OCEAN GRAND HOLDINGS LIMITED

(Provisional Liquidators Appointed)

海 域 集 團 有 限 公 司 *

（已委任臨時清盤人）

(Incorporated in Bermuda with limited liability)

(Stock Code: 1220)

ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2011

The board of directors (the "**Board**") of Ocean Grand Holdings Limited (Provisional Liquidators Appointed) (the "**Company**") announces the audited consolidated results of the Company and its subsidiaries (the "**Group**") for the year ended 31 March 2011 together with the comparative figures for the year ended 31 March 2010 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2011

	Note	2011 HK$'000	2010 HK$'000
Turnover	4	**414,924**	242,405
Cost of sales		**(398,317)**	(238,284)
Gross Profit		**16,607**	4,121
Other income		**165**	–
General and administrative expenses		**(5,060)**	(2,594)
Finance costs	5	**(237)**	–
Profit before income tax	6	**11,475**	1,527
Income tax	7	**(193)**	(64)
Profit for the year		**11,282**	1,463
Other comprehensive income			
Exchange differences on translating foreign operations		**(210)**	–
Total comprehensive income for the year		**11,072**	1,463
Profit attributable to owners of the Company		**11,282**	1,463
Total comprehensive income attributable to owners of the Company		**11,072**	1,463
Earnings per share	9		
– Basic		**HK$0.027**	HK$0.003
– Diluted		**N/A**	N/A

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2011

	Note	2011 HK$'000	2010 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, Plant and Equipment		**620**	–
Goodwill		**1,243**	–
Intangible assets		**252**	–
Interests in Deconsolidated Subsidiaries		**–**	–
Retention receivables		**9,714**	–
		11,829	–
Current assets			
Inventories		**1,924**	–
Trade and other receivables	*10*	**42,970**	60,706
Amounts due from Deconsolidated Subsidiaries		**–**	–
Amounts due from customers on construction contracts		**3,379**	–
Pledged bank deposits		**1,000**	–
Bank balances and cash		**5,570**	4,067
		54,843	64,773
Current liabilities			
Short-term borrowings		**1,448,078**	1,448,078
Bank borrowings		**2,414**	–
Trade and other payables	*11*	**434,375**	452,881
Amounts due to Deconsolidated Subsidiaries		**126,426**	126,426
Income tax payable		**347**	64
		2,011,640	2,027,449
Net current liabilities		**(1,956,797)**	(1,962,676)
Total assets less current liabilities		**(1,944,968)**	(1,962,676)
Non-current liabilities			
Retention payables		**6,636**	–
Net liabilities		**(1,951,604)**	(1,962,676)
CAPITAL AND RESERVES			
Share capital		**423,835**	423,835
Reserves		**(2,375,439)**	(2,386,511)
Total equity		**(1,951,604)**	(1,962,676)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. WINDING-UP PETITIONS AND APPOINTMENT OF PROVISIONAL LIQUIDATORS

Pursuant to an announcement made on 24 July 2006, a writ of summons has been issued in the High Court of The Hong Kong Special Administrative Region (the "**High Court**") on 20 July 2006 claiming against Hing Yip Holdings (Hong Kong) Limited (In Liquidation) ("**HYHK**"), OG Development Company Limited (In Liquidation) ("**OGD**"), wholly-owned subsidiaries of the Company, and the Company by Bank Sinopac for the payment of a sum of approximately HK$6.4 million together with interest under banking facilities made available to HYHK and OGD and guaranteed by OGD and the Company. The Group has also received letters of demand from certain of the Group's other bankers for (i) immediate repayment of outstanding indebtedness in the aggregate amount of approximately HK$81 million together with interest and (ii) deposit of approximately HK$174 million to relevant bankers, pursuant to various banking facilities, indemnities, undertakings for repayment of overdraft and guarantees entered into with those banks.

In July 2006, in view of the deterioration of the cash position of the Group to a level which resulted in difficulties to meet its short-term debts, the directors of the Company voluntarily resolved to apply for suspension of trading in its shares on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and to apply to the courts in Hong Kong and Bermuda respectively for a winding up and for an appointment of provisional liquidators for the Company in order to protect the assets of the Group and to safeguard the interests of both the creditors and the shareholders.

As a result of the applications, Messrs. Joseph Kin Ching Lo and Lai Kar Yan (also known as Lai Kar Yan, Derek), both of Deloitte Touche Tohmatsu ("**Deloitte**"), have been appointed as the joint and several provisional liquidators of the Company (the "**Provisional Liquidators**") by the orders of the High Court on 24 July 2006 and by the Supreme Court of Bermuda on 25 July 2006 ("**Orders**").

