DORE HOLDINGS LIMITED

多金控股有限公司*

(incorporated in Bermuda with limited liability)

(stock code: 628)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2011

The board of directors (the "Board") of Dore Holdings Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2011 together with the comparative figures as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2011

	Notes	**2011** *HK$'000*	2010 *HK$'000*
Turnover	*5*	**51,757**	352,806
Other revenue	*5*	**9**	14
Administrative expenses		**(9,100)**	(9,368)
Equity-settled share-based payments		**–**	(2,553)
Excess of acquirer's interest in fair value of acquiree's identifiable net assets over cost	*7*	**–**	192,825
Fair value changes on financial assets at fair value through profit or loss		**(31)**	34,869
Fair value changes on derivative financial instruments		**(2,803)**	(7,912)
Impairment loss recognised in respect of intangible assets	*12*	**(243,870)**	(794,079)
Impairment loss recognised in respect of goodwill		**–**	(46,270)
Loss on disposal of subsidiaries		**(60,322)**	(15,955)
Loss on early redemption of convertible bonds		**–**	(21,206)
Loss on cancellation of convertible bonds		**(81,931)**	(122,698)
Loss on early repayment of promissory notes		**(38,447)**	(337)
Loss on cancellation of promissory notes		**–**	(67,714)
Finance costs	*8*	**(23,674)**	(128,904)

* *For identification purpose only*

	Notes	2011 HK$'000	2010 HK$'000
Loss before taxation		**(408,412)**	(636,482)
Taxation	*9*	**840**	4,258
Loss for the year	*6*	**(407,572)**	(632,224)
Other comprehensive income for the year, net of tax		**–**	–
Total comprehensive loss for the year		**(407,572)**	(632,224)
Loss for the year attributable to owners of the Company		**(407,572)**	(632,224)
Total comprehensive loss for the year attributable to owners of the Company		**(407,572)**	(632,224)
Loss per share			
– Basic and diluted *(HK cents)*	*11*	**(22.54)**	(85.91)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2011

	Notes	2011 HK$'000	2010 HK$'000
Non-current assets			
Property, plant and equipment		**18**	24
Intangible assets	*12*	**113,539**	357,409
		113,557	357,433
Current assets			
Accounts receivable	*13*	**2,614**	4,532
Deposits and other receivables		**97**	176
Financial assets at fair value through profit or loss		**46,831**	46,862
Derivative financial instruments		**–**	6,675
Cash and bank balances		**76,248**	98,390
		125,790	156,635
Assets classified as held for sale		**–**	463,570
		125,790	620,205
***Less:* Current liabilities**			
Other payables and accruals		**1,078**	15,119
Liabilities directly associated with assets classified as held for sale		**–**	16
		1,078	15,135
Net current assets		**124,712**	605,070
Total assets less current liabilities		**238,269**	962,503
***Less:* Non-current liabilities**			
Promissory notes – due after one year		**–**	95,145
Convertible bonds – due after one year		**–**	507,807
Deferred tax liabilities		**–**	51,057
		–	654,009
Net assets		**238,269**	308,494
Capital and reserves			
Share capital		**21,549**	13,930
Reserves		**216,720**	294,564
Equity attributable to owners of the Company		**238,269**	308,494

Notes:

1. GENERAL INFORMATION

Dore Holdings Limited (the "Company") was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the principal place of business in Hong Kong is 19th Floor, BLINK, 111 Bonham Strand, Sheung Wan, Hong Kong.

The principal activity of the Company is investment holding. The Group is principally engaged in operations which receive the profit streams from gaming and entertainment related business.

2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which also include Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong, the disclosure requirements of the Hong Kong Companies Ordinance and applicable disclosure provisions of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). These consolidated financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand ("HK$'000") except when otherwise indicated.

The preparation of consolidated financial statements in conformity with HKFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The measurement basis used in the preparation of the consolidated financial statements is historical cost convention except for financial assets at fair value through profit or loss and derivative financial instruments which have been carried at fair value.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In the current year, the Group has applied for the first time, the following new and revised standards, amendments and interpretations ("new HKFRSs") issued by the HKICPA, which are effective for the Group's financial year beginning 1 April 2010.

