

RESOURCES HOLDINGS LIMITED

(中建資源集團有限公司*)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 08163)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2009

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This announcement, for which the directors of CCT Resources Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to CCT Resources Holdings Limited. The directors of CCT Resources Holdings Limited, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

* For identification purpose only

CHAIRMAN'S LETTER

I am pleased to report that CCT Resources Holdings Limited (the "Company") and its subsidiaries (together the "Group") have achieved an important milestone in the year ended 31 March 2009 in transforming the business of the Group into an integrated natural resource business. In August 2008, the Group completed the acquisition of the 100% equity interest in Merdeka Timber Group Ltd. ("MTG") and since then the Group has entered into the upstream and downstream forestry operations. The forestry business is identified as a unique opportunity with highly favourable long-term prospect. The acquisition of the forestry business established a strong foothold of the Group in this new high growth market. We consider that the diversification into this new high growth potential business will improve the Group's earning base and asset quality.

In order to streamline its operations and focus on redirecting its resources into the more promising forestry business, the Company disposed of the loss-making e-commerce business (the "B2B Business") to an independent third party in September 2008 (the "Disposal"). We believe the Disposal is a sound strategic move to overhaul the corporate structure of the Group and demonstrates the Group's commitment to create value to our shareholders.

To signify the strategic business move of the Company, the Company has changed its name from "Tradeeasy Holdings Limited" to "CCT Resources Holdings Limited" and the adoption of the Chinese name "中建資源集團有限公司" to replace "易貿通集團有限公司" for identification purposes. The change of company name took effect on 22 September 2008.

The Group incurred a loss of approximately HK\$47,403,000 for the year ended 31 March 2009, which is considered as a year of transformation, due mainly to the charging of the non-cash imputed interest on the liability component of the convertible bonds and the start-up loss of the forestry business since its acquisition.

REVIEW OF OPERATIONS

During the year ended 31 March 2009, the Group was principally engaged in the B2B Business until the business was disposed in September 2008. The Group continues to be engaged in the trading business and has entered into the forestry business during the year under review.

B2B Business

The global financial tsunami originated from the United States (“US”) has created a serious credit crunch and a sudden squeeze in global consumption. As a result, export from China has dropped significantly, adversely affecting the SME exporters in Hong Kong and the People’s Republic of China (the “PRC”). Consequently, these SME manufacturers, which are the customers and the target customers of the B2B Business, have reduced their promotional budget and expenditure in their marketing related activities. Therefore, the B2B Business suffered a significant reduction in turnover during the year under review, partly due to the extremely difficult operating environment and partly due to the disposal of the B2B Business in September 2008.

The Disposal enables the Group to eliminate the loss-making B2B Business so that the Group can focus on the trading business and the newly acquired forestry business.

Forestry Business and the Trading Business

After completion of the acquisition of the forestry business in August 2008, the Group has entered into the forestry business and will be engaged, through MTG and its subsidiaries (the “MTG Group”) in the upstream operations of logging and harvest of timber in the natural forests with total areas of approximately 313,500 hectares in Papua, Indonesia. The natural forests in Papua are tropical forests which contain a variety of species of trees which can be produced into valuable hardwood and softwood timber products. The MTG Group will also be engaged in the downstream operations of producing timber and other wood products for export out of Indonesia. For good future of people and environment, the MTG Group aims to improve the forest area by replanting oil palm trees. The fruits and seeds of palm trees can be processed to produce palm oil, a kind of biofuel. Palm oil is renewable clean energy and its demand has been increasing due to commitment of most industrialized countries to reduce green house gas emissions.

Business plans have been drawn up and implemented according to schedule to develop and establish the forestry business. Logging and sawmill equipment has been acquired and experienced staff and workers have been hired. The timber operation is expected to start operations and generate revenue to the Group in the second half of 2009.

The Group has strived to grow its trading business which shows a significant growth of turnover in the year ended 31 March 2009. The trading business reported a small loss for the year ended 31 March 2009 due to adverse business environment.

Outlook

The financial turmoil has adversely affected the global economy. Despite the global economic downturn, the board of directors of the Company (the “Board”) is optimistic about its forestry business given the increasing price and global demand for timber and wood products. In consequence of huge demand of timber and wood products versus scarce supply, the price of timber and wood products are expected to maintain at a high level. We will dedicate more resources to the development and exploitation of the forestry business which is expected to become the major driver of growth in revenue and profitability of the Group in the future. The Board believes that the forestry business that the Group has acquired will have huge potential and good future trading prospect.

