to economic cycle and downturn.

Securities business

The stock market in Hong Kong and the A-share market in China rallied substantially in 2009 driven by the liquidity caused by economic stimulation policies implemented by various governments and low interest rates. Benefited from the strong recovery of the Hong Kong stock market, the Group's securities business contributed operating profit of $97 million for 2009 compared to an operating loss of $555 million for 2008, of which realised gains were $17 million and unrealised gains $87 million (2008: realised loss of $149 million and unrealised loss of 396 million).

Properties development and holding

In 2009, China economy has recovered quickly from the global financial turmoil. With the proactive financial policies and political measures implemented by the central government of PRC, the property market in PRC experienced a significant rebound, with strong sales, active transaction and a continuous increase in property price. Both the "real buyers" hoping for improving the living standards and the investors regained their confidences, propelling a resilient rebound in the domestic housing market in PRC in 2009. Our property development projects are located in the Liaoning Province of the PRC where housing demand and price continues to grow steadily. The Group has followed the market trend and seized the rising opportunities by stepping up its efforts in project development. The property projects of our property development business will be developed by phases in accordance with the market situation and condition. The first phase of one of our property projects has commenced construction in the second half of 2009. The project took the opportunity of market upturn by launching the property units with room types that meet the market demand. Pre-sale has been launched in late December 2009 and market response is encouraging. A total 16 housing units were pre-sold as at 31 December 2009 and up to 15 April 2010, a total of 128 units have been pre-sold. We expect the first phase units will be completed and delivered for occupation within this year, at which time the property development business will start to generate revenue to the Group.

The Group's property holdings are mainly luxury residential properties situated in the southern side of the Hong Kong Island where property prices have risen significantly since the second quarter of 2009 due to rising demand and scarce supply under a strong liquidity situation. We expect the prices of prime luxury housing will continue to rise in 2010. We will look for opportunity to realize some of these investments which will likely contribute satisfactory return to the Group.

Forestry resources business

The forestry project acquired by CCT Resources in 2008 comprises concessions in natural tropical forest of 313,500 hectares in Papua, Indonesia. CCT Resources has achieved significant progress in the development of its forestry business since its acquisition in 2008. During the year under review, CCT Resources has commenced the upstream forestry operations and has started to log and harvest trees to produce logs for the downstream operations. In the downstream operations, CCT Resources has built two sawmills and one veneer factory. The development of the forestry business is well in progress and it is expected that the forestry business will start to generate revenue within the year of 2010. Besides the timber business, CCT Resources will grow oil palm trees in the forest cleared by logging and will process the fruits of the oil palm into palm oil for use as renewable bio-fuel. We believe that the forestry resource business of CCT Resources has excellent potential in view of the huge size of the forest concessions and the high demand and increasing prices of its timber and palm oil products. We believe the businesses will become one of the key drivers for business growth and profitability to the CCT Resources group, which will in turn benefit the Group as its major shareholder.

OUTLOOK

We are encouraging to see the global economy has hit bottom. Although the global economy has stabilized, we do not expect global consumer confidence to rebound substantially this year especially when the unemployment rates are still in high level in the United States (the "US") and European countries. We anticipate that the business environment remains uncertain going forward. Prices of commodity, materials and wages are expected to rise amidst market recovery and inflation is expected to go up especially in the PRC this year. The shortage of labor in the Guangdong Province has becoming acute and has already affected our telecom product business. The potential appreciation of Renminbi against US dollar is another risk that may affect performance of our manufacturing business. All these uncertain factors may increase our production costs and affect our profit margin in the coming years. On the positive side, as we have already streamlined and slimmed our organization and operating costs of our telecom product business, the Group is in a good position to seize the opportunity arising from market turnaround and strive to improve our sales this year. We believe that the license of the GE trademark under the License Agreement will open up a new avenue for future growth of the Group's telecom product business. We are cautiously optimistic about the future outlook of our telecom product business which we expect will continue to benefit from the continuing recovery of consumer demand and positive effect of our restructuring and revitalization.

Though the infant and child product business is relatively small in size for the time being, we believe the business has excellent growth potential. We believe our newly developed childcare products such as the baby monitors will receive good response from customers. We expect the infant and child product business will continue to deliver superior performance this year. As time goes by, we are confident to grow the infant and child product business as one of our core drivers for future growth.

The rebound of the stock market in 2009 has continued in the first month of 2010 but encountered certain consolidation adjustments in March 2010. We expect the Hang Seng Index will continue to rise this year but at a modest rate. We anticipate that the stock market will become more volatile towards the latter part of this year as when global governments consider to exit from the markets and to tighten liquidity by increasing interest rates in order to guard against inflation. Management will continue to adopt a risk-conscious approach towards managing its current securities investment. We will consider to realize some of our securities investments as when opportunity arises. As most of our securities holdings are Hang Seng Index constituent stocks and H-shares in large Chinese corporations, we believe that they will continue to benefit from the stabilized global economy and the recovery of the stock market.

The central government of PRC has issued a series of multitude of austerity measures of property market decisively since the end of 2009. The purpose of these measures is to maintain the steady and healthy growth of the domestic property market rather than suppressing the property market. Rapid urbanization, increasing disposable income and rising salary will continue to unleash the long-term growth of the property market in PRC. We believe that the adjustment measures will help to cool down the property market from overheating and will promote the healthy growth of the property market accordingly. The austerity measures are targeted mainly at the overheating housing markets in the first-tier cities, like Beijing and Shanghai and have very little impact on the second and third-tier cities like Anshan where our housing development projects are situated. This is evidenced by the encouraging market response to the pre-sale of the first phase of one of our housing projects in Anshan. We expect the property development business will start to reap results and generate revenue this year. We will start this year planning of development of the second phase of the first project and also the second housing project which is bigger and has a better location than the first project. We believe that our property development business has excellent potential and the business will become one of the key drivers for the Group's revenue and profitability growth in the future.