HKFRSs (Amendments)	Amendments to HKFRS 5 as part of Improvements to HKFRSs issued in 2008
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 28 (Amendment)	Investments in Associates
HKAS 32 (Amendment)	Classification of Rights Issues
HKAS 39 (Amendment)	Eligible Hedged Items
HKFRS 1 (Revised)	First-time Adoption of Hong Kong financial Reporting Standards
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions
HKFRS 3 (Revised)	Business Combinations
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners
HK – Int 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The application of the new and revised HKFRSs had the following effect on the consolidated financial statements of the Group.

HKAS 27 (as revised in 2008) Consolidated and Separate Financial Statements

The application of HKAS 27 (as revised in 2008) has resulted in changes in the Group's accounting policies for the Group's changes in ownership interests in subsidiaries of the Group.

Specifically, the revised standard has affected the Group's accounting policies regarding changes in the Group's ownership interests in its subsidiaries that do not result in loss of control. In prior years, in the absence of specific requirements in HKFRSs, increases in interests in existing subsidiaries were treated in the same manner as the acquisition of subsidiaries, with goodwill or a bargain purchase gain being recognised, when appropriate; for decreases in interests in existing subsidiaries that did not involve a loss of control, the difference between the consideration received and the adjustment to the non-controlling interests was recognised in profit or loss. Under HKAS 27 (as revised in 2008), all such increases or decreases are dealt with in equity, with no impact on goodwill or profit or loss.

When control of a subsidiary is lost as a result of a transaction, event or other circumstance, the revised standard requires the Group to derecognise all assets, liabilities and non-controlling interests at their carrying amounts and to recognise the fair value of the consideration received. Any retained interest in the former subsidiary is recognised at its fair value at the date control is lost. The resulting difference is recognised as a gain or loss in profit or loss.

These changes have been applied prospectively from 1 April 2010 in accordance with the relevant transitional provisions.

In addition, under HKAS 27 (as revised in 2008), the definition of non-controlling interest has been changed. Specifically, under the revised standard, non-controlling interest is defined as the equity in a subsidiary not attributable, directly or indirectly, to a parent.

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.

The impact of the application of HKFRS 3 (as revised in 2008) is as follows:

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, in accounting for the acquisition of subsidiaries, the Group has elected to measure the non-controlling interests at fair value at the date of acquisition. Consequently, the goodwill recognised in respect of that acquisition reflects the impact of the difference between the fair value of the non-controlling interests and their share of recognised identifiable net assets of the acquiree.

HKFRS 3 (as revised in 2008) changes the recognition and subsequent accounting requirements for contingent consideration. Previously contingent consideration was recognised at the acquisition date only if payment of the contingent consideration was probable and it could be measured reliably; any subsequent adjustments to the contingent consideration were always made against the cost of the acquisition. Under the revised standard, contingent consideration is measured at fair value at the acquisition date; subsequent adjustments to the consideration are recognised against the cost of acquisition only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

HKFRS 3 (as revised in 2008) requires the recognition of a settlement gain or loss when the business combination in effect settles a pre-existing relationship between the Group and the acquiree.

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 the acquisition.

HK – Int 5 Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

HK – Int 5 *Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause* ("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. The Group has applied HK Int 5 for the first time in the current year. HK Int 5 requires retrospective application.

In order to comply with the requirements set out in HK Int 5, the Group has changed its accounting policy on classification of term loans with a repayment on demand clause. In the past, the classification of such term loans were determined based on the agreed scheduled repayment dates set out in the loan agreements. Under HK Int 5, term loans with a repayment on demand clause are classified as current liabilities.

Such term loans have been presented in the earliest time band in the maturity analysis for financial liabilities that reflects the remaining contractual maturities.

The application of these new HKFRSs has no material impact on the results and the financial position of the Group.

