i-CABLE COMMUNICATIONS LIMITED

(Incorporated in Hong Kong with limited liability)
Stock Code: 1097

2011 Final Results Announcement

RESULTS HIGHLIGHTS

- Group revenue continued to rebuild, as the Group continued to strengthen programming, improve service offerings, expand product diversity, introduce value-added services, streamline operations and effect infrastructure improvements.

- Its loss position improved in 2011. The operating environment, however, remains challenging as the Group strives to return to profitability.

- Turnover increased by 5% to HK$2,110 million (2010: HK$2,002 million).

- EBITDA improved to HK$78 million (2010: HK$5 million).

- Net loss of HK$179 million decreased by 33% (2010: HK$267 million).

TELEVISION

- Turnover increased by 12% to HK$1,749 million (2010: HK$1,561 million).

- EBITDA improved to HK$69 million (2010: EBITDA loss: HK$64 million).

INTERNET & MULTIMEDIA

- Turnover decreased by 21% to HK$340 million (2010: HK$433 million).

- EBITDA decreased by 31% to HK$127 million (2010: HK$184 million).

GROUP RESULTS

The Group loss attributable to Shareholders for the year ended December 31, 2011 amounted to HK$180 million, as compared to a loss of HK$267 million for 2010. Basic and diluted loss per share were both HK$0.09 (2010: HK$0.13).

DIVIDEND

The Board has resolved not to declare any dividend for the year ended December 31, 2011 (2010: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

A. Review of 2011 Results

Consolidated turnover was 5% higher year-on-year at HK$2,110 million.

Operating costs before depreciation increased by 2% to HK$2,031 million. Programming costs increased by 2% to HK$1,305 million due primarily to the European soccer leagues partly offset by expenses relating to 2010 FIFA World Cup, 2010 Asian Games and 2010 Winter Olympics which did not recur in 2011. Cost of sales increased by 67% to HK$92 million mainly due to acquisition of retail telephony business during the year. Selling, general and administrative and other operating expenses decreased by 6% to HK$409 million. Network expenses decreased by 3% to HK$225 million.

EBITDA increased to HK$78 million (2010: HK$5 million).

Loss after tax decreased to HK$179 million as compared to HK$267 million in 2010. Basic and diluted loss per share was HK$0.09 as compared to loss per share of HK$0.13 in 2010.

B. Segmental Information

Television

TV services customers increased by 5,000 in 2011 to 1,106,000 while turnover increased by 12% to HK$1,749 million, partly due to higher advertising income. Operating costs before depreciation increased by 3% to HK$1,680 million. EBITDA improved to HK$69 million from 2010's loss of HK$64 million.

Internet & Multimedia

Broadband services customers decreased by 9,000 in 2011 to 218,000. Turnover decreased by 21% to HK$340 million. Operating costs before depreciation decreased by 14% to HK$213 million. EBITDA decreased by 31% to HK$127 million (2010: HK$184 million).

On September 1, 2011, the Group took over ownership of i-CABLE Telecom Limited (iTL), together with its assets, business and staff. iTL was previously wholly owned by Wharf T&T Limited and provides fixed line telephony services to residential customers, primarily over i-CABLE's HFC network and under i-CABLE's brand and supervision. In the four months to

December 2011, Telephony services customers decreased by 6,000 to 149,000 and EBITDA of HK$14 million was included under the Internet and Multimedia segment.

C. Liquidity and Financial Resources

As of December 31, 2011, the Group had net cash of HK$338 million, as compared to HK$447 million at December 31, 2010.

The consolidated net asset value of the Group as at December 31, 2011 was HK$1,563 million, or HK$0.8 per share.

The Group's assets, liabilities, revenues and expenses were mainly denominated in Hong Kong dollars or U.S. dollars and the exchange rate between these two currencies has remained pegged.

Capital expenditure during 2011 amounted to HK$199 million, 20% lower than in 2010. Major items included HD set-top-boxes, eMTA, broadband network upgrade as well as TV production and broadcast facilities for HD channels.

The Group is comfortable with its present financial and liquidity position. Capital expenditure and new business development will be funded by cash generated from operations and, if needed, bank borrowings or other external sources of funds.