APPRECIATION

On behalf of the Board, I would like to express our gratitude to the directors, the management and all employees of the Group for their strong commitment and contribution towards the execution of the Group's strategies and operations. We would also like to express our sincere thanks to our shareholders, bankers, investors, customers and suppliers for their continued encouragement and strong support to the Group.

Mak Shiu Tong, Clement
Chairman

Hong Kong, 20 April 2010

FINANCIAL REVIEW

Highlights on Financial Results

HK$ million	**2009**	2008	% increase/ (decrease)
Turnover	**1,653**	2,935	(43.7%)
Profit/(loss) for the year	**33**	(1,289)	N/A
Profit/(loss) attributable to:			
Owners of the parent	**42**	(1,123)	N/A
Minority interests	**(9)**	(166)	(94.6%)
	33	(1,289)	
Earnings/(loss) per share	**HK$0.06**	(HK$1.36)	N/A
Dividends per share	**HK$0.065**	HK$0.055	18.2%

Discussion on Financial Results

The substantial drop in turnover in the year was mainly due to the decrease in sales of our telecom products business, caused by the Discontinuation and the slump global consumer demand.

Despite a decrease in sales, the Group reported profit after tax and profit attributable to owners of the parent of $33 million and $42 million, respectively, for the year, significantly improved from the loss after tax and loss attributable to owner of the parent of approximately $1,289 million and $1,123 million, respectively, for the previous year. The remarkable turnaround in results during the year demonstrates the success of the Group's strategy to revitalise its core businesses, which show strong recovery during the year.

Analysis by Business Segment

	Turnover				
	2009		2008		
HK$ million	**Amount**	**Relative %**	Amount	Relative %	% increase/ (decrease)
Telecom product business	**1,451**	**87.8%**	2,750	93.7%	(47.2%)
Component business	**262**	**15.8%**	446	15.2%	(41.3%)
Infant and child product business	**166**	**10.0%**	140	4.8%	18.6%
Securities business	**17**	**1.0%**	(149)	(5.1%)	N/A
Property development and holding	**5**	**0.3%**	137	4.7%	(96.4%)
Unallocated items	**1**	**0.1%**	45	1.5%	(97.8%)
Inter-segments transactions	**(249)**	**(15.0%)**	(434)	(14.8%)	(42.6%)
Total	**1,653**	**100.0%**	2,935	100.0%	(43.7%)

	Profit/(loss) before tax		
HK$ million	**2009**	2008	% increase/ (decrease)
Telecom product business	**(19)**	(515)	(96.3%)
Components business	**(28)**	(109)	(74.3%)
Infant and child product business	**30**	8	275.0%
Securities business	**97**	(555)	N/A
Property development and holding	**78**	(34)	N/A
Unallocated items	**(107)**	(79)	35.4%
Total	**51**	(1,284)	N/A

During the year, the telecom product business continued to be the largest business segment of the Group, which contributed approximately 87.8% of the Group's total turnover. Affected by the Discontinuation and the weak consumer demand, revenues from the telecom product business fell significantly by 47.2% over the last year to approximately $1,451 million in the year. Despite a fall in turnover, the telecom product business, however, narrowed its loss before tax substantially from $515 million for 2008 to only $19 million for 2009, reflecting success of the Group's strategy and actions to revitalize this business segment.

Revenues derived from the components business dropped by 41.3% to $262 million for the year ended 31 December 2009, in line with the reduction in sales of the telecom product business to which the component business supplies most of its components. The components business sector reported an operating loss of approximately $28 million in 2009, a decrease of 74.3% as compared to the operating loss of approximately $109 million in previous year, which demonstrates positive effect of our restructure actions.

Amidst weak business environment, performance of our infant and child products business in the year is however encouraging. During the financial year of 2009, profit before tax contributed by the infant and child product business surged 275.0% to $30 million, against a 18.6% increase in turnover to $166 million (2008: $140 million). The strong financial results were caused by launch of new products which were well received by the market and effective actions taken by the Group to improve efficiency.

The Group's securities business also delivered strong results. This business sector contributed profit before tax of $97 million for the year, as compared to a net loss of $555 million for last year. The strong turnaround in performance of the securities business was benefited by the rebound of the Hong Kong stock market in 2009.

The property business segment reported a net profit of approximately $78 million for the year ended 31 December 2009 (2008: loss of $34 million), mainly due to the unrealised fair value gain of HK$89 million arising from revaluation of investment properties net off against the depreciation and mortgage loan interest on the properties held.

Unallocated items mainly represent the head office administrative expenses and share of loss of an associate which increased by 35.4% to $107 million.

Analysis by Geographical Segment

	Turnover				
	2009		2008		
HK$ million	**Amount**	**Relative %**	Amount	Relative %	% decrease
Europe	**1,078**	**65.2%**	1,180	40.2%	(8.6%)
North America	**254**	**15.4%**	1,355	46.2%	(81.3%)
Asia Pacific and others	**321**	**19.4%**	400	13.6%	(19.8%)
Total	**1,653**	**100.0%**	2,935	100.0%	(43.7%)

As a result of the Discontinuation, North America was no longer the largest market of the Group during the year ended 31 December 2009. Instead, the European market overtook the North America to become the largest market of the Group during the year under review and contributed approximately 65.2% of the Group's total turnover. The sale to the North America and the Asia Pacific regions accounted for 15.4% and 19.4%, respectively, of the Group's total turnover. All business sectors experienced decline in turnover due to the weak global demand and the Discontinuation which affected our sales to the North America market.