Impact of new and revised HKFRSs not yet effective

The Group has not early applied the following new and revised standards, amendments and interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010[1]
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets[5]
HKAS 24 (Revised)	Related Party Disclosures[3]
HKAS 27 (as revised in 2011)	Separate Financial Statements[6]
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures[6]
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 – Disclosures for First-time Adopters[2]
HKFRS 1 (Amendment)	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters[4]
HKFRS 7 (Amendments)	Disclosures – Transfers of Financial Assets[4]
HKFRS 9	Financial Instruments[6]
HKFRS 10	Consolidated Financial Statements[6]
HKFRS 11	Joint Arrangements[6]
HKFRS 12	Disclosure of Interests in Other Entities[6]
HKFRS 13	Fair Value Measurement[6]
HK(IFRIC) – Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement[3]
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments[2]

[1] *Effective for annual periods beginning on or after 1 July 2010 or 1 January 2011, as appropriate*

[2] *Effective for annual periods beginning on or after 1 July 2010*

[3] *Effective for annual periods beginning on or after 1 January 2011*

[4] *Effective for annual periods beginning on or after 1 July 2011*

[5] *Effective for annual periods beginning on or after 1 January 2012*

[6] *Effective for annual periods beginning on or after 1 January 2013*

HKFRS 9 *Financial Instruments* introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2013, with earlier application permitted. The standard requires all recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* to be measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 will affect the classification and measurement of the Group's financial assets.

In relation to financial liabilities, the significant change relates to financial liabilities that are designated as at fair value through profit or loss. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change is presented in other comprehensive income, unless the presentation of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss.

The amendments to HKFRS 7 *Disclosures – Transfer of Financial Assets* increase the disclosure requirements for transactions involving transfers of financial assets. These amendments are intended to provide greater transparency around risk exposures when a financial asset is transferred but the transferor retains some level of continuing exposure in the asset. The amendments also require disclosures when transfers of financial assets are not evenly distributed throughout the period.

HKAS 24 *Related Party Disclosures* (as revised in 2009) modifies the definition of a related party and simplifies disclosures for government-related entities.

The disclosure exemptions introduced in HKAS 24 (as revised in 2009) do not affect the Group because the Group is not a government-related entity. However, disclosures regarding related party transactions and balances in these consolidated financial statements may be affected when the revised version of the standard is applied in future accounting periods because some counterparties that did not previously meet the definition of a related party may come within the scope of the standard.

HKFRS 10 *Consolidated Financial Statements* builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. This standard replaces HK(SIC)-12 *Consolidation – Special Purpose Entities and replaces parts of HKAS 27 Consolidated and Separate Financial Statements*.

HKFRS 11 *Joint Arrangements* provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form (as is currently the case). The standard addresses inconsistencies in the reporting of joint arrangements by requiring a single method to account for interests in jointly controlled entities. HKFRS 11 *supersedes* HKAS 31 *Interests in Joint Ventures* and HK(SIC)-13 *Jointly Controlled Entities – Non-monetary Contributions by Venturers.*

HKFRS 12 *Disclosure of Interests in Other Entities* is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.

HKFRS 13 *Fair Value Measurement* improves consistency and reduces complexity by providing, for the first time, a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across HKFRSs. The requirements do not extend the use of fair value accounting, but provide guidance on how it should be applied where its use is already required or permitted by other standards within HKFRSs.

The directors of the Company anticipate that the application of the other new and revised standards, amendments and interpretations will have no material impact on the results and the financial position of the Group.

4. SEGMENT INFORMATION

The Group currently operates in one business segment in the gaming and entertainment segment receiving profit streams from gaming and entertainment related business. A single management team reports to the chief operating decision makers who comprehensively manage the entire business. Accordingly, the Group does not have separately reportable segments.

Revenue from major services

All of the Group's revenue for the years ended 31 March 2011 and 2010 are derived from profit streams from gaming and entertainment related business.

Geographical information

The Group operates in two principal areas – Gaming and entertainment related business operates in Macau and administrative activity operates in Hong Kong.

The Group's revenue is solely generated from external customers in Macau.

The Group's information about its non-current assets by geographical location are detailed below:

	Non-current assets	
	2011	2010
	HK$'000	*HK$'000*
Macau	**113,539**	357,409
Hong Kong	**18**	24
	113,557	357,433

Information about major customer

Included in revenues arising from profit streams of gaming and entertainment related business of approximately HK$51,757,000 (2010: HK$352,806,000) are revenues of approximately HK$38,095,000 (2010: HK$244,287,000) whose arose from the Group's largest customer.