In view of the uncertain economic environment, the Group will continue to adopt measures to strengthen our financial position. Measures have been taken to control costs and capital expenditure across the forestry business and the trading business. The Board believes that the Group is heading on the right track. Leveraged on the Group’s competitive strength in its chosen fields, the Group is geared to reap its greater achievement in the upcoming years.

Appreciation

On behalf of the Board, I would like to express our gratitude to the shareholders, customers, suppliers, and professional advisors for their support over the past years, and to sincerely thank our management and staff for their dedication and diligence.

ANNUAL RESULTS

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

CONSOLIDATED INCOME STATEMENT

Year ended 31 March 2009

	<i>Notes</i>	2009 HK\$'000	2008 <i>HK\$'000</i>
CONTINUING OPERATIONS			
REVENUE	4	7,370	2,613
Cost of sales		<u>(7,030)</u>	<u>(2,080)</u>
Gross profit		340	533
Other income and gains		1,394	1,807
General and administrative expenses		(14,749)	(3,066)
Other expenses		(914)	–
Finance costs	6	<u>(29,902)</u>	<u>–</u>
LOSS BEFORE TAX	5	(43,831)	(726)
Tax	7	<u>–</u>	<u>–</u>
LOSS FOR THE YEAR FROM CONTINUING OPERATIONS		(43,831)	(726)
DISCONTINUED OPERATIONS			
Loss for the year from discontinued operations	10	<u>(3,572)</u>	<u>(8,651)</u>
LOSS FOR THE YEAR		<u>(47,403)</u>	<u>(9,377)</u>
Attributable to:			
Equity holders of the parent		(47,322)	(9,103)
Minority interests		<u>(81)</u>	<u>(274)</u>
		<u>(47,403)</u>	<u>(9,377)</u>
DIVIDEND	8	<u>–</u>	<u>–</u>
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	9		
Basic			
– For loss for the year		<u>(HK2.3 cents)</u>	<u>(HK0.9 cents)</u>
– For loss from continuing operations		<u>(HK2.1 cents)</u>	<u>(HK0.07 cents)</u>
Diluted			
– For loss for the year		<u>N/A</u>	<u>N/A</u>
– For loss from continuing operations		<u>N/A</u>	<u>N/A</u>

CONSOLIDATED BALANCE SHEET

31 March 2009

	<i>Notes</i>	2009 <i>HK\$'000</i>	2008 <i>HK\$'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		24,055	3,367
Forest concessions		833,801	–
Deferred development expenditure		–	4,929
Investments in an associate		–	410
Total non-current assets		857,856	8,706
CURRENT ASSETS			
Trade receivables	<i>11</i>	834	702
Financial assets at fair value through profit or loss		–	9,507
Prepayments, deposits and other receivables		3,280	11,318
Due from a related company		–	55
Cash and cash equivalents		145,349	37,303
Total current assets		149,463	58,885
CURRENT LIABILITIES			
Trade payables	<i>12</i>	817	–
Deferred service fees received in advance		–	3,318
Due to an associate		–	909
Other payables and accruals		6,990	5,525
Total current liabilities		7,807	9,752
NET CURRENT ASSETS		141,656	49,133
TOTAL ASSETS LESS CURRENT LIABILITIES		999,512	57,839
NON-CURRENT LIABILITIES			
Convertible bonds		523,557	–
Net assets		475,955	57,839
EQUITY			
Equity attributable to equity holders of the parent			
Issued capital		42,031	11,803
Reserves		391,837	46,040
		433,868	57,843
Minority interests		42,087	(4)
Total equity		475,955	57,839

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, which have been measured at fair value. These financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

2. PRINCIPAL ACCOUNTING POLICIES

The Group has adopted the following new interpretations and amendments to HKFRSs for the first time for the current year's financial statements. Except for in certain cases, giving rise to new and revised accounting policies and additional disclosures, the adoption of these new interpretations and amendments has had no significant effect on these financial statements.