Pursuant to the Orders, the Provisional Liquidators may, among other things, exercise the powers to take into their custody and protect the assets of the Group and carry on and stabilise the operations of the Group, including facilitating a restructuring of the Company.

The winding-up petition against the Company was originally scheduled to be heard by the High Court of Hong Kong on 20 September 2006. Upon applications by the Provisional Liquidators, the High Court adjourned the hearing of winding-up petition against the Company to further date. On 18 October 2010, the High Court of Hong Kong had further adjourned the hearing of the petition to 11 July 2011.

The hearing of the winding-up petition against the Company by the Supreme Court of Bermuda was originally scheduled to be 18 August 2006. Upon applications by the Provisional Liquidators, the Supreme Court of Bermuda adjourned the hearing of winding-up petition against the Company to further date. On 22 October 2010, the Supreme Court of Bermuda further adjourned the hearing of the petition to 15 July 2011.

The Company also filed a winding-up petition against HYHK with the High Court on 25 July 2006. HYHK filed a winding-up petition against OGD and Sky Leader Industries Limited (In Liquidation) ("**Sky Leader**"), wholly owned by the Company, with the High Court on 5 December 2006. Pursuant to the orders of the High Court, Messrs. Lai Kar Yan, Derek and Darach E. Haughey of Deloitte were appointed as the joint and several provisional liquidators of HYHK, OGD and Sky Leader. Subsequently, Messrs. Lai Kar Yan, Derek and Darach E. Haughey were also appointed as liquidators of HYHK, OGD and Sky Leader upon the winding-up of the above companies.

On 27 August 2008, a proposal for the resumption of trading in the Company's shares was submitted to the Stock Exchange (the "**Resumption Proposal**"). An updated Resumption Proposal was submitted to the Stock Exchange on 19 October 2009. On 12 November 2009, the Listing Committee of the Stock Exchange rejected the Resumption Proposal (the "**Decision**"). On 23 November 2009, the Company applied to the Listing (Review) Committee of the Stock Exchange for a review of the Decision. On 25 February 2010, the Listing (Review) Committee of the Stock

Exchange upheld the decision of the Listing Committee of the Stock Exchange. On 5 March 2010, the Company applied to Listing Appeals Committee of the Stock Exchange for a review of the decision to reject the Resumption Proposal. On 28 September 2010, the Listing Appeals Committee of the Stock Exchange had decided to accept the Resumption Proposal, subject to the Company's compliance with certain conditions (as set out in the decision letter from the Stock Exchange to the Company dated 28 September 2010) to the satisfaction of the Listing Division of the Stock Exchange by 30 June 2011 and confirmation by the Provisional Liquidators. Upon application by the Company, the Listing Appeals Committee had on 15 June 2011 agreed to extend the deadline for compliance with the condition by the Company to 30 November 2011.

The winding-up petitions against the Company will be withdrawn subject to and upon the successful implementation of the Restructuring Agreement as referred to note 2 below. If the Resumption Proposal does not proceed, the shares of the Company will be delisted by the Stock Exchange and it is likely that the Company would be wound-up.

The Company's scheme of arrangement for discharging its debts ("**Scheme**") was sanctioned by the High Court on 15 April 2008.

Under the Restructuring Agreement (defined below), the Company shall, inter alia, transfer the entire issued share capital of its subsidiaries as defined as "**Excluded Subsidiaries**" (defined below) in note 2(i) below to the Scheme administrators or their nominees upon completion of the Restructuring Agreement as referred to note 2 below. Therefore, the winding-up petitions against these subsidiaries will not affect the Group after completion of the Restructuring Agreement.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

(i) Going concern basis

As at 31 March 2011, the Group had net liabilities of approximately HK$1,952 million (2010: HK$1,963 million). This condition indicates the existence of material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

As detailed in note 1 to the consolidated financial statements, a writ of summons to demand petitions for the winding-up of the Company and its certain subsidiaries had been filed. Following the petitions, the Company applied to the court for the appointment of the Provisional Liquidators.

On 23 April 2008, the Company announced that an agreement for the proposed restructuring of the Group, involving capital reorganisation, debt restructuring, subscription of new shares and subscription of preference shares, was entered into on 20 December 2007 among the Company, Gold Star Success Limited (the "**Investor**"), the Provisional Liquidators and Deloitte (the "**Restructuring Agreement**"). On 26 February 2009, 4 January 2010 and 12 April 2011 the Company, the Investor and the Provisional Liquidators entered into supplemental agreements to extend the long stop date of the Restructuring Agreement to 31 December 2009, 31 December 2010 and 31 December 2011 respectively.