Revenues of approximately HK$51,757,000 (2010: HK$305,197,000) from two customers (2010: two customers) account for 10% of more of the Group's revenue.

5. TURNOVER AND OTHER REVENUE

An analysis of turnover and other revenue is as follows:

	The Group	
	2011	2010
	HK$'000	*HK$'000*
Turnover		
Profit streams from gaming and entertainment related business	**51,757**	352,806
Other revenue		
Interest income	**9**	14

Other revenue analysed by categories of assets is as follows:

Financial instruments		
Loans and receivables (including cash and bank balances)	**9**	14

6. LOSS FOR THE YEAR

The Group's loss for the year is arrived at after charging:

	The Group	
	2011	2010
	HK$'000	*HK$'000*
Depreciation	**35**	397
Auditors' remuneration	**550**	650
Minimum lease payments under operating leases in respect of land and buildings	**179**	1,035
Loss on disposal of property, plant and equipment	**–**	546
Staff costs (excluding directors' remuneration)		
Salaries and wages	**2,329**	1,548
Pension scheme contributions	**40**	25
	2,369	1,573
Equity-settled share-based payments		
– employees	**–**	980
– consultants	**–**	1,573
	–	2,553
	2,369	4,126

7. EXCESS OF ACQUIRER'S INTEREST IN FAIR VALUE OF ACQUIREE'S IDENTIFIABLE NET ASSETS OVER COST

For the year ended 31 March 2010

Pursuant to the Nove Profit Agreement, the Joli Profit Agreement 2 and the Joli Profit Agreement 3, Mr. Chen Yi Ming ("Mr. Chen") and Mr. Sin Chun Shing ("Mr. Sin") have provided certain profit guarantee over the profits sharing with Triple Gain Group Limited ("Triple Gain") and East & West International Inc. ("East & West") and Pacific Force Inc. ("Pacific Force"). During the year ended 31 March 2010, the profits sharing to the Group of the Nove Profit Agreement, the Joli Profit Agreement 2 and the Joli Profit Agreement 3 were shortfall of approximately HK$105,256,000, HK$89,495,000 and HK$11,187,000 respectively. In accordance with the terms and conditions of the relevant profit agreements, Mr. Chen and Mr. Sin had agreed to compensate such shortfalls by setting off the outstanding principal amount of Fourth Convertible Bond of HK$105,256,000 and Fifth Convertible Bonds of HK$470,182,000 respectively.

In relation to such compensation, an adjustment was made to the consideration for the acquisitions of Triple Gain, East & West and Pacific Force. As at 31 March 2010, the carrying amounts of goodwill arisen from these acquisitions have been adjusted by HK$382,613,000. The amount of approximately HK$192,825,000 represents the residual amount which was charged to the consolidated statement of comprehensive income during the year ended 31 March 2010.

8. FINANCE COSTS

	The Group	
	2011	2010
	HK$'000	*HK$'000*
Effective interest on promissory notes not wholly repayable within five years	**3,340**	15,656
Effective interest on promissory notes wholly repayable within five years	**–**	701
Effective interest on convertible bonds wholly repayable within five years	**20,334**	112,547
	23,674	128,904

9. TAXATION

Hong Kong profits tax has been provided at the rate of 16.5% (2010: 16.5%) on the estimated assessable profits arising from Hong Kong during the year. The Group has no assessable profit under Hong Kong profits tax for the years ended 31 March 2011 and 2010. The Group is not subject to any tax in Macau.

	The Group	
	2011	2010
	HK$'000	*HK$'000*
Tax credited for the year:		
Deferred tax liabilities		
Convertible bonds	**840**	4,258

10. DIVIDENDS

No final dividend was proposed by the directors for the year ended 31 March 2011 (2010: nil).

11. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

Basic loss per share

The calculation of the basic loss per share attributable to owners of the Company is based on the following data:

	2011	2010
	HK$'000	*HK$'000*
Loss		
Loss attributable to owners of the Company for the purpose of basic loss per share	**(407,572)**	(632,224)

	2011	2010
	'000	*'000*
Number of ordinary shares		
Weighted average number of ordinary shares for the purpose of basic loss per share	**1,808,277**	735,900

Diluted loss per share

Diluted loss per share for the years ended 31 March 2011 and 2010 were the same as the basic loss per share.