HKAS 39 and HKFRS 7 Amendments	Amendments to HKAS 39 <i>Financial Instruments: Recognition and Measurement</i> and HKFRS 7 <i>Financial Instruments: Disclosures – Reclassification of Financial Assets</i>
HK(IFRIC)-Int 12	<i>Service Concession Arrangements</i>
HK(IFRIC)-Int 14	HKAS 19 – <i>The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction</i>

The principal effects of adopting these new interpretations and amendments to HKFRSs are as follows:

(a) *Amendments to HKAS 39 Financial Instruments: Recognition and Measurement and HKFRS 7 Financial Instruments: Disclosures – Reclassification of Financial Assets*

The amendments to HKAS 39 permit an entity to reclassify a non-derivative financial asset classified as held for trading, other than a financial asset designated by an entity as at fair value through profit or loss upon initial recognition, out of the fair value through profit or loss category if the financial asset is no longer held for the purpose of selling or repurchasing in the near term, if specified criteria are met.

A debt instrument that would have met the definition of loans and receivables (if it had not been required to be classified as held for trading at initial recognition) may be classified out of the fair value through profit or loss category or (if it had not been designated as available for sale) may be classified out of the available-for-sale category to the loans and receivables category if the entity has the intention and ability to hold it for the foreseeable future or until maturity.

In rare circumstances, financial assets that are not eligible for classification as loans and receivables may be transferred from the held-for-trading category to the available-for-sale category or to the held-to-maturity category (in the case of a debt instrument), if the financial asset is no longer held for the purpose of selling or repurchasing in the near term.

The financial asset shall be reclassified at its fair value on the date of reclassification and the fair value of the financial asset on the date of reclassification becomes its new cost or amortised cost, as applicable. The amendments to HKFRS 7 require extensive disclosures of any financial asset reclassified in the situations described above. The amendments are effective from 1 July 2008.

As the Group has not reclassified any of its financial instruments, the amendments have had no impact on the financial position or results of operations of the Group.

(b) *HK(IFRIC)-Int 12 Service Concession Arrangements*

HK(IFRIC)-Int 12 applies to service concession operators and explains how to account for the obligations undertaken and the rights received in service concession arrangements. No member of the Group is an operator and, therefore, this interpretation has had no impact on the financial position or results of operations of the Group.

(c) *HK(IFRIC)-Int 14 HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*

HK(IFRIC)-Int 14 addresses how to assess the limit under HKAS 19 *Employee Benefits*, on the amount of a refund or a reduction in future contributions in relation to a defined benefit scheme that can be recognised as an asset, including situations when a minimum funding requirement exists. As the Group has no defined benefit scheme, the interpretation has had no effect on these financial statements.

3. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

The Group's operating businesses are structured and managed separately according to the nature of their operations and the services they provide. Each of the Group's business segments represents a strategic business unit that offers services which are subject to risks and returns that are different from those of the other business segments. Summary details of the business segments are as follows:

- (a) the trading business segment engages in the trading of products, components and accessories;
- (b) the forestry business segment engages in logging of trees, the operations of sawmills and the processing, production and export of sawn timbers, and other timber and wood products; and
- (c) the provision of e-commerce services (the "B2B Business") segment comprises the provision of on-line and off-line integrated marketing solutions services, application service provider services and technical consultancy services (discontinued during the year).

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers.

(a) Business segments

The following table presents revenue and result information for the Group's business segments for the years ended 31 March 2009 and 2008.

	Continuing operations						Discontinued operations		Consolidated	
	Trading business		Forestry business		Total		B2B Business		Consolidated	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue:										
Revenue derived from external customers	<u>7,370</u>	<u>2,613</u>	<u>-</u>	<u>-</u>	<u>7,370</u>	<u>2,613</u>	<u>15,302</u>	<u>38,601</u>	<u>22,672</u>	<u>41,214</u>
Segment results	<u>(160)</u>	<u>(198)</u>	<u>(12,518)</u>	<u>-</u>	<u>(12,678)</u>	<u>(198)</u>	<u>(3,713)</u>	<u>(8,639)</u>	<u>(16,391)</u>	<u>(8,837)</u>
Interest income									407	355
Share of profits and losses of an associate									141	(12)
Unallocated revenue									932	1,569
Unallocated expenses									<u>(32,492)</u>	<u>(2,452)</u>
Loss before tax									<u>(47,403)</u>	<u>(9,377)</u>
Tax									<u>-</u>	<u>-</u>
Loss for the year									<u>(47,403)</u>	<u>(9,377)</u>

(b) Geographical segments

The following table presents revenue information for the Group's geographical segments for the years ended 31 March 2009 and 2008.