Golden Beach Enterprises Limited ("**Golden Beach**"), a wholly owned subsidiary of the Company, was incorporated in the British Virgin Islands. Golden Beach is an investment holding company which beneficially owns 100% interest in Fast Excel Limited ("**FEL**") and Parkson Trade Services Limited ("**Parkson**"). FEL and Parkson were incorporated in Hong Kong. The Company has reactivated its trading of the aluminum products through Parkson and supply of aluminium products to construction companies through FEL since June 2008 and December 2009 respectively.

On 30 September 2010, the Group acquired entire equity interest in Tak Lee Metal Manufactory (Hong Kong) Company Limited and its subsidiary namely Zhongshan City Minzhong Deli Metal Co., Ltd through FEL, the details of the acquisition is set out in note 12 to the consolidated financial statements.

In addition, on 20 July 2010, the Group entered into an agreement with a company to establish a joint venture for manufacturing aluminium extrusion products.

On 29 November 2010, Fast Excel Gold Mountain Zhongshan Aluminium Products (Hong Kong) Limited, a subsidiary of the Company, was incorporated in Hong Kong for the purpose of the establishment of joint venture.

Save for Golden Beach, FEL, Parkson, Tak Lee Metal Manufactory (Hong Kong) Company Limited, Zhongshan City Minzhong Deli Metal Co., Ltd and Fast Excel Gold Mountain Zhongshan Aluminium Products (Hong Kong) Limited, the issued shares of all other subsidiaries directly or indirectly held by the Company (the "**Excluded Subsidiaries**"), will be transferred to the Scheme administrators or their nominees for the benefit of the creditors at a nominal consideration of HK$1 as a term of the Hong Kong scheme which was sanctioned by the High Court of Hong Kong on 15 April 2008.

The Company was placed into the third stage of delisting procedures on 13 March 2008. Having reviewed and considered the revitalised operations and affairs of the Group and the Company, the directors concluded that the proposed restructuring represents the best means available for the Company to be returned to solvency and to continue the development and enhancement of its business. The directors are therefore of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis.

The consolidated financial statements have been prepared on a going concern basis on the assumption that the proposed restructuring of the Company will be successfully completed, and that, following the restructuring the Group will continue to meet in full its financial obligations as they fall due in the foreseeable future.

Should the Group be unable to achieve a successful restructuring and to continue its business as a going concern, adjustments would have to be made to the consolidated financial statements to adjust the value of assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

(ii) Deconsolidation of subsidiaries and a subsidiary not consolidated

Deconsolidation of subsidiaries

The consolidated financial statements have been prepared based on the available books and records as maintained by the Company and its subsidiaries. The results, assets and liabilities of the following significant subsidiaries, small-sized or inactive subsidiaries were deconsolidated ("**Deconsolidated Subsidiaries**") from the consolidated financial statements of the Group since 1 January 2005.

(a) Due to (1) all the shares in the capital of Toowomba Holdings Limited and Successful Gold Profits Limited, wholly owned subsidiaries of the Company, were charged under a share charge agreement to The Bank of New York, as a trustee, for and on behalf of the holders of the US$125 million and US$35 million 9.25% guaranteed notes issued by the Company in December 2005 and March 2006, or (2) liquidation of certain significant subsidiaries or their immediate holding companies; or (3) the major assets and production facilities of the significant subsidiaries were subject to freezing orders obtained by the creditors in the PRC, the directors have not been able to obtain access to the books and records of these subsidiaries and considered that controls have been lost. In the opinion of the directors, consolidating the results, assets and liabilities of the following significant subsidiaries into the consolidated financial statements will only provide a misleading picture of the state of affairs of the Group and will be no value to the members of the Company.

Name of subsidiaries

Ocean Grand Aluminium Company Limited (Foshan)
Harvest Fortune Limited
Hing Yip Holdings (China) Limited
Hing Yip Holdings (Hong Kong) Limited (In Liquidation)
OG Aluminium Company Limited (Foshan)
Jorki Profits Limited
OG Aluminium (Sanshui) Company Limited
OG Development Company Limited (In Liquidation)
Sky Leader Industries Limited (In Liquidation)
Successful Gold Profits Limited (In Liquidation)
Toowomba Holdings Limited (In Liquidation)
Ocean Grand Development Holdings Limited

(b) In addition, the results, assets and liabilities of the following small-sized or inactive subsidiaries were also deconsolidated from the consolidated financial statements since 1 January 2005. The directors considered that the exclusion of the results, assets and liabilities of these subsidiaries from the consolidated financial statements would not significantly affect the results of the Group for the current year as the cost of obtaining these information would exceed the value of these information to the members of the Company.