There was no dilutive events existed during the year ended 31 March 2011.

The Company's outstanding convertible bonds and share options as at 31 March 2010 were not included in the calculation of diluted loss per share because the effects of the Company's outstanding convertible bonds and share options were anti-dilutive.

12. INTANGIBLE ASSETS

The Group

	Rights in sharing of profit streams *HK$'000*
Cost	
At 1 April 2009	3,883,731
Disposals of subsidiaries	(1,205,029)
Reclassified as held for sale	(1,183,424)
At 31 March 2010, 1 April 2010 and 31 March 2011	1,495,278
Accumulated impairment	
At 1 April 2009	1,784,862
Elimination on disposal	(695,568)
Impairment loss recognised for the year	794,079
Elimination on reclassification as held for sale	(745,504)
At 31 March 2010 and 1 April 2010	1,137,869
Impairment loss recognised for the year	243,870
At 31 March 2011	1,381,739
Carrying amount	
At 31 March 2011	**113,539**
At 31 March 2010	357,409

Details of intangible assets are as follows:

	Sat Ieng Profit Agreement *HK$'000*	Dore Profit Agreement *HK$'000*	Nove Profit Agreement *HK$'000*	Joli Profit Agreement *HK$'000*	Total *HK$'000*
At 1 April 2009	249,636	259,825	405,984	1,183,424	2,098,869
Disposal of subsidiaries	(249,636)	(259,825)	–	–	(509,461)
Impairment loss recognised for the year	–	–	(48,575)	(745,504)	(794,079)
Reclassified as held for sale	–	–	–	(437,920)	(437,920)
At 31 March 2010 and 1 April 2010	–	–	357,409	–	357,409
Impairment loss recognised for the year	–	–	(243,870)	–	(243,870)
At 31 March 2011	**–**	**–**	**113,539**	**–**	**113,539**

The intangible assets represent the rights in sharing of profit streams, from junket business at the casinos' VIP rooms in Macau for an indefinite period of time. Such intangible assets are carried at cost less accumulated impairment losses. The recoverable amount of the intangible assets has been determined based on a value in use calculation.

Impairment loss in respect of intangible assets of approximately HK$243,870,000 (2010: HK$794,079,000) was recognised during the year ended 31 March 2011 by reference to the valuation report issued by Messrs. Grant Sherman Appraisal Limited ("Grant Sherman"), independent qualified professional valuer, at 31 March 2011 which valued the intangible assets on discounted cash flow method. The calculation use cash flow projections based on financial budgets approved by the management covering a 5-year period. The discount rate applied was approximately 26.69% (2010: 20.09%). The main factor contributing to the impairment was due to decline in expected turnover of the Nove Profit Agreement in the future.

The junket licences associated with the rights in sharing of profit streams is renewable annually by the Macau Government. The directors of the Company are not aware of any expected impediment with respect to the renewal of licences and consider that the possibility of failing in licence renewal is remote. Therefore, the directors of the Company consider that the intangible assets are treated as having indefinite useful lives.

13. ACCOUNTS RECEIVABLE

The Group

The Group's trading terms with its customers are mainly on credit. The Group receives the profit streams within 15 days of the subsequent month. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed by senior management regularly.

An aged analysis of the Group's accounts receivable as at the end of the reporting period, based on invoice date, is as follows:

	2011	2010
	HK$'000	*HK$'000*
Within 15 days	**2,614**	4,532

Included in the Group's accounts receivable balance, no debtors are past due at the date of approval of these consolidated financial statements (2010: nil). The Group does not hold any collateral over these balances.

DIVIDEND

The directors do not recommend the payment of final dividend for the year ended 31 March 2011 (2010: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Business review

With a rapid increase in VIP gaming rooms in 2010 and 2011, VIP junkets offer higher rebates and extend unsecured credits to VIP customers aggressively in order to maintain their rolling turnover. As a result, most of the junkets in Macau have encountered liquidity problem due to the difficulties in debt collection.