D. Contingent Liabilities

At December 31, 2011, there were contingent liabilities in respect of guarantees, indemnities and letters of awareness given by the Company on behalf of subsidiaries relating to overdraft and guarantee facilities provided by banks up to HK$206 million (2010: HK$12 million), of which HK$Nil (2010: HK$2 million) had been utilised by the subsidiaries.

E. Human Resources

Under the Group's established pay-for-performance policy, our dedicated and talented professional teams put in their best to further the Group's business objectives.

The Group had 2,829 employees at the end of 2011 (2010: 2,634). Total gross amount of salaries and related costs incurred in the corresponding period amounted to HK$709 million (2010: HK$712 million).

F. Competition and Operating Environment

The Group's efforts to sustain competitiveness and growth in the challenging operating environment bore fruit in 2011. This resulted in an improved loss position over the previous year.

During the year, effective marketing and promotional campaigns were executed to leverage our prized content and strong HD services. Initiatives were also taken to strengthen programming, improve service offerings, expand product diversity, introduce value-added services, streamline operations and effect infrastructure improvements to protect and expand our market share.

The period also saw a record high advertising turnover which, together with growth in our TV services customer base, helped boost this segment's revenue. Operating margin continued to come under considerable pressure in the face of competition and rising costs. This situation would likely remain a challenge for us in the foreseeable time ahead, as we continue to invest in and for the future.

G. Outlook

During the year, many businesses across Hong Kong benefited greatly from the strong local economy, a prosperous consumer market and the general "feel-good" factor among the population. Despite such favourable factors, however, an overly optimistic outlook for 2012 must be cautioned against.

Firstly, it remains to be seen how Hong Kong would fare in the year ahead with a host of external problems looming on the horizon. These include the sovereign debt crisis in Europe that seriously threatens to worsen, a tentative United States economy and signs of a less certain economy in China. Any of these alone would result in a considerable drag on Hong Kong's economy affecting the performance of businesses such as ours.

Competitive pressure is not expected to ease and operating costs will remain high across all business arms in 2012. Despite the past few years' significant increase in our Pay TV customer base, similar growth rates would be difficult to sustain in a fairly saturated Pay TV market in which operators not only have to compete among themselves but also have to deal with competition from the sharp increase in free TV channels and the vast amount of both legally licensed and illegally distributed programming on the new media. Our Broadband and Telephony businesses would continue to come under pressure from aggressively priced offers by both wire-line and mobile services competitors. All these factors will continue to drag the Company’s return to profitability.

The year of 2012 would see viewership, content and advertising spending being intensely vied for in a media marketplace becoming far more crowded than ever possibly conceived, with three new players applying for a licence to operate free TV services, more than a dozen digital audio channels hitting the air and a mobile TV operator commissioning services in addition to the incumbent electronic and print media already in the fray. More platforms and channels would push up programming acquisition and production costs whereas an even more intensified battle for viewers would mean higher cost of sales. And the fight for advertising spending would likely drive our per minute airtime sales rates down.

Despite such challenges, we would endeavour to strengthen our programming offers, enhance the effectiveness of our marketing initiatives, invest in service and infrastructure upgrades, introduce innovative value-added services for customers and explore ways outside traditional broadcasting means to unlock the full potential of our prized contents so as to drive customer and revenue growths.

CONSOLIDATED INCOME STATEMENT
For the year ended December 31, 2011

	Note	**2011** **HK$'000**	2010 HK$'000
Turnover	(3,4)	**2,109,558**	2,002,055
Programming costs		**(1,304,848)**	(1,273,649)
Network expenses		**(225,465)**	(233,314)
Selling, general and administrative and other operating expenses		**(408,898)**	(434,981)
Cost of sales		**(91,958)**	(55,206)
Profit from operations before depreciation		**78,389**	4,905
Depreciation	(5)	**(258,197)**	(253,778)
Loss from operations		**(179,808)**	(248,873)
Interest income		**826**	309
Finance costs, net		**(1,389)**	319
Impairment losses on investment		**-**	(1,649)
Non-operating (expenses)/income		**(2,860)**	670
Share of loss of associate		**-**	(41,078)
Loss before taxation	(5)	**(183,231)**	(290,302)
Income tax	(6)	**3,802**	23,414
Loss for the year		**(179,429)**	(266,888)
Attributable to:			
Equity shareholders of the Company		**(179,832)**	(267,366)
Non-controlling interests		**403**	478
Loss for the year		**(179,429)**	(266,888)
Loss per share	(8)		
Basic		**(8.9) cents**	(13.3) cents
Diluted		**(8.9) cents**	(13.3) cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended December 31, 2011