Name of subsidiaries

Chinacin.com Limited
Jinbocho Holdings Limited
Ocean Grand (China) Limited
Ocean Grand Finance Limited
Ocean Grand Services Limited
Ocean Grand Technology Company Limited
廣州倫帕理維信息科技有限公司

(c) A subsidiary not consolidated

OG Aluminium Australia Pty Limited ("**OGA**"), indirectly owned subsidiary of the Company, was incorporated in Australia on 19 May 2006. The directors do not have any accounting books and records on OGA and considered that the exclusion of the results, assets and liabilities of OGA into the consolidated financial statements would not significantly affect the results of the Group for the year ended 31 March 2010.

Thus, in the opinion of directors, the consolidated financial statements for the year ended 31 March 2011 prepared on the aforementioned basis present more fairly the results and state of affairs of the Group as a whole.

(iii) Insufficient information provided by the directors

Due to the potential accounting irregularities described in the consolidated financial statements of the Company for the year ended 31 March 2008 and all of the former accounting personnel of the Group have left, the directors were unable to obtain sufficient documentary information in relation to the Deconsolidated Subsidiaries to satisfy themselves regarding the genuineness of certain books and records and treatment of various balances of the Group and have formed the following opinion:

(a) Deconsolidated Subsidiaries were deconsolidated from the consolidated financial statements since 1 January 2005 and OGA was not consolidated into the consolidated financial statements since the date of its incorporation on 19 May 2006. Thus, these consolidated financial statements include the results, assets and liabilities of the Company and its subsidiaries namely Golden Beach, FEL, Parkson, Tak Lee Metal Manufactory (Hong Kong) Company Limited, Zhongshan City Minzhong Deli Metal Co., Ltd. and Fast Excel Gold Mountain Zhongshan Aluminium Products (Hong Kong) Limited. Due to limited books and records of the Company and its Deconsolidated Subsidiaries available to the current directors and material uncertainty relating to the completion of the restructuring of the Company for discharging its debts, the current directors of the Company were unable to obtain sufficient documentary information to satisfy themselves that the following amounts of the Company included in the consolidated financial statements for the year ended 31 March 2011 as to whether the completeness, correctness of identification and the disclosures recorded by the Group:

– finance costs of HK$nil;
– general and administrative expenses of approximately HK$12,000;
– bank balances and cash of approximately HK$119,000;
– short-term borrowings of approximately HK$1,448,078,000;
– trade and other payables of approximately HK$391,101,000;
– amounts due to Deconsolidated Subsidiaries of approximately HK$126,426,000;
– deferred taxation;
– commitments;
– related parties transactions;
– share options;
– pledge of assets; and
– other disclosures under Hong Kong Companies Ordinance.

(b) Due to limited books and records of Deconsolidated Subsidiaries available to the directors, the following disclosures have not been made in the consolidated financial statements:

– details of the retirement benefit scheme and the employee benefits as required by Hong Kong Accounting Standard ("**HKAS**") 19 "Employee benefits";

– details of the Group's financial risk management objectives and policies required by HKAS 32 "Financial Instruments: Presentation"; and

– details of contingent liabilities as required by HKAS 37 "Provisions, Contingent liabilities and Contingent Assets".

Any adjustments arising from the matters described above might have a significant consequential effect on the profit of the Group for the year ended 31 March 2011 and the net liabilities of the Group as at 31 March 2011 and the related disclosures thereof in the consolidated financial statements.

Also, as a result of the matters described above, the comparative figures as at 31 March 2010 shown in the consolidated statement of financial position and in the consolidated statement of comprehensive income for the year then ended may not be comparable with the figures for the current year.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSS")

In the current year, the Group has applied the new and revised standards, amendments and interpretations issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

Except as described below, the adoption of the new and revised HKFRSs has had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods.

HKFRS 3 (as revised in 2008) – Business combinations

HKFRS 3 (as revised in 2008) has been applied in the current year prospectively to business combinations of which the acquisition date is on or after 1 April 2010 in accordance with the relevant transitional provisions. Its application has affected the accounting for business combinations in the current year.

HKFRS 3 (as revised in 2008) requires acquisition-related costs to be accounted for separately from the business combination, generally leading to those costs being recognised as an expense in profit or loss as incurred, whereas previously they were accounted for as part of the cost of acquisition.

HKFRS 3 (as revised in 2008) allows a choice on a transaction-by-transaction basis for the measurement of non-controlling interests at the date of acquisition (previously referred to as 'minority' interests) either at fair value or at the non-controlling interests' share of recognised identifiable net assets of the acquiree. In the current year, the Group had acquired the entire equity interest in Tak Lee Group (defined in note 12 below), consequently, the application of HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to other HKFRSs had no effect on the consolidated financial statements of the Group for the current or prior accounting periods.

Hong Kong Interpretation 5 Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ("HK Int 5")

HK Int 5 clarifies that term loans that include a clause that gives the lender the unconditional right to call the loans at any time ("repayment on demand clause") should be classified by the borrower as current liabilities. HK Int 5 requires retrospective application. The adoption of HK Int 5 has had no material impact on the Group's financial statements as the Interpretation's conclusions were consistent with policies already adopted by the Group.