Our junkets partners even manage their credit risk prudential but, due to the keen competition, the rolling turnover has dropped. The main factors which lead the drop include visa restriction, global financial crisis, decreased liquidity, squeeze in junkets' profit margin and loss of quality VIP customers. Regarding the sustained deterioration on rolling turnover of Joli Entretenimento Sociedade Unipessoal Limitada ("Joli"), the Group had disposed Top Jade Limited, Leading Century International Limited, East & West International Inc. and Pacific Force Inc. which include the Joli Profit Agreement on 12 May 2010. Although the Group's principal business activity in gaming and entertainment related business will be streamlined following the disposal of Joli, the Group continues to have a sufficient level of operations because its interest in the VIP gaming at The Venetian via Triple Gain and the revenue generated is stable.

Mr. Chen Yi-Ming is the sole owner of Nove Sociedade Unipessoal Limitada ("Nove") and is a general manager of the Company who is responsible for the operations of Nove at the Venetian gaming room for the purpose of the Nove Profit Agreement. The Group can maintain strict control over the outstanding receivables to minimise our credit risk.

However, our partner recently maintains strict control over the outstanding receivables and withdraws unsecured credits to VIP customers which finally lead the drop on rolling turnover at The Venetian. As such, our junkets partner cannot meet its profit expectation and a provision in impairment of the Group's intangible asset is required.

Unlike other listed issuers in similar businesses, the Group has never experienced any delay in receiving profit streams from our junket partners under the relevant profit agreements despite they may having a tight cash flow in their junket operations caused by the competition in VIP gaming activities. It is largely reliant upon the business relationship and trust that has built up between the Company and our junket partners.

FINANCIAL REVIEW

For the year ended 31 March 2011, the Group was only engaged in core business stream: gaming and entertainment sector. With the strong foundation established during the years over the Macau gaming and entertainment sector, the Group would continue focusing on the gaming and entertainment business in the years to come while keeping an eye in identifying profitable and safe trading business.

Turnover of the Group was approximately HK$51,757,000 representing a 85.33% decrease over the corresponding figure of approximately HK$352,806,000 in 2010. The Group's revenue was lower than that of last year and this was in line with the difficulties facing the Macau gaming sector during the year. The main reason for the decrease was attributed to the disposal of Joli Profit Agreement on 12 May 2010. If an apple is compared with an apple, the rolling turnover of the junket partners, is satisfied but at the deteriorating trend. However, the turnover of Nove still provides stabilizing profit stream of the Group relativity.

Similar to 2010, as the Group's revenue is derived from the sharing of profit streams from investments in gaming and entertainment related business in Macau, there is no cost directly associated with it and hence, no cost of sales has been recorded. Gross margin is 100% (2010: 100%). The Group's operating cost is restricted to administrative expenses.

Administrative expenses was approximately HK$9,100,000 for the year ended 31 March 2011, a 2.86% decrease from approximately HK$9,368,000 for 2010. The decrease was mainly attributed to the expenses relating to the promotion, traveling and publicity role.

For the year ended 31 March 2011, finance cost was approximately HK$23,674,000 representing 81.63% decrease over the corresponding figure of approximately HK$128,904,000 in 2010. The main reason was attributable to the decrease of interest arisen on financial instruments due to the cancellation of convertible bonds and the promissory notes for the disposal of several subsidiaries, capitalization and early repayment.

The Group's net figure still resulted in a net loss position of approximately HK$407,572,000, as compared to the net loss of approximately HK$632,224,000 for 2010. Similar to the annual result of 2009/10, the net loss was a result of non-cash impairment – a net profit before non-cash items of approximately HK$43,506,000 is a better reflection of the Group's actual operation result. The ultimate loss is a result of the impairment losses due to the inability to achieve the sales expectation.

	Year ended 31 March 2011 *HK$'000*
Net loss for the year	(407,572)
Adjusted for non-cash items	
Fair value changes on financial assets at fair value through profit or loss	31
Fair value changes on derivative financial instruments	2,803
Impairment loss recognised in respect of intangible assets	243,870
Loss on disposal of subsidiaries	60,322
Loss on cancellation of convertible bonds	81,931
Loss on early repayment of promissory notes	38,447
Notional interest cost of convertible bonds and promissory notes	23,674
Profit after striping out non-cash items	43,506

During the year, the Group had no other debt except for convertible bonds and promissory notes. If these are excluded, the Group would have a net cash position and a bank interest income of approximately HK$9,000 has been recorded.