	Hong Kong		Mainland China		Consolidated	
	2009	2008	2009	2008	2009	2008
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue:						
Revenue derived from external customers	<u>17,802</u>	<u>27,013</u>	<u>4,870</u>	<u>14,201</u>	<u>22,672</u>	<u>41,214</u>
Attributable to the discontinued operations	<u>(10,432)</u>	<u>(24,400)</u>	<u>(4,870)</u>	<u>(14,201)</u>	<u>(15,302)</u>	<u>(38,601)</u>
Revenue derived from the continuing operations	<u>7,370</u>	<u>2,613</u>	<u>-</u>	<u>-</u>	<u>7,370</u>	<u>2,613</u>

4. REVENUE

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold and the value of services rendered during the year.

An analysis of revenue is as follows:

		2009	2008
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<u>Revenue</u>			
Sale of goods attributable to the continuing trading business		7,370	2,613
Rendering of services attributable to the discontinued B2B Business	<i>10</i>	<u>15,302</u>	<u>38,601</u>
		<u>22,672</u>	<u>41,214</u>

5. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging:

		2009	2008
		<i>HK\$'000</i>	<i>HK\$'000</i>
Depreciation		1,251	1,368
Amortisation of deferred development expenditure		<u>235</u>	<u>1,461</u>

6. FINANCE COSTS

		2009	2008
		<i>HK\$'000</i>	<i>HK\$'000</i>
Interest on convertible bonds		<u>29,902</u>	<u>–</u>

7. TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the year (2008: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

8. DIVIDEND

No dividend has been paid or declared by the Company during the year (2008: Nil).

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic loss per share amounts is based on the loss for the year attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the year.

The calculation of basic loss per share is based on:

	2009	2008
	<i>HK\$'000</i>	<i>HK\$'000</i>
<u>Loss</u>		
Loss attributable to ordinary equity holders of the parent:		
from continuing operations	(43,750)	(726)
from discontinued operations	(3,572)	(8,377)
	<u>(47,322)</u>	<u>(9,103)</u>
Number of shares		
<u>Shares</u>		
Weighted average number of ordinary shares in issue during the year	<u>2,037,203,795</u>	<u>1,069,319,000</u>

Diluted loss per share amounts for the years ended 31 March 2009 and 2008 have not been disclosed, as the convertible bonds and share options outstanding during these years had an anti-dilutive effect on the basic loss per share amounts for these years.

10. DISCONTINUED OPERATIONS

On 8 August 2008, the Company entered into a conditional sale and purchase agreement with an independent third party for the sale of B2B Business which includes the provision of on-line and off-line integrated marketing solutions and management automated services at a consideration of approximately HK\$12,000,000. The consideration was satisfied by way of cash.

The Disposal was completed on 23 September 2008. Thereafter, the Group discontinued the B2B Business.

The results of the B2B Business for the year are presented below:

	2009	2008
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	15,302	38,601
Cost of sales	(10,687)	(25,594)
Gross profit	4,615	13,007
Other income and gains	243	117
Selling and distribution costs	(1,443)	(3,070)
General and administrative expenses	(8,096)	(12,357)
Advertising and promotion expenses	(1,708)	(3,293)
Other expenses	(686)	(3,043)
Share of profits and losses of an associate	141	(12)
Loss before tax from the discontinued operations	(6,934)	(8,651)
Tax	—	—
Loss for the year from the discontinued operations	(6,934)	(8,651)
Gain on disposal of the discontinued operations	3,362	—
	<u>(3,572)</u>	<u>(8,651)</u>

The calculations of basic and diluted loss per share from the discontinued operations are based on:

	2009	2008
	HK\$'000	HK\$'000
Loss		
Loss attributable to ordinary equity holders of the parent from the discontinued operations	<u><u>(3,572)</u></u>	<u><u>(8,377)</u></u>
	Number of shares	
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic loss per share calculation	<u><u>2,037,203,795</u></u>	<u><u>1,069,319,000</u></u>

Diluted loss per share amounts for the years ended 31 March 2009 and 2008 have not been disclosed, as the convertible bonds and share options outstanding during these years had an anti-dilutive effect on the basic loss per share amounts for these years.