The Group has not applied the new and revised HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

4. TURNOVER AND SEGMENT INFORMATION

An analysis of the Group's turnover for the year is as follows:

	2011	2010
	HK$'000	*HK$'000*
Sales of aluminium products	**285,653**	238,811
Construction projects	**129,271**	3,594
	414,924	242,405

Segment information

For management purposes, the Group is currently organised into two operating segments — (i) trading of aluminium products, and (ii) construction projects. These following segments are the basis on which the Group reports its primary segment information:

(i) Trading of aluminium products; and

(ii) Construction projects – supply of aluminium products.

Information regarding the above segments is reported below.

Segment results, assets and liabilities

An analysis of the Group's revenue, contribution to operating results and segment assets and liabilities by business segments is presented as follows:

For the year ended 31 March 2011

	Trading of aluminium products *HK$'000*	Construction Projects *HK$'000*	Total *HK$'000*
Segment revenue:			
Sales to external customers	**285,653**	**129,271**	**414,924**
Segment result	**723**	**11,001**	**11,724**
Unallocated corporate expenses			**(12)**
Finance costs			**(237)**
Profit before income tax			**11,475**
Segment assets	**22,771**	**37,331**	**60,102**
Unallocated assets			**6,570**
Total assets			**66,672**
Segment liabilities	**18,345**	**24,278**	**42,623**
Unallocated liabilities			**1,975,653**
Total liabilities			**2,018,276**

For the year ended 31 March 2010

	Trading of aluminium products *HK$'000*	Construction projects *HK$'000*	Total *HK$'000*
Segment revenue:			
Sales to external customers	238,811	3,594	242,405
Segment result	1,126	389	1,515
Unallocated corporate income			16
Unallocated corporate expenses			(4)
Profit before income tax			1,527
Segment assets	56,262	4,444	60,706
Unallocated assets			4,067
Total assets			64,773
Segment liabilities	48,545	2,435	50,980
Unallocated liabilities			1,976,469
Total liabilities			2,027,449

For the purposes of monitoring segment performances and allocating resources between segments:

* segment profit represents the profit earned by each segment without allocation of central administration costs and finance costs;

* all assets are allocated to reportable segments other than bank balances and cash, pledged bank deposit and amounts due from Deconsolidated Subsidiaries; and

* all liabilities are allocated to reportable segments other than amounts due to Deconsolidated Subsidiaries, amount due to the Investor, borrowings, tax liabilities and other corporate liabilities.

Geographical Segment

Revenue from external customers

The information about the revenue from external customers of the Group by geographical location are detailed below:

	2011	2010
	HK$'000	*HK$'000*
PRC	**396,922**	238,811
Hong Kong	**18,002**	3,594
	414,924	242,405

Non-current assets

The non-current assets information is based on the location of assets and excludes interests in Deconsolidated Subsidiaries and goodwill.

	2011	2010
	HK$'000	*HK$'000*
PRC	**619**	–
Hong Kong	**9,967**	–
	10,586	–

5. FINANCE COSTS

	2011	2010
	HK$'000	*HK$'000*
Interest on bank borrowings wholly repayable within 5 years	**73**	–
Interest on bills and overdrafts	**143**	–
Other finance costs	**21**	–
	237	–

6. PROFIT BEFORE INCOME TAX

This is stated after charging:

	2011	2010
	HK$'000	*HK$'000*
Cost of construction and inventories sold	**398,317**	238,284
Depreciation of property, plant and equipment	**12**	–
Foreign exchange differences, net	**14**	43
Operating lease rentals in respect of land and buildings	**570**	597
Staff costs, including directors' emoluments:		
Salaries and other benefits	**1,656**	1,136
Retirement benefit scheme contributions	**92**	62
Impairment loss on other receivables	**1,556**	–
Reversal of impairment loss on amount due from a Deconsolidated Subsidiary	**–**	(16)

7. INCOME TAX

	2011	2010
	HK$'000	*HK$'000*
Current tax:		
Hong Kong Profits Tax	**193**	64

Hong Kong profits tax has been provided at the rate of 16.5% (2010: 16.5%) on the estimated assessable profits for the year.

Zhongshan City Minzhong Deli Metal Co., Ltd, a subsidiary of the Company, was entitled to a preferential income tax rate of 12.5% and is increased progressively to 25% from 1 January 2011.

No provision for PRC income tax has been made in the consolidated financial statements as Mainland China subsidiary had no assessable profits for the year since acquisition to the Group.

8. DIVIDENDS

No dividend has been paid or declared by the Company during the year (2010: Nil).