	Note	**2011 HK$'000**	2010 HK$'000
Loss for the year		**(179,429)**	(266,888)
Other comprehensive income for the year (after reclassification adjustments)	(7)		
Exchange difference on translation of foreign subsidiaries' financial statements		**(864)**	560
Available-for-sale securities: net movement in the fair value reserve		**-**	-
Share of post-acquisition reserve of associate		**-**	2,932
		(864)	3,492
Total comprehensive income for the year		**(180,293)**	(263,396)
Attributable to:			
Equity shareholders of the Company		**(180,837)**	(263,937)
Non-controlling interests		**544**	541
Total comprehensive income for the year		**(180,293)**	(263,396)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At December 31, 2011

	Note	**2011** **HK$'000**	2010 HK$'000
Non-current assets			
Property, plant and equipment		**1,074,806**	1,146,422
Programming library		**106,816**	113,587
Other intangible assets		**4,006**	4,006
Interest in associate		**-**	-
Deferred tax assets		**336,041**	343,145
Other non-current assets		**58,826**	110,989
		1,580,495	1,718,149
Current assets			
Inventories		**5,886**	5,641
Accounts receivable from trade debtors	(9)	**87,145**	67,383
Deposits, prepayments and other receivables		**161,752**	78,670
Amounts due from fellow subsidiaries		**901**	4,164
Cash and cash equivalents		**338,359**	446,682
		594,043	602,540
Current liabilities			
Amounts due to trade creditors	(10)	**93,397**	85,426
Accrued expenses and other payables		**197,861**	210,215
Receipts in advance and customers' deposits		**205,638**	174,844
Current taxation		**22**	1,791
Amounts due to fellow subsidiaries		**49,976**	28,234
Amount due to immediate holding company		**1,816**	1,816
		548,710	502,326
Net current assets		**45,333**	100,214
Total assets less current liabilities		**1,625,828**	1,818,363
Non-current liabilities			
Deferred tax liabilities		**53,708**	63,076
Other non-current liabilities		**9,307**	8,398
		63,015	71,474
NET ASSETS		**1,562,813**	1,746,889
Capital and reserves			
Share capital		**2,011,512**	2,011,512
Reserves		**(448,699)**	(267,862)
Total equity attributable to equity shareholders of the Company		**1,562,813**	1,743,650
Non-controlling interests		**-**	3,239
TOTAL EQUITY		**1,562,813**	1,746,889

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the year ended December 31, 2011

	Attributable to equity shareholders of the Company											
	Share capital HK$'000	**Share premium** HK$'000	**Special capital reserve** HK$'000	**Exchange reserve** HK$'000	**Capital redemption reserve** HK$'000	**Fair value reserve** HK$'000	**Revenue reserve** HK$'000	**Other reserve** HK$'000	**Total reserves** HK$'000	**Total** HK$'000	**Non-controlling interests** HK$'000	**Total equity** HK$'000
Balance at January 1, 2010*	2,011,512	4,838,365	13,944	4,158	7,722	-	(4,865,182)	(2,932)	(3,925)	2,007,587	2,698	2,010,285
Loss for the year	-	-	-	-	-	-	(267,366)	-	(267,366)	(267,366)	478	(266,888)
Other comprehensive income for the year	-	-	-	497	-	-	-	2,932	3,429	3,429	63	3,492
Total comprehensive income for the year	**-**	**-**	**-**	**497**	**-**	**-**	**(267,366)**	**2,932**	**(263,937)**	**(263,937)**	**541**	**(263,396)**
Transfer to special capital reserve	-	-	-	-	-	-	-	-	-	-	-	-
Balance at December 31, 2010*	2,011,512	4,838,365	13,944	4,655	7,722	-	(5,132,548)	-	(267,862)	1,743,650	3,239	1,746,889

* Included in the Group's revenue reserve is positive goodwill written off against reserves in prior years amounting to HK$197,785,000**.**