As there is a general drop in rolling turnover generated by VIPs during the year and the inability to achieve the sales expectation by our business partner, the Group recognized impairment loss in respect of the Nove Profit Agreement of approximately HK$243,870,000.

Basic and diluted loss per share for the year under review were both HK22.54 cents (2010: HK85.91 cents).

Liquidity and Financial Resources

During the year, the Group funded its operation mainly through an equity financing, including issuance of new shares and contribution from its investee company. Financial position of the Group has remained reasonable during the year. As at 31 March 2011, total assets of the Group were approximately HK$239,347,000 (2010: HK$977,638,000) which were financed by capital and reserves of approximately HK$238,269,000 (2010: HK$308,494,000), current liabilities of approximately HK$1,078,000 (2010: HK$15,135,000) and did not have any non-current liabilities (2010: HK$654,009,000).

Equity attributable to owners of the Company at 31 March 2011 was approximately HK$238,269,000 (2010: HK$308,494,000). The decrease was mainly attributable to the impairments of intangible assets due to our business markets' recession.

At 31 March 2011, the cash and cash equivalents of the Group amounted to approximately HK$76,248,000 and the Group's current ratio was 116.69 (2010: 40.98). The increase is mainly attributed to the current liabilities classified as other payables in which the interest payable of promissory notes and convertible bonds has been decreased due to the early repayment of promissory notes and cancellation of convertible bonds during the year.

At 31 March 2011, the total liabilities of the Group amounted to approximately HK$1,078,000, mainly representing the accruals (2010: HK$669,144,000). The decrease was attributed to the early repayment of promissory note and cancellation of convertible bonds during the year under review. The Group's gearing ratio as at 31 March 2011, expressed as a percentage of total liabilities over total equity was 0.004 (2010: 2.17).

Capital Structure

During the year ended 31 March 2011, the Company issued 352,941,176 ordinary shares of HK$0.01 each at a subscription price of HK$0.17 per share on 8 September 2010 to a subscriber, Mr. Ng Cheuk Fai, in order to settle part of the borrowings in the promissory note.

On 19 October 2010, the Company issued 349,000,000 ordinary shares of HK$0.01 each at a subscription price of HK$0.112 per share to Sur Limited, a strategic investor, for the purpose of raising additional capital for the Company in order to strengthen the capital base of the Company for any possible diversified investment in the future.

On 21 October 2010, 60,010,074 ordinary shares of HK$0.01 each were issued by the Company as a result of the exercise of the conversion rights attached to the three convertible bonds of an aggregate principal amount of approximately HK$105,863,000, HK$83,634,000 and HK$127,748,000 issued by the Company on 18 December 2007 and 6 November 2008.

Borrowings

At 31 March 2011, the Group do not have any borrowings in promissory notes (2010: HK $95,145,000) and convertible bonds (2010: HK$507,807,000). The decrease was attributed to the early repayment of promissory note and cancellation of convertible bonds during the year under review.

Finance costs for 2011 amounted to approximately HK$23,674,000 (2010: HK$128,904,000) and decrease of approximately HK$105,230,000 as compared with corresponding period in 2010.

Charges on Group Assets

At 31 March 2011, none of the Group's assets was pledged to any financial institution for facilities (2010: Nil).

Contingent Liabilities

At 31 March 2011, the Group had no contingent liabilities (2010: Nil).

Foreign Exchange Exposure

The Group continues to adopt a conservative treasury policy with all bank deposits in Hong Kong dollars, keeping a minimum exposure to foreign exchange risks. As a majority of the inflow and outflow is denominated in Hong Kong dollars, the Group has not adopted any hedging policy or entered into any derivative products which are considered not necessary for the Group's treasury management activities.

Material Disposal of Subsidiaries

On 9 November 2009, the Company entered into a sale and purchase agreement with Mr. Sin Chun Shing to sell the entire issued share capital of Team Jade and the sale debts at a total consideration of HK$500,000,000. The consideration is satisfied by offsetting against the outstanding principal amount of convertible bonds. On 12 May 2010, the transaction was completed. For further details, please refer to the Company's circular dated 26 April 2010. The above transaction constituted very substantial disposal under the Listing Rules.