Highlights on Financial Position

HK$ million	**31 December 2009**	31 December 2008	% increase/ (decrease)
NON-CURRENT ASSETS			
Property, plant and equipment	**796**	886	(10.2%)
Investment properties	**227**	171	32.7%
Interest in an associate	**187**	229	(18.3%)
CURRENT ASSETS			
Inventories	**98**	135	(27.4%)
Trade receivables	**401**	422	(5.0%)
Property for development	**—**	113	N/A
Property under development	**129**	—	N/A
Financial assets at fair value through profit or loss	**255**	446	(42.8%)
Cash and cash equivalents	**566**	786	(28.0%)
CURRENT LIABILITIES			
Trade and bills payables	**418**	551	(24.1%)
Other payables and accruals	**193**	211	(8.5%)
Current interest-bearing bank and other borrowings	**284**	351	(19.1%)
EQUITY AND NON-CURRENT LIABILITIES			
Non-current interest-bearing bank and other borrowings	**144**	124	16.1%
Minority interests	**355**	364	(2.5%)
Equity attributable to owners of the parent	**2,073**	2,213	(6.3%)

Discussion on Financial Position and Major Balance Sheet Items

As at 31 December 2009, the amount of the property, plant and equipment decreased by 10.2% to approximately $796 million. The decrease was mainly attributable to the deprecation charge of $93 million net off against net additions to fixed assets of approximately $3 million during the year.

The investment properties increased from $171 million as at 31 December 2008 to $227 million as at 31 December 2009. The increase represents mainly the unrealised fair value gain of $56 million arising from the revaluation of the Group's investment properties as at 31 December 2009.

Decrease in the amount of the interest in an associate was due to the share of loss of CCT Resources for the year.

As at the year end, inventories of the Group decreased to $98 million, represented a drop of approximately 27.4%. The drop in inventories is, in general, in line with the decrease in the turnover of the Group's telecom product business. Inventory turnover period of the Group for the year maintained at a reasonable low level of 28.9 days (2008: 21.3 days).

Trade receivables of the Group amounted to $401 million as at 31 December 2009, a decrease of 5.0% from $422 million as at 31 December 2008. The net decrease generally reflects the decline in the Group's sales and change of market mix of our sales during the year.

As at 31 December 2009, the balance of the property under development represents the land cost reclassified from property for development in 2008 and the additional expenditure incurred relating to the property projects located in the Liaoning Province, the PRC.

As at 31 December 2008, the balance of the property for development represents the land cost of a piece of land located in the Liaoning Province, the PRC.

The decrease in the balance of the financial assets at fair value through profit or loss was attributable to the aggregate effect of the disposal of part of our holdings in Hong Kong listed shares during the year and increase in fair value of the listed shares held as at 31 December 2009.

Cash and cash equivalents decreased by 28.0% to $566 million as at 31 December 2009 mainly due to cash outflow for payment of trade payables, payment for land held for development, the net repayment of bank and other borrowings and the payment relating to the repurchase of shares under the First Offer and the Second Offer during the year.

Trade and bills payables decreased by approximately 24.1% to $418 million, reflecting reduction of purchases in line with the reduction in sales.

The amount of bank and other borrowings decreased from approximately $475 million as at 31 December 2008 to approximately $428 million as at 31 December 2009, representing a decrease of 9.9%. The decrease represents partial repayment of bank and other borrowings during the year.

Decrease in the minority interests was mainly due to the sharing of loss by the minority shareholders in CCT Tech.

The decrease of the shareholders' funds from $2,213 million as at 31 December 2008 to $2,073 million as at 31 December 2009 was primarily due to the cancellation of the issued share capital and the share premium relating to the repurchase of shares under the First Offer and the Second Offer and the dividend paid in cash during the year, net off against the profit attributable to the owners of the parent for the year.

Capital Structure and Gearing Ratio

	31 December 2009		31 December 2008	
HK$ million	**Amount**	**Relative %**	Amount	Relative %
Bank loans	**426**	**17.0%**	470	17.5%
Finance lease payable	**2**	**0.1%**	5	0.2%
Total borrowings	**428**	**17.1%**	475	17.7%
Equity	**2,073**	**82.9%**	2,213	82.3%
Total capital employed	**2,501**	**100.0%**	2,688	100.0%

The Group's gearing ratio was approximately 17.1% as at 31 December 2009 (2008: 17.7%). The slight decrease in gearing ratio was mainly caused by the net repayment of bank and other borrowings during the year ended 31 December 2009. The gearing ratio was maintained at low level which reflects a healthy financial position and the prudent financial policy of the Group. Taking into account the cash on hand, the Group in fact did not have any net borrowings.

Outstanding bank borrowings amounted to $426 million at 31 December 2009 (2008: $470 million). Approximately 66.4% of these bank borrowings was arranged on a short-term basis for the ordinary business activities of the Group and was repayable within one year. The remaining 33.6% of the bank borrowings was of long-term nature, principally comprised of mortgage loans on properties held by the Group.

Acquisition of certain of the Group's assets was financed by way of finance leases and the total outstanding finance lease payables for the Group as at 31 December 2009 amounted to approximately $2 million (2008: $5 million).

As at 31 December 2009, the maturity profile of the bank and other borrowings of the Group falling due within one year, in the second to the fifth year and in the sixth to the tenth year amounted to $284 million, $110 million and $34 million, respectively (2008: $351 million, $85 million and $39 million, respectively). There was no material effect of seasonality on the Group's borrowing requirements.

Liquidity and Financial Resources

HK$ million	**31 December 2009**	31 December 2008
Current assets	**2,039**	2,334
Current liabilities	**933**	1,189
Current ratio	**218.5%**	196.3%

The Group's current ratio as at 31 December 2009 was 218.5% (2008: 196.3%). The strong liquid position was attributable to the effective financial management of the Group.