9. EARNINGS PER SHARE

The calculations of basic earnings per share for the year ended 31 March 2011 is based on the profit attributable to owners of the Company of approximately HK$11,282,000 (2010: HK$1,463,000) and on the weighted average number of 423,835,000 (2010: 423,835,000) ordinary shares in issue during the year.

The share options have no dilutive effect on ordinary shares for the years ended 31 March 2011 and 2010 because the average market price of the shares of the Company cannot be determined as the share of the Company were suspended from trading on the Stock Exchange since 17 July 2006.

10. TRADE AND OTHER RECEIVABLES

	2011	2010
	HK$'000	*HK$'000*
Trade receivables		
Trade receivables	**27,481**	48,476
Retention receivables	**826**	–
Other receivables		
Deposits, prepayments and other debtors	**16,219**	12,230
Provision for impairment	**(1,556)**	–
	42,970	60,706

The carrying amounts of trade and other receivables at 31 March 2011 approximate to its fair value.

The Group allows a credit period normally 0 to 90 days (2010: 0 to 30 days) to its trade customers. The aging analysis of trade receivables presented based on the invoice date as at the end of the reporting period is as follows:

	2011	2010
	HK$'000	*HK$'000*
0 to 30 days	**8,466**	–
31 to 60 days	**19,014**	–
61 to 90 days	**–**	48,249
over 90 days	**1**	227
	27,481	48,476

11. TRADE AND OTHER PAYABLES

	2011	2010
	HK$'000	*HK$'000*
Trade payables		
Trade payable	**26,816**	50,174
Bills payable	**2,814**	–
Other payables		
Accrued charges and other creditors	**404,745**	402,707
	434,375	452,881

Included in accrued charges and other creditors were the liabilities under indemnities given to Deconsolidated Subsidiaries and amount due to Investor of approximately HK$386,097,000 and HK$9,700,000 respectively (2010: HK$386,097,000 and HK$10,800,000).

The carrying amounts of trade and other payables at 31 March 2011 approximate to its fair value.

The ageing analysis of trade payables presented based on the invoice date as at the end of the reporting period is as follows:

	2011	2010
	HK$'000	*HK$'000*
0 to 30 days	**8,243**	–
31 to 60 days	**17,676**	–
61 to 90 days	**8**	48,663
over 90 days	**889**	1,511
	26,816	50,174

12. ACQUISITION OF SUBSIDIARIES

On 30 September 2010, the Group acquired the entire equity interest in Tak Lee Metal Manufactory (Hong Kong) Company Limited ("**Tak Lee**") and its wholly owned subsidiary, Zhongshan City Minzhong Deli Metal Co., Ltd (together the "**Tak Lee Group**"), for a cash consideration of approximately HK$4,399,000. Tak Lee Group is principal engaged in manufacturing, trading of aluminium windows and gates and provision of sub-contracting services.

No acquisition-related cost has been incurred during the year.

Details of aggregate net assets acquired and goodwill were as follows:

	Tak Lee Group
	HK$'000
Consideration transferred	4,399
Less: fair value of identifiable net assets acquired	(3,156)
Goodwill arising on acquisition	1,243

Goodwill arose in the acquisition of Tak Lee Group because of the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on this acquisition is expected to be deductible for tax purposes.

The aggregate assets and liabilities arising from the acquisition was as follows:

	Acquiree's carrying amount before combination	**Fair value**
	HK$'000	*HK$'000*
Property, plant and equipment	701	701
Intangible assets	252	252
Inventories	1,355	1,355
Trade and other receivables	7,156	7,156
Amount due from customers on construction contracts	7,194	7,194
Pledged bank deposit	1,000	1,000
Bank balances and cash	7,937	7,937
Bank borrowings	(2,975)	(2,975)
Trade and other payables	(18,683)	(18,683)
Bank overdraft	(485)	(485)
Income tax payable	(296)	(296)
Net assets acquired	3,156	3,156

Net cash inflow arising on acquisition:

Consideration paid in cash	(4,399)
Less: cash and cash equivalent acquired	7,452
	3,053

Included in the profit for the year ended 31 March 2011 is HK$11,616,000 attributable to the additional business generated by Tak Lee Group. Revenue for the year ended 31 March 2011 includes HK$124,251,000 in respect of Tak Lee Group.

Had this business combination been effected at 1 April 2010, the revenue of the Group would have been approximately HK$421,178,000, and the profit for the year ended 31 March 2011 would have been approximately HK$11,948,000.