Employees

At 31 March 2011, the Group has a total of 4 employees (2010: 5 employees). The decrease in the number of employees was due to optimisation of our operation. Total staff costs (including directors' emoluments) during the year amounted to approximately HK$2,726,000 (2010: HK$2,907,000).

Employees were remunerated on the basis of their performance, experience and prevailing industry practices. The Group's remuneration policies and packages were reviewed by the remuneration committee and the Board of the Company on a regular basis. As an incentive for the employees, bonuses and cash awards may also be given to employees based on individual performance evaluation. The Group has also implemented a share option scheme to reward eligible employees (including executive directors) according to their individual performance. During the year, no employees of the Group were granted options under the share option scheme of the Company.

Prospects

The directors consider that the Macau VIP gaming business is highly sensitive to economic cycles and highly volatile. As such, outlook for the future of Macau gaming sector is not that positive. Hence, the Company has adopted the painful move in disposing the profit streams from Joli and has prepared for this through:

(1) adopting the prudent policy;

(2) remain focusing on improving operational efficiencies; and

(3) identifying suitable projects and/or investments that would be reasonably expected to generate profits and/or have potential for capital appreciation.

Whilst the Company has continuously placed priority on restructuring the existing gaming businesses of the Group, it has also been actively seeking possible investment opportunities to diversify its businesses as well as to broaden its revenue base.

Introduction of a new substantial shareholder, Sur Limited by way of the issue of new shares of the Company on 19 October 2010 is not only represent an excellent opportunity for the Company to strengthen the Group's financial position and enhance the Group's flexibility for exploring new investment opportunities in different industries other than the Group's existing businesses, but also introduce the Sur Limited as a strategic investor to the Group. With the strategic investor's impressive background and experience in different business areas, the Group will explore new opportunities, contacts as well as new investment and operational ideas.

CORPORATE GOVERNANCE PRACTICES

In the opinion of the Board, the Company had complied with all code provisions set out in the Code on Corporate Governance Practices ("CG Code") contained in Appendix 14 of the Rules Governing the listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") during the year ended 31 March 2011, except for the deviation from Code A.2.1 and Code A.4.1 of CG Code as described below:

i. Code A.2.1 of CG Code

Code A.2.1 of CG Code provides, inter alia, that the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing.

The Company does not officially have a position of chief executive officer, but Mr. Yeung Heung Yeung has been assuming the roles of chief executive officer of the Company. In this regard, the Company has deviated from Code A.2.1 of CG Code.

The Board believes that the roles of chairman and chief executive officer in the same person, Mr. Yeung Heung Yeung, can provide the Group with strong and consistent leadership and allow for more effective and efficient business planning and decision as well as execution of long term business strategies.

ii. Code A.4.1 of CG Code

Code A.4.1 of CG Code provides that non-executive directors should be appointed for a specific term, subject to re-election.

Ms. Lee Shiow Yue, Mr. Poon Wai Hoi, Percy and Mr. Tang Chi Ho, Francis being the independent non-executive directors of the Company, were not appointed for a specific term but are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's Bye-laws.

MODEL CODES OF DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code") as its own code of conduct regarding directors' securities transactions on terms no less exacting than the required standard under the Model Code. Having made specific enquiry of all directors, the directors of the Company confirmed that they had complied with the required standard set out in the Model Code throughout the year ended 31 March 2011.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

AUDIT COMMITTEE

The Company has an audit committee, which was established in compliance with rule 3.21 of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee comprises the three independent non-executive directors of the Company.

The audit committee has reviewed the consolidated financial results of the Company for the year ended 31 March 2011.

DIRECTORS

As at the date of this announcement, the executive director is Mr. Yeung Heung Yeung, and the independent non-executive directors are Mr. Poon Wai Hoi, Percy, Mr. Tang Chi Ho, Francis and Ms. Lee Shiow Yue.

PUBLICATION OF FINANCIAL INFORMATION

This results announcement is published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.com.hk) and the Company (www.dore-holdings.com.hk). The Company's annual report for 2011 will be dispatched to the shareholders of the Company and available on the above websites in due course.

By Order of the Board
Dore Holdings Limited
Yeung Heung Yeung
Chairman

Hong Kong, 29 June 2011