As at 31 December 2009 the Group's cash balance amounted to $631 million (2008: $875 million), of which $65 million (2008: $89 million) was pledged for general banking facilities. Almost all of the Group's cash was placed on deposits with licensed banks in Hong Kong.

Capital Commitments

As at 31 December 2009, capital commitment of the Group amounted to approximately $46 million (2008: $208 million). The capital commitment will be funded partly by internal resources and partly by bank borrowings.

Treasury Management

The Group employs a conservative approach to cash management and risk control. To achieve better risk control and efficient fund management, the Group's treasury activities are centralised.

During the financial year 2009, the Group's receipts were mainly denominated in US dollar, with some in Hong Kong dollar and the Euro. Payments were mainly made in Hong Kong dollar, US dollar and Renminbi and some made in Euro. Cash was generally placed in short-term deposits and medium-term deposits denominated in Hong Kong dollar and US dollar. As at 31 December 2009, the Group's borrowings were mainly denominated in Hong Kong dollar and US dollar. As at 31 December 2009, the Group's borrowings were principally made on a floating rate basis.

The objective of the Group's treasury policies is to minimise risks and exposures due to the fluctuations in foreign currency exchange rates and interest rates. The Group does not have any significant interest rate risk, as the interest rates currently remain at low levels. In terms of foreign exchange exposures, the Group is principally exposed to two major currencies, namely the US dollar in terms of receipts and the Renminbi in terms of the production costs (including workers' wages and overhead) in the PRC. For US dollar exposure, since the Hong Kong dollar remains pegged to the US dollar, the exchange fluctuation is not expected to be significant. In addition, as large portion of the Group's purchases are also made in US dollar, which are to be paid out of our sales receipts in US dollars, the management considers that the foreign exchange exposure risk for the US dollar is not material.

For Renminbi exposure, as wages and overheads in our factories in the PRC are paid in Renminbi, our production costs will rise due to the possible further appreciation of Renminbi. Despite call from the US for faster appreciation of Renminbi against the US dollar, the Group believes that the PRC government will only allow Renminbi to appreciate against the US dollar modestly in 2010 and in the future years in order not to cause too much damage to the Chinese economy.

Acquisition and Disposal of Material Subsidiaries and Associates

The Group did not acquire or dispose of any material subsidiaries and associates during the year under review.

Significant Investment

The Group did not hold any significant investment as at 31 December 2009 (2008: Nil).

Pledge of Assets

As at 31 December 2009, certain of the Group's assets with a net book value of $775 million (2008: $714 million) and time deposits of $65 million (2008: $89 million) were pledged to secure the general banking facilities granted to the Group.

Contingent Liabilities

As at 31 December 2009, the Group did not have any significant contingent liabilities.

Employees and Remuneration Policy

The total number of employees of the Group as at 31 December 2009 was 8,212 (2008: 10,943). The Group's remuneration policy is built on principle of equality, motivating, performance-oriented and market-competitive remuneration package to employees. Remuneration packages are normally reviewed on an annual basis. Apart from salary payments, other staff benefits include provident fund contributions, medical insurance coverage and performance related bonuses. Share options may also be granted to eligible employees and persons of the Group. At 31 December 2009, there were no outstanding share options issued by the Company.

Event After the Reporting Period

Subsequent to the end of the reporting period, in March 2010, the convertible bonds issued by CCT Resources with a nominal value of HK$50,000,000 were converted into 500,000,000 shares in CCT Resources of HK$0.01 each. After the conversion, the Group's shareholding in CCT Resources was diluted from approximately 42.13% to approximately 38.17% and there is no significant impact on the Group's financial results.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SHARES OF THE COMPANY

During the year, the Company repurchased a total of 247,469,919 shares of the Company by way of cash offers (details of which are set out in the offer documents of the Company dated 23 January 2009 and 29 October 2009) at an aggregate consideration of HK$148,190,601.50. All the repurchased shares were subsequently cancelled. Details of the repurchases are as follows:

Date of the repurchases	**Total number of the shares repurchased**	**Price paid per share**	**Aggregate consideration**
		HK$	HK$
2 March 2009	198,558,635	0.50	99,279,317.50
2 December 2009	48,911,284	1.00	48,911,284.00
Total	247,469,919		148,190,601.50

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed shares of the Company during the year.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the directors of the Company, the Company has complied with the code provisions under the Code on Corporate Governance Practices (the "CG Code") set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the financial year under review, except for the following deviations from the code provisions of the CG Code:

(1) A.2.1: the roles of chairman and chief executive officer should be separate;

(2) A.4.1: non-executive directors should be appointed for a specific term; and

(3) A.4.2: all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment and every director should be subject to retirement by rotation at least once every three years.

Detailed information of such deviations and their respective considered reasons as well as other information on the corporate governance practices of the Company have been disclosed in the interim report of the Company for the six months ended 30 June 2009 and will be disclosed in the corporate governance report contained in the 2009 annual report of the Company, which will be despatched to the shareholders of the Company on or before 30 April 2010.

MODEL CODE FOR SECURITIES TRANSACTIONS BY THE DIRECTORS OF THE COMPANY

The Company has adopted its code of conduct regarding the securities transactions by the directors of the Company on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Listing Rules. Having made specific enquiry of all directors of the Company, they confirmed that they have complied with the required standard set out in the Model Code adopted by the Company throughout the financial year under review.

AUDIT COMMITTEE

The Company has established an audit committee (the "Audit Committee") with specific written terms of reference formulated in accordance with the requirements of the Listing Rules. The Audit Committee consists of three members comprising three independent non-executive directors (the "INED(s)"), namely Mr. Lau Ho Man, Edward, Mr. Tam King Ching, Kenny and Mr. Chen Li, two of whom are qualified accountants and have extensive experience in accounting and financial matters. The Audit Committee is chaired by an INED who is subject to rotation each year.