AN EXTRACT OF INDEPENDENT AUDITOR’S REPORT

The Company’s auditors have qualified their report on the Group’s consolidated financial statements for the year ended 31 March 2011, an extract of which is as follows:

BASIS FOR DISCLAIMER OF OPINION

1. Our report on the consolidated financial statements of the Company for the year ended 31 March 2010 was disclaimed in view of the pervasive nature of the limitation on the scope of our audit resulting from the inability of the directors to locate sufficient documentary information in relation to the Deconsolidated Subsidiaries (defined in note 2(ii) to the consolidated financial statements) and material uncertainty in relation to the going concern. Accordingly, we were unable to form an opinion as to whether the net liabilities of the Group as at 31 March 2010 and the results and the related disclosures in the notes to the consolidated financial statements for the year ended 2010 were fairly stated. Any adjustments to the opening balances as at 1 April 2010 would affect the net liabilities of the Group as at 31 March 2011 and the results and cash flows of the Group for the year ended 31 March 2011. Also the comparative figures in respect of the net liabilities of the Group as at 31 March 2010 and results and cash flows of the Group for the year ended 31 March 2010 may not be comparable with the figures for the current year.

2. As disclosed in note 2(iii) to the consolidated financial statements, all of the former accounting personnel of the Group have left and there are potential accounting irregularities. Accordingly, the directors have been unable to obtain sufficient documentary information in relation to the Deconsolidated Subsidiaries to satisfy themselves regarding the genuineness of certain books and records and treatment of various balances of the Group as at 31 March 2011 and have formed the opinion as follows:

   a) As explained by the directors in note 2(iii) to the consolidated financial statements, Deconsolidated Subsidiaries were deconsolidated from the consolidated financial statements since 1 January 2005 and OGA was not consolidated into the consolidated financial statements since the date of its incorporation on 19 May 2006. Thus, these consolidated financial statements include the results, assets and liabilities of the Company and its subsidiaries namely Golden Beach Enterprises Limited, Fast Excel Limited, Parkson Trade Services Limited, Tak Lee Metal Manufactory (Hong Kong) Company Limited, Zhongshan City Minzhong Deli Metal Co., Ltd and Fast Excel Gold Mountain Zhongshan Aluminium Products (Hong Kong) Limited. Due to limited books and records of the Company and its Deconsolidated Subsidiaries available to the current directors and material uncertainty relating to the completion of the restructuring of the Company for discharging its debts, the current directors of the Company were unable to obtain sufficient documentary information to satisfy themselves that the following amounts of the Company included in the consolidated financial statements for the year ended 31 March 2011 as to whether the completeness, correctness of identification and the disclosures recorded by the Group:

      – finance costs of HK$nil;
      – general and administrative expenses of approximately HK$12,000;

- bank balances and cash of approximately HK$119,000;
- short-term borrowings of approximately HK$1,448,078,000;
- trade and other payables of approximately HK$391,101,000;
- amounts due to Deconsolidated Subsidiaries of approximately HK$126,426,000;
- deferred taxation;
- commitments;
- related parties transactions;
- share options;
- pledge of assets; and
- other disclosures under Hong Kong Companies Ordinance.

b) As explained in note 2(iii)(b) to the consolidated financial statements, due to limited books and records of the Deconsolidated Subsidiaries available to the directors, the following disclosures have not been made in the consolidated financial statements::

- details of the retirement benefit scheme and the employee benefits as required by Hong Kong Accounting Standard ("**HKAS**") 19 "Employee Benefits";

- details of the Group's financial risk management objectives and policies as required by HKAS 32 "Financial Instruments: Presentation"; and

- details of contingent liabilities as required by HKAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

3. As at 31 March 2011, the consolidated statement of financial position included the Company's bank balances and cash, short-term borrowings, other payables and amounts due to Deconsolidated Subsidiaries of approximately HK$119,000, HK$1,448,078,000, HK$391,101,000 and HK$126,426,000 respectively. We have not been able to obtain sufficient direct confirmation or other documentary evidence to substantiate the validity and existence in relations to these amounts. There were no other satisfactory audit procedures that we could adopt to ensure these amounts are fairly stated in the consolidated financial statements.

4. We have not been able to obtain all necessary information for us to complete our review of subsequent events from the date of statement of financial position up to the date of this report. Such procedures might have resulted in the identification of adjustments to the amounts reported in and/or disclosed as notes to the consolidated financial statements of the Group as at 31 March 2011.

There were no other satisfactory audit procedures that we could adopt to obtain sufficient evidence regarding to the matters set out in paragraphs 1 to 4 above. Accordingly, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Any adjustments to the figures might have a significant consequential effect on the Group's results for the year ended 31 March 2011 and 2010 and the net liabilities of the Group as at 31 March 2011 and 2010 and the related disclosures thereof in the consolidated financial statements.