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (continued)
For the year ended December 31, 2011

	Attributable to equity shareholders of the Company											
	Share capital HK$'000	**Share premium** HK$'000	**Special capital reserve** HK$'000	**Exchange reserve** HK$'000	**Capital redemption reserve** HK$'000	**Fair value reserve** HK$'000	**Revenue reserve** HK$'000	**Other reserve** HK$'000	**Total reserves** HK$'000	**Total** HK$'000	**Non-controlling interests** HK$'000	**Total equity** HK$'000
Balance at January 1, 2011*	2,011,512	4,838,365	13,944	4,655	7,722	-	(5,132,548)	-	(267,862)	1,743,650	3,239	1,746,889
Loss for the year	-	-	-	-	-	-	(179,832)	-	(179,832)	(179,832)	403	(179,429)
Other comprehensive income for the year	-	-	-	(1,005)	-	-	-	-	(1,005)	(1,005)	141	(864)
Total comprehensive income for the year	**-**	**-**	**-**	**(1,005)**	**-**	**-**	**(179,832)**	**-**	**(180,837)**	**(180,837)**	**544**	**(180,293)**
Transfer to special capital reserve	-	-	19	-	-	-	(19)	-	-	-	-	-
Liquidation of a subsidiary	-	-	-	-	-	-	-	-	-	-	(3,783)	(3,783)
Balance at December 31, 2011*	2,011,512	4,838,365	13,963	3,650	7,722	-	(5,312,399)	-	(448,699)	1,562,813	-	1,562,813

* Included in the Group's revenue reserve is positive goodwill written off against reserves in prior years amounting to HK$197,785,000.

NOTES TO THE FINANCIAL STATEMENTS

(1) Basis of preparation

The financial statements for the year ended December 31, 2011 have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs") which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. They comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

(2) Impact of new and revised Hong Kong Financial Reporting Standards

The HKICPA has issued a number of amendments to HKFRSs and one new Interpretation that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's financial statements:

- HKAS 24 (revised 2009), *Related party disclosures*
- Improvements to HKFRSs (2010)
- HK(IFRIC) 19, *Extinguishing financial liabilities with equity instruments*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

HK(IFRIC) 19 has not yet had a material impact on the Group's financial statements as these changes will first be effective as and when the Group enters a relevant transaction.

The impacts of other developments are discussed below:

- HKAS 24 (revised 2009) revises the definition of a related party. As a result, the Group has re-assessed the identification of related parties and concluded that the revised definition does not have any material impact on the Group's related party disclosures in the current and previous period. HKAS 24 (revised 2009) also introduces modified disclosure requirements for government-related entities. This does not impact the Group because the Group is not a government-related entity.

- Improvements to HKFRSs (2010) omnibus standard introduces a number of amendments to the disclosure requirements in HKFRS 7, *Financial instruments: Disclosures*. These amendments do not have any material impact on the classification, recognition and measurements of the amounts recognised in the financial statements in the current and previous periods.

(3) Turnover

Turnover comprises principally subscription, service and related fees for Television and Internet (including Telephony) services. It also includes advertising income net of agency deductions, channel service and distribution fees, programme licensing income, film exhibition and distribution income, network maintenance income and other related income.

(4) Segment information

The Group managed its businesses according to the nature of services provided. Management has determined two reportable operating segments for measuring performance and allocating resources. The segments are Television and Internet and multimedia.

The Television segment includes operations related to the TV subscription business, advertising, channel carriage, TV relay service, programme licensing, network maintenance, and miscellaneous TV related businesses.

The Internet and Multimedia segment includes operations related to Broadband Internet access services, portal operation, mobile content licensing, Voice Over Internet Protocol voice / Telephony services as well as other Internet access related businesses.

Management evaluates performance primarily based on earnings before interest, taxation, depreciation, and amortisation ("EBITDA") and earnings before interest and taxation ("EBIT"). EBITDA has been introduced as part of reportable segment results in the current year. Comparative figures of reportable segment results have been adjusted to conform to current year's segment presentation. Management defines EBITDA to mean earnings before interest income, finance cost, impairment losses on investment, non-operating income/expenses, provision for income tax, depreciation of property, plant and equipment but after amortisation of programming rights.

Inter-segment pricing is generally determined at arm's length basis.