The Audit Committee has reviewed the adopted accounting principles and practices and discussed the auditing, internal control and financial reporting matters. The Audit Committee has reviewed the consolidated financial statements of the Group for the year ended 31 December 2009. Regular meetings have been held by the Audit Committee since its establishment and the Audit Committee held three meetings in 2009.

Further information of the Audit Committee will be disclosed in the corporate governance report contained in the 2009 annual report of the Company, which will be despatched to the shareholders of the Company on or before 30 April 2010.

REMUNERATION COMMITTEE

The Company has established a remuneration committee (the "Remuneration Committee") with specific written terms of reference in line with the code provisions under the CG Code. The Remuneration Committee consists of five members comprising three INEDs, namely Mr. Lau Ho Man, Edward, Mr. Tam King Ching, Kenny and Mr. Chen Li, and two executive directors, namely Mr. Mak Shiu Tong, Clement and Mr. Tam Ngai Hung, Terry. The Remuneration Committee held one meeting in 2009. The Remuneration Committee is chaired by an INED who is subject to rotation each year.

Further information of the Remuneration Committee will be disclosed in the corporate governance report contained in the 2009 annual report of the Company, which will be despatched to the shareholders of the Company on or before 30 April 2010.

INDEPENDENT NON-EXECUTIVE DIRECTORS OF THE COMPANY

Each of the INEDs of the Company has filed a written confirmation to the Company confirming his independence pursuant to Rule 3.13 of the Listing Rules and has undertaken to inform The Stock Exchange of Hong Kong Limited and the Company as soon as practicable if there is any subsequent change in circumstances which may affect his independence. As at the date of this announcement, the INEDs of the Company are still considered to be independent. The INEDs of the Company are not appointed for any specific terms, but they are subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the bye-laws of the Company.

PUBLICATION OF THE ANNUAL RESULTS, ANNUAL REPORT AND CORPORATE GOVERNANCE REPORT

The results announcement of the Company for the year ended 31 December 2009 is published on the websites of the Company at www.cct.com.hk and The Stock Exchange of Hong Kong Limited at www.hkexnews.hk. The annual report, corporate governance report and notice of the annual general meeting of the Company will be despatched to the shareholders of the Company and made available on the websites of the Company and The Stock Exchange of Hong Kong Limited on or before 30 April 2010.

ANNUAL GENERAL MEETING

The 2010 annual general meeting of the Company will be held at 2208, 22/F., St. George's Building, 2 Ice House Street, Central, Hong Kong on Monday, 31 May 2010 at 10:45 a.m. and the notice of the annual general meeting of the Company will be published and despatched to the shareholders of the Company in the manner as required by the Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 27 May 2010 to Monday, 31 May 2010 (both days inclusive), during which period, no transfer of share(s) will be effected. In order to qualify for the proposed final dividend and to determine the entitlement to attend and vote at the forthcoming annual general meeting of the Company, all transfer of share(s), accompanied by the relevant share certificate(s) with the properly completed transfer form(s) either overleaf or separately, must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:00 p.m. on Wednesday, 26 May 2010.

BOARD OF DIRECTORS

As at the date of this announcement, the executive directors of the Company are Mr. Mak Shiu Tong, Clement, Mr. Tam Ngai Hung, Terry, Ms. Cheng Yuk Ching, Flora and Dr. William Donald Putt and the INEDs of the Company are Mr. Tam King Ching, Kenny, Mr. Lau Ho Man, Edward and Mr. Chen Li.

By Order of the Board
Mak Shiu Tong, Clement
Chairman

Hong Kong, 20 April 2010

ANNUAL RESULTS

The Board is pleased to announce the consolidated annual results of the Group for the year ended 31 December 2009, together with the comparative figures for the previous year as follows:

Consolidated Income Statement
For the year ended 31 December 2009

HK$ million	Notes	2009	2008
REVENUE	5	**1,653**	2,935
Cost of sales		**(1,479)**	(3,066)
Gross profit/(loss)		**174**	(131)
Other income and gains	5	**203**	42
Selling and distribution costs		**(29)**	(45)
Administrative expenses		**(217)**	(303)
Other expenses		**(19)**	(432)
Finance costs	8	**(7)**	(24)
Share of loss of an associate		**(54)**	(15)
		51	(908)
Costs in connection with the Discontinuation and restructuring, net	6	**–**	(376)
PROFIT/(LOSS) BEFORE TAX	7	**51**	(1,284)
Income tax expense	9	**(18)**	(5)
PROFIT/(LOSS) FOR THE YEAR		**33**	(1,289)
Profit/(loss) attributable to:			
Owners of the parent		**42**	(1,123)
Minority interests		**(9)**	(166)
		33	(1,289)
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	11		
Basic		**HK$0.06**	(HK$1.36)
Diluted		**HK$0.06**	(HK$1.36)

Details of the dividends payable and proposed for the year are disclosed in note 10 below.