MATERIAL UNCERTAINTY RELATING TO THE GOING CONCERN BASIS

In forming our opinion, we have considered the adequacy of the disclosure in note 2(i) to the consolidated financial statements concerning the adoption of the going concern basis on which the financial statements have been prepared. The Company has entered into a conditional agreement with, among others, an investor for the purpose of restructuring of the Company's indebtedness and revitalising the Group's business. The consolidated financial statements have been prepared on a going concern basis on the assumption that the restructuring agreement will be successfully completed, and that, following the restructuring, the Group will continue to meet in full its financial obligations as they fall due in the foreseeable future. The consolidated financial statements do not include any adjustments that would result from a failure to complete the restructuring. We consider that the disclosures are adequate. However, in view of the extent of the material uncertainty relating to the completion of the restructuring, we disclaimed our opinion in respect of the material uncertainty relating to the going concern basis.

DISCLAIMER OF OPINION: DISCLAIMER ON VIEW GIVEN BY FINANCIAL STATEMENTS

Because of the significance of the matters described in the basis for disclaimer of opinion paragraphs and the material uncertainty relating to the going concern basis paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the consolidated financial statements. In all other respects, we also do not express an opinion on the consolidated financial statements as to whether they have been properly prepared in accordance with disclosure requirements of the Hong Kong Companies Ordinance.

REPORT ON MATTERS UNDER SECTIONS 141(4) AND 141(6) OF THE HONG KONG COMPANIES ORDINANCE

In respect alone of the limitations on our work as set out in the basis for disclaimer of opinion section of this report:

i) we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and

ii) we were unable to determine whether proper books of account had been kept.

BUSINESS REVIEW

The principal activity of the Company is investment holding. Its deconsolidated subsidiaries were principally engaged in the manufacturing of aluminium extrusion products and chemicals for use in electroplating process. The operations of the Group ceased since July 2006. The Group has reactivated its aluminium trading and supply of aluminium products through its newly incorporated companies since June 2008 and December 2009 respectively. In order to further expand the business into manufacturing of aluminium extrusion products, the Group had on 20 July 2010 entered into an agreement with a joint venture partner to establish a joint venture for manufacturing aluminium extrusion products. In addition, on 30 September 2010, the Group further acquired the entire equity interest in Tak Lee Metal

Manufactory (Hong Kong) Company Limited and its subsidiary namely Zhongshan City Minzhong Deli Metal Co., Ltd（中山市民眾得利五金有限公司）for manufacturing aluminium products for construction supply projects.

RESTRUCTURING OF THE GROUP

On 23 April 2008, the Company announced that an agreement for the proposed restructuring of the Group, involving capital reorganisation, debt restructuring, subscription of new shares and subscription of preference shares, was entered into on 20 December 2007 among the Company, the Investor, the Provisional Liquidators and Deloitte (the "**Restructuring Agreement**"). On 26 February 2009, 4 January 2010 and 12 April 2011, the Company, the Investor and the Provisional Liquidators entered into supplemental agreements to extend the long stop date of the Restructuring Agreement from 31 December 2008 to 31 December 2009, 31 December 2010 and 31 December 2011 respectively.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company's code on corporate governance practices was adopted by reference to the provisions of the Code on Corporate Governance Practices (the "**CG Code**") contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**"). However, due to the severe financial difficulties of the Group and the prolonged suspension in trading of the shares of the Company on the Stock Exchange, the directors are unable to comment as to whether the Company has complied with the Code on Corporate Governance Practices contained in Appendix 14 of the Listing Rules throughout the year ended 31 March 2011.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

Trading in the securities of the Company has been suspended since 17 July 2006 and Directors are of the opinion that since the date of suspension in trading of the Company's securities, the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules is not applicable.

DIVIDEND

The directors of the Company do not recommend the payment of a final dividend for the year ended 31 March 2011.

AUDIT COMMITTEE

Due to the severe financial difficulties of the Group and the prolonged suspension in trading of the securities of the Company on the Stock Exchange, up to the date of this report, no independent non-executive directors were appointed as required by Rule 3.19 and Rule 3.21 of the Listing Rules following their resignations in July 2006. And as a result, the audited annual results of the Group for the year ended 31 March 2011 have not been reviewed by the Audit Committee.

PUBLICATION OF INFORMATION ON WEBSITES

This results announcement is available for viewing on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and on the website of the Company at http://www.ogh-1220.info.

By Order of the Board
Ocean Grand Holdings Limited
(Provisional Liquidators Appointed)
Chin Chang Keng, Raymond
Director

Hong Kong, 29 June 2011

As at the date of this announcement, the Board of the Company comprises seven executive directors, namely Dr. Yip Kim Po, Dr. Hui Ho Ming, Herbert, JP, Mr. Kwan Man Wai, Mr. Li Lee Cheung, Ms. Yip Wan Fung, Mr. Chin Chang Keng, Raymond and Ms. Ang Mei Lee, Mary.

* *For identification purpose only*