Segment assets principally comprise all tangible assets, intangible assets and current assets with the exception of interest in associate, investments in equity securities and deferred tax assets. Segment liabilities include all liabilities and borrowings directly attributable to and managed by each segment with the exception of current taxation and deferred tax liabilities.

In addition to receiving segment information concerning EBITDA and EBIT, management is provided with segment information concerning revenue (including inter-segment revenue).

(4) Segment information (continued)

Information regarding the Group's reportable segments as provided to the Group's senior management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2011 and 2010 is set out below:

	Television		Internet and multimedia		Unallocated		Total	
	2011 HK$'000	2010 HK$'000	**2011 HK$'000**	2010 HK$'000	**2011 HK$'000**	2010 HK$'000	**2011 HK$'000**	2010 HK$'000
Revenue from external customers	**1,737,460**	1,550,230	**338,825**	415,686	**33,273**	36,139	**2,109,558**	2,002,055
Inter-segment revenue	**11,331**	10,904	**1,072**	16,933	**7,110**	2,266	**19,513**	30,103
Reportable segment revenue	**1,748,791**	1,561,134	**339,897**	432,619	**40,383**	38,405	**2,129,071**	2,032,158
Reportable segment results ("EBITDA")	**68,816**	(63,608)	**126,561**	184,146	**(115,771)**	(114,928)	**79,606**	5,610
Reportable segment results ("EBIT")	**(94,658)**	(221,840)	**38,983**	96,375	**(122,916)**	(122,703)	**(178,591)**	(248,168)
Inter-segment elimination							**(1,217)**	(705)
Loss from operations							**(179,808)**	(248,873)
Interest income							**826**	309
Finance costs, net							**(1,389)**	319
Impairment losses on investment							**-**	(1,649)
Non-operating (expenses)/ income							**(2,860)**	670
Share of loss of associate							**-**	(41,078)
Income tax							**3,802**	23,414
Loss for the year							**(179,429)**	(266,888)

(4) Segment information (continued)

	Segment assets	
	2011	2010
	HK$'000	HK$'000
Television	**1,051,154**	1,051,955
Internet and multimedia	**419,707**	420,502
Unallocated assets	**366,553**	504,004
	1,837,414	1,976,461
Interest in associate	**-**	-
Deferred tax assets	**336,041**	343,145
Investments in equity securities	**1,083**	1,083
	2,174,538	2,320,689

	Segment liabilities	
	2011	2010
	HK$'000	HK$'000
Television	**341,639**	341,842
Internet and multimedia	**102,197**	87,237
Unallocated liabilities	**114,159**	79,854
	557,995	508,933
Current taxation	**22**	1,791
Deferred tax liabilities	**53,708**	63,076
	611,725	573,800

Geographical segments
No geographical segment information is shown as, during the periods presented, less than 10% of the Group's segment revenue, segment results and segment assets are derived from activities conducted outside Hong Kong.

(5) Loss before taxation

Loss before taxation is stated after charging/(crediting):

	2011	2010
	HK$'000	HK$'000
Depreciation		
- assets held for use under operating leases	**39,102**	20,261
- other assets	**219,095**	233,517
	258,197	253,778
Amortisation of programming library*	**82,752**	88,724
Impairment losses		
- trade and other receivables	**4,657**	5,924
- property, plant and equipment	**2,173**	1,221
- programming library	**4,785**	4,465
- investments in equity securities	**-**	1,649
Reversal of impairment losses on trade and other receivables	**(1,282)**	(1,429)
Salaries, wages and other benefits	**675,545**	679,160
Contributions to defined contribution retirement plans	**32,886**	32,636
Cost of inventories	**15,318**	12,923
Auditors' remuneration – audit service		
- charge for the year	**2,719**	2,488
- under-provision in respect of prior years	**187**	52
Net loss/(gain) on forward exchange contracts	**1,389**	(319)
Net loss/(gain) on disposal of property, plant and equipment	**2,860**	(670)

* Amortisation of programming library is under programming costs in the consolidated results of the Group.