Consolidated Statement of Comprehensive Income
For the year ended 31 December 2009

HK$ million	2009	2008
PROFIT/(LOSS) FOR THE YEAR	**33**	(1,289)
Other comprehensive income/(loss), net of tax:		
Exchange differences on translation of foreign operations	**(5)**	33
Share of other comprehensive income/(loss) of an associate	**6**	(5)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	**34**	(1,261)
Total comprehensive income/(loss) attributable to:		
Owners of the parent	**43**	(1,095)
Minority interests	**(9)**	(166)
	34	(1,261)

Consolidated Statement of Financial Position
31 December 2009

HK$ million	*Notes*	2009	2008
ASSETS			
Non-current assets			
Property, plant and equipment		**796**	886
Investment properties		**227**	171
Prepaid land lease payments		**208**	213
Goodwill		**55**	55
Interest in an associate		**187**	229
Available-for-sale financial assets		**4**	4
Deferred tax assets		**1**	1
Total non-current assets		**1,478**	1,559
Current Assets			
Inventories		**98**	135
Property for development		**—**	113
Property under development		**129**	—
Investment property classified as held for sale		**120**	87
Trade receivables	*13*	**401**	422
Prepayment, deposits and other receivables		**405**	256
Financial assets at fair value through profit or loss		**255**	446
Pledged time deposits		**65**	89
Cash and cash equivalents		**566**	786
Total current assets		**2,039**	2,334
Total Assets		**3,517**	3,893
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Issued capital		**61**	85
Reserves		**1,991**	2,108
Proposed final dividend		**21**	20
		2,073	2,213
Minority interests		**355**	364
Total equity		**2,428**	2,577

HK$ million	*Notes*	**2009**	2008
Non-Current Liabilities			
Interest-bearing bank and other borrowings		**144**	124
Deferred tax liabilities		**12**	3
Total non-current liabilities		**156**	127
Current liabilities			
Trade and bills payables	*14*	**418**	551
Tax payable		**34**	29
Other payables and accruals		**193**	211
Derivative financial instrument		**4**	47
Interest-bearing bank and other borrowings		**284**	351
Total current liabilities		**933**	1,189
Total liabilities		**1,089**	1,316
Total equity and liabilities		**3,517**	3,893
Net current assets		**1,106**	1,145
Total assets less current liabilities		**2,584**	2,704

Notes:

1. BASIS OF PREPARATION

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 ("HKASs") 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, except for investment properties, investment property classified as held for sale, derivative financial instrument, certain available-for-sale financial assets and financial assets at fair value through profit or loss, which have been measured at fair value. These financial statements are presented in Hong Kong dollars ("HK$") and all values are rounded to the nearest million except when otherwise indicated.

2. CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

HKFRS 1 and HKAS 27 Amendments	Amendments to HKFRS 1 *First-time Adoption of* HKFRSs and HKAS 27 *Consolidated and Separate Financial Statements — Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
HKFRS 2 Amendments	Amendments to HKFRS 2 *Share-based Payment — Vesting Conditions and Cancellations*
HKFRS 7 Amendments	Amendments to HKFRS 7 *Financial Instruments: Disclosures — Improving Disclosures about Financial Instruments*
HKFRS 8	*Operating Segments*
HKAS 1 (Revised)	*Presentation of Financial Statements*
HKAS 18 Amendment*	Amendment to Appendix to HKAS 18 *Revenue — Determining whether an entity is acting as a principal or as an agent*
HKAS 23 (Revised)	*Borrowing Costs*
HKAS 32 and HKAS 1 Amendments	Amendments to HKAS 32 *Financial Instruments: Presentation* and HKAS 1 *Presentation of Financial Statements — Puttable Financial Instruments and Obligations Arising on Liquidation*
HK(IFRIC)-Int 9 and HKAS 39 Amendments	Amendments to HK(IFRIC)-Int 9 *Reassessment of Embedded Derivatives* and HKAS 39 *Financial Instruments: Recognition and Measurement — Embedded Derivatives*
HK(IFRIC)-Int 13	*Customer Loyalty Programmes*
HK(IFRIC)-Int 15	*Agreements for the Construction of Real Estate*
HK(IFRIC)-Int 16	*Hedges of a Net Investment in a Foreign Operation*
HK(IFRIC)-Int 18	*Transfers of Assets from Customers* (adopted from 1 July 2009)
Improvements to HKFRSs (October 2008)	Amendments to a number of HKFRSs

* Included in *Improvements* to *HKFRSs 2009* (as issued in May 2009)

Other than as further explained below regarding the impact of HKAS1 (Revised) and HKFRS 8, the adoption of these new and revised HKFRSs has had no significant financial effect on these financial statements are as follows:

(a) HKFRS 8 *Operating Segments*

HKFRS 8, which replaces HKAS 14 *Segment Reporting*, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. These revised disclosures, including the related revised comparative information, are shown in note 4 below.

(b) HKAS 1 (Revised) ***Presentation of Financial Statements***

HKAS 1 (Revised) introduces changes in the presentation and disclosures of financial statements. The revised standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented as a single line. In addition, this standard introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group has elected to present two statements.

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

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKFRS 1 (Revised)	*First-time Adoption of Hong Kong Financial Reporting Standards*[1]
HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards — Additional Exemptions for First-time Adopters*[2]
HKFRS 1 Amendment	Amendment to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards — Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters*[4]
HKFRS 2 Amendments	Amendments to HKFRS 2 *Share-based Payment — Group Cash-settled Share-based Payment Transactions*[2]
HKFRS 3 (Revised)	*Business Combinations*[1]
HKFRS 9	*Financial Instruments*[6]
HKAS 24 (Revised)	*Related Party Disclosures*[5]
HKAS 27 (Revised)	*Consolidated and Separate Financial Statements*[1]
HKAS 32 Amendment	Amendment to HKAS 32 Financial Instruments: *Presentation — Classification of Rights Issues*[3]
HKAS 39 Amendment	Amendment to HKAS 39 *Financial Instruments: Recognition and Measurement — Eligible Hedged Items*[1]
HK(IFRIC)-Int 14 Amendments	Amendments to HK(IFRIC)-Int 14 *Prepayments of a Minimum Funding Requirement*[5]
HK(IFRIC)-Int 17	*Distributions of Non-cash Assets to Owners*[1]
HK(IFRIC)-Int 19	*Extinguishing Financial Liabilities with Equity Instruments*[4]
Amendments to HKFRS 5 included in *Improvments to* HKFRSs issued in October 2008	Amendments to HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations — Plan to sell the controlling interest in a subsidiary*[1]
HK Interpretation 4 (Revised in December 2009)	*Leases — Determination of the Length of Lease Term in respect of Hong Kong Land Leases*[2]

Apart from the above, the HKICPA has issued *Improvements* to *HKFRSs 2009* which sets out amendments to a number of HKFRSs primarily with a view to removing inconsistencies and clarifying wording. The amendments to HKFRS 2, HKAS 38, HK(IFRIC)-Int 9 and HK(IFRIC)-Int 16 are effective for annual periods beginning on or after 1 July 2009 while the amendments to HKFRS 5, HKFRS 8, HKAS 1, HKAS 7, HKAS 17, HKAS 36 and HKAS 39 are effective for annual periods beginning on or after 1 January 2010 although there are separate transitional provisions for each standard or interpretation.

[1] Effective for annual periods beginning on or after 1 July 2009
[2] Effective for annual periods beginning on or after 1 January 2010
[3] Effective for annual periods beginning on or after 1 February 2010
[4] Effective for annual periods beginning on or after 1 July 2010
[5] Effective for annual periods beginning on or after 1 January 2011
[6] Effective for annual periods beginning on or after 1 January 2013

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, the Group considers that these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has five reportable operating segments as follows:

(a) the telecom and electronic products segment which is the manufacture and sale of telecom and electronic products;

(b) the components segment which is the manufacture and sale of electronic accessories and components;

(c) the infant and child products segment which is the manufacture and sale of infant and child products;

(d) the securities business segment which is the trading in securities and the holding of securities and treasury products; and

(e) the property development and holding segment which is the holding of property and property development.

Management monitors the results of its operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit/(loss) before tax except that interest income, equity-settled share option expenses, share of profits and losses of an associate, as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude deferred tax assets, interest in an associate and unallocated corporate assets as these assets are managed on a group basis.

Segment liabilities exclude deferred tax liabilities, tax payable and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

HK$ million	Telecom and electronic products 2009	2008	Components 2009	2008	Infant and child products 2009	2008	Securities business 2009	2008	Property development and holding 2009	2008	Reconciliations 2009	2008	Group total 2009	2008
Segment revenue:														
Sales to external customers	1,451	2,750	31	26	152	140	17	(149)	1	123	1	45	1,653	2,935
Other revenue	10	24	1	4	1	2	—	—	—	2	4	7	16	39
Intersegment revenue	—	—	231	420	14	—	—	—	4	14	(249)	(434)	—	—
	1,461	2,774	263	450	167	142	17	(149)	5	139	(244)	(382)	1,669	2,974
Operating profit/(loss)	(16)	(506)	(28)	(109)	30	8	97	(555)	78	(34)	—	—	161	(1,196)
Interest income	—	—	—	—	—	—	—	—	—	—	1	20	1	20
Finance costs	(3)	(9)	—	—	—	—	—	—	—	—	(4)	(15)	(7)	(24)
Reconciled items:														
Unallocated corporate head office expenses	—	—	—	—	—	—	—	—	—	—	(50)	(69)	(50)	(69)
Share of loss of an associate	—	—	—	—	—	—	—	—	—	—	(54)	(15)	(54)	(15)
Profit/(loss) before tax	(19)	(515)	(28)	(109)	30	8	97	(555)	78	(34)	(107)	(79)	51	(1,284)
Capital expenditure	11	61	—	11	1	11	—	—	1	2	—	20	13	105
Depreciation	(71)	(100)	(12)	(22)	(2)	(4)	—	—	(7)	(12)	(1)	(2)	(93)	(140)
Amortisation	(2)	(26)	(3)	(4)	—	—	—	—	—	—	—	—	(5)	(30)
Other material non-cash items:														
Impairment losses recognised directly in the income statements	(13)	(315)	—	(65)	—	—	—	—	—	—	—	(11)	(13)	(391)
Fair value gain on derivative financial instruments	—	—	—	—	—	—	34	6	—	—	—	—	34	6
Other non-cash expenses	(18)	(9)	(1)	—	—	—	—	—	—	—	—	(5)	(19)	(14)
Fair value gain/(loss) on investment properties	—	—	—	—	—	—	—	—	56	(20)	—	—	56	(20)
Gain on disposal of available-for-sale financial assets	—	—	—	—	—	3	—	—	—	—	—	—	—	3
Fair value gain/(loss) on financial assets at fair value through profit or loss	—	—	—	—	—	—	53	(402)	—	—	—	—	53	(402)
Fair value gain on investment property classified as held for sale	—	—	—	—	—	—	—	—	33	—	—	—	33	—
Segment assets	1,433	1,689	380	427	87	65	318	448	1,012	917	(71)	(114)	3,159	3,432
Reconciled items:														
Interest in an associate	—	—	—	—	—	—	—	—	—	—	187	229	187	229
Corporate and other unallocated assets	—	—	—	—	—	—	—	—	—	—	171	232	171	232
Total assets	1,433	1,689	380	427	87	65	318	448	1,012	917	287	347	3,517	3,893
Segment liabilities	786	1,033	76	70	32	15	51	108	163	165	(71)	(114)	1,037	1,277
Reconciled items:														
Corporate and other unallocated liabilities	—	—	—	—	—	—	—	—	—	—	52	39	52	39
Total liabilities	786	1,033	76	70	32	15	51	108	163	165	(19)	(75)	1,089	1,316

Additional disclosures on segment information by geographical location for the year ended 31 December 2009 and 2008 are shown below:

(a) Revenue from external customers

HK$ million	**2009**	2008
Europe	**1,078**	1,180
North America	**254**	1,355
Asia Pacific and others	**321**	400
	1,653	2,935

The revenue information above is based on the final locations where the Group's products were sold to customers.