(6) Income tax

The provision for Hong Kong Profits Tax is calculated at 16.5% (2010: 16.5%) of the estimated assessable profits for the year. Taxation for the overseas subsidiaries is charged at the appropriate rate of taxation ruling in the relevant countries. The income tax charge for the year ended December 31 represents:

	2011	2010
	HK$'000	HK$'000
Tax for the year – overseas	**(1,538)**	468
Net deferred tax credit	**(2,264)**	(23,882)
Income tax	**(3,802)**	(23,414)

(7) Other comprehensive income

Reclassification adjustments relating to components of other comprehensive income

	2011 HK$'000	2010 HK$'000
Available-for-sale securities:		
Changes in fair value recognised during the year	**-**	(1,649)
Reclassification adjustment for amounts transferred to profit or loss:		
- impairment losses	**-**	1,649
Net movement in the fair value reserve during the year recognised in other comprehensive income	**-**	-
Share of post-acquisition reserve of associate:		
Share of reserve movement of associate		-
Reclassification adjustment for amounts transferred to profit or loss:		
- share of loss of associate	**-**	2,932
Net movement in the share of post-acquisition reserve of associate during the year recognised in other comprehensive income	**-**	2,932
Exchange reserve:		
Exchange difference on translation of foreign subsidiaries' financial statements	**1,765**	560
Reclassification adjustment for amounts transferred to profit or loss:		
- liquidation of a subsidiary	**(2,629)**	-
Net movement in the exchange reserve during the year recognised in other comprehensive income	**(864)**	560

(8) Loss per share

The calculation of basic loss per share is based on the loss attributable to equity shareholders of the Company of HK$180 million (2010: HK$267 million) and the weighted average number of ordinary shares outstanding during the year of 2,011,512,400 (2010: 2,011,512,400).

The calculation of diluted loss per share is based on the loss attributable to equity shareholders of the Company of HK$180 million (2010: HK$267 million) and the weighted average number of ordinary shares of 2,011,512,400 (2010: 2,011,512,400) after adjusting for the effects of all dilutive potential ordinary shares.

(9) Accounts receivable from trade debtors

An ageing analysis of accounts receivable from trade debtors (net of allowance for doubtful debts) is set out as follows:

	2011	2010
	HK$'000	HK$'000
0 to 30 days	**24,106**	17,532
31 to 60 days	**22,337**	17,966
61 to 90 days	**18,861**	14,116
Over 90 days	**21,841**	17,769
	87,145	67,383

The Group has a defined credit policy. The general credit terms allowed range from 0 to 90 days.

(10) Amounts due to trade creditors

An ageing analysis of amounts due to trade creditors is set out as follows:

	2011	2010
	HK$'000	HK$'000
0 to 30 days	**14,999**	9,102
31 to 60 days	**24,271**	13,842
61 to 90 days	**21,504**	15,862
Over 90 days	**32,623**	46,620
	93,397	85,426

(11) Review of Financial Statements

The financial results for the year ended December 31, 2011 have been reviewed with no disagreement by the Audit Committee of the Company. This preliminary results announcement has been agreed by the Group's Auditor.

CODE ON CORPORATE GOVERNANCE PRACTICES

During the year ended December 31, 2011, all the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited were met by the Company, except in respect of one provision providing for the roles of chairman and chief executive officer to be performed by different individuals. The deviation is deemed necessary as, given the nature and size of the Company's business, it is at this stage considered more efficient to have one single person to hold both positions. The Board of Directors believes that the balance of power and authority is adequately ensured by the operations of the Board which comprises experienced and high calibre individuals, a substantial proportion thereof being Independent Non-executive Directors.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities of the Company during the year under review.

BOOK CLOSURE

The Register of Members of the Company will be closed from Monday, May 28, 2012 to Tuesday, May 29, 2012, both days inclusive, during which period no transfer of shares of the Company can be registered. In order to ascertain Shareholders' rights for the purpose of attending and voting at the forthcoming Annual General Meeting to be held on May 29, 2012, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Registrars, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, May 25, 2012.

By Order of the Board
Wilson W. S. Chan
Company Secretary

Hong Kong, March 12, 2012

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Stephen T. H. Ng, Mr. William J. H. Kwan and Mr. Paul Y. C. Tsui, together with four Independent Non-executive Directors, namely, Mr. T. K. Ho, Mr. Roger K. H. Luk, Mr. Patrick Y. W. Wu and Mr. Anthony K. K. Yeung.