(b) Non-current assets

HK$ million	**2009**	2008
Hong Kong	**500**	489
Mainland China	**977**	1,067
Other countries	**1**	3
	1,478	1,559

The non-current assets information is based on the location of assets.

Information about major customers

For the year ended 31 December 2009, revenue from each of two major customers of the telecom and electronic products segment was HK$541 million and HK$277 million respectively, representing 33% and 17% of the Group's total revenue, respectively.

For the year ended 31 December 2008, revenue from each of two major customers of the telecom and electronic products segment was HK$1,034 million and HK$542 million respectively, representing 35% and 18% of the Group's total revenue, respectively.

5. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts and the value of services rendered, gross income from treasury investment which includes interest income on bank deposits and other financial assets, net realised gain or loss from securities investment (which includes dividend income), gross proceeds from the sale of properties and rental income from investment properties.

An analysis of revenue, other income and gains is as follows:

HK$ million	**2009**	2008
Revenue		
Manufacture and sale of telecom and electronic products	**1,482**	2,776
Manufacture and sale of infant and child products	**152**	140
Realised gain/(loss) from securities investment, net	**17**	(150)
Sale of a property	**—**	122
Provision of e-commerce service	**—**	25
Rental income from investment properties	**1**	1
Interest income from financial assets at fair value through profit or loss	**—**	1
Bank interest income	**1**	20
	1,653	2,935
Other income and gains		
Fair value gain on investment properties	**56**	–
Fair value gain on financial assets at fair value through profit or loss	**53**	–
Fair value gain on derivative financial instrument	**34**	–
Fair value gain on investment property classified as held for sale	**33**	–
Foreign exchange gain	**11**	–
Gain on disposal of available-for-sale financial assets	**–**	3
Others	**16**	39
	203	42

6. COSTS IN CONNECTION WITH THE DISCONTINUATION AND RESTRUCTURING, NET

The costs incurred and accrued as at 31 December 2008 in connection with the Discontinuation and restructuring are summarised below:

HK$ million	2008
Impairment of items of property, plant and equipment	310
Redundancy costs and severance payments	27
Impairment of deferred development costs	22
Other related losses	17
	376

7. PROFIT/(LOSS) BEFORE TAX

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

HK$ million	2009	2008
Cost of inventories sold	**1,374**	2,904
Depreciation	**93**	140
Amortisation		
— Prepaid land lease payments	**5**	6
— Deferred development expenditure	**—**	24
Fair value loss on investment properties	**—**	20
Fair value loss on financial assets at fair value through profit or loss	**—**	402

and after crediting:

Fair value gain on investment properties	**56**	—
Fair value gain on investment property classified as held for sale	**33**	—
Fair value gain on derivative financial instruments	**34**	6
Fair value gain on financial assets at fair value through profit or loss	**53**	—

8. FINANCE COSTS

An analysis of finance costs is as follows:

HK$ million	2009	2008
Interest on bank loans wholly repayable within five years	**4**	12
Interest on bank loans wholly repayable after five years	**3**	12
Total interest expenses on financial liabilities not at fair value through profit or loss	**7**	24

9. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2008: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates.

HK$ million	**2009**	2008
Current — Hong Kong:		
Charge for the year	**5**	—
Underprovision in prior years	**—**	1
Current — Elsewhere		
Charge for the year	**2**	2
Underprovision in prior years	**2**	2
Deferred	**9**	—
Total tax charge for the year	**18**	5

10. DIVIDENDS

HK$ million	**2009**	2008
Paid interim — HK$0.030 (2008: HK$0.025) per ordinary share	**20**	21
Proposed final — HK$0.035 (2008: HK$0.030) per ordinary share	**21**	20
Total	**41**	41

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

11. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic and diluted earnings/(loss) per share amount for the year is based on the profit for the year attributable to ordinary equity holders of the parent of HK$42 million (2008: loss of HK$1,123 million), and the weighted average number of 690,455,859 (2008: 825,137,009) ordinary shares in issue during the year.

No adjustment has been made to the basic earnings per share amount presented for the year ended 31 December 2009 in respect of a dilution as the impact of the outstanding share options granted by a subsidiary of the Company had an anti-dilutive effect on the basic earnings per share amount presented.

No adjustment has been made to the basic loss per share amount presented for the year ended 31 December 2008 in respect of a dilution as the impact of the convertible bonds outstanding during that year had an anti-dilutive effect on the basic loss per share amount presented.

12. PROPERTY, PLANT AND EQUIPMENT

During the year ended 31 December 2009, the Group acquired fixed assets of HK$13 million (2008: HK$78 million) and disposed of fixed assets of HK$4 million (2008: HK$15 million).

13. TRADE RECEIVABLES

An aged analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

	2009		2008	
HK$ million	**Balance**	**Percentage**	Balance	Percentage
Current to 30 days	**136**	**34**	147	35
31 to 60 days	**104**	**26**	113	27
61 to 90 days	**124**	**31**	149	35
Over 90 days	**37**	**9**	13	3
	401	**100**	422	100

The Group allows an average credit period of 60 to 90 days to its trade customers.

14. TRADE AND BILLS PAYABLES

An aged analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	2009		2008	
HK$ million	**Balance**	**Percentage**	Balance	Percentage
Current to 30 days	**106**	**25**	106	19
31 to 60 days	**95**	**23**	76	14
61 to 90 days	**80**	**19**	134	24
Over 90 days	**137**	**33**	235	43
	418	**100**	551	100

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