11. TRADE AND BILLS RECEIVABLES

An aged analysis of the trade receivables as at the balance sheet date, based on the invoice date and net of impairment, is as follows:

	Group			
	2009		2008	
	Balance	Percentage	Balance	Percentage
	HK\$'000		HK\$'000	
Current to 30 days	834	100	166	24
31 to 60 days	–	–	98	14
61 to 90 days	–	–	185	26
Over 90 days	–	–	253	36
	<u><u>834</u></u>	<u><u>100</u></u>	<u><u>702</u></u>	<u><u>100</u></u>

12. TRADE AND BILLS PAYABLES

An aged analysis of the trade payables as at the balance sheet date, based on the invoice date, is as follows:

	Group			
	2009		2008	
	Balance	Percentage	Balance	Percentage
	HK\$'000		HK\$'000	
Current to 30 days	<u><u>817</u></u>	<u><u>100</u></u>	–	–

FINANCIAL REVIEW

Highlights on Financial Results

	2009 <i>HK\$'000</i>	2008 <i>HK\$'000</i>	% increase/ (decrease)
Continuing operations:			
– Turnover	<u>7,370</u>	<u>2,613</u>	182.1%
– Loss before finance costs	<u>(13,929)</u>	<u>(726)</u>	1,818.6%
– Finance costs	<u>(29,902)</u>	<u>–</u>	N/A
Loss from the continuing operations	<u>(43,831)</u>	<u>(726)</u>	5,937.3%
Discontinued operations:			
– Turnover	<u>15,302</u>	<u>38,601</u>	(60.4%)
Loss from the discontinued operations	<u>(3,572)</u>	<u>(8,651)</u>	(58.7%)
LOSS FOR THE YEAR	<u>(47,403)</u>	<u>(9,377)</u>	405.5%

Discussion on Financial Results

During the year ended 31 March 2009, the Group's continuing operations reported a significant jump in turnover by 182.1% due to the increase in turnover of the trading business. The turnover of the Group's discontinued operations, however, decreased by 60.4% due to the unsatisfactory performance of the B2B Business.

The Group incurred a loss of approximately HK\$47,403,000 for the year ended 31 March 2009, as compared to a loss of approximately HK\$9,377,000 for the year ended 31 March 2008. The increase in loss was mainly due to (i) charging of non-cash imputed interest of approximately HK\$29,902,000 on the liability component of the zero coupon convertible bonds issued in August 2008 for the acquisition of the forestry business; (ii) inclusion of the start-up loss of the forestry business in the amount of approximately HK\$12,518,000 since its acquisition; and (iii) the operating loss from the discontinued B2B Business due to the global financial crisis and the worsening operating environment. The increased loss was partly offset by the realised gain of approximately HK\$3,362,000 arising from the Disposal.

Analysis by Business Segment

	Revenue		Operating loss before	
	(excluding other revenue)		finance costs and tax	
	2009	2008	2009	2008
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Continuing operations:				
– Trading business	7,370	2,613	(160)	(198)
– Forestry business	–	–	(12,518)	–
	<u>7,370</u>	<u>2,613</u>	<u>(12,678)</u>	<u>(198)</u>
Discontinued operations:				
– B2B Business	15,302	38,601	(6,934)	(8,651)
– Gain on disposal of B2B Business	–	–	3,362	–
	<u>15,302</u>	<u>38,601</u>	<u>(3,572)</u>	<u>(8,651)</u>

During the year ended 31 March 2009, the business segments of the Group comprise the continuing trading business and the forestry business and the discontinued B2B Business. Turnover of the Group's trading business increased by approximately 182.1% from approximately HK\$2,613,000 for the financial year ended 31 March 2008 to approximately HK\$7,370,000 for the financial year ended 31 March 2009 as a result of the Group's effort to grow the business. The trading business, however, incurred a small loss of HK\$160,000 under a difficult business environment.

As the forestry business was still in the start-up stage, no revenue from the forestry business was recorded in the financial year ended 31 March 2009. The forestry business incurred a loss of HK\$12,518,000 attributable to start-up costs and administration expenses since its acquisition.

Turnover of the Group's discontinued B2B Business decreased by approximately 60.4% from approximately HK\$38,601,000 for the financial year ended 31 March 2008 to approximately HK\$15,302,000 for the financial year ended 31 March 2009. The drop in turnover was caused by the global financial crisis which affected the B2B Business and the disposal of the B2B Business in September 2008. After setting off the gain on the Disposal, the operating loss of B2B Business was approximately HK\$3,572,000 for the financial year ended 31 March 2009.

Analysis by Geographical Segment

	Turnover				
	2009		2008		%
	Amount <i>HK\$'000</i>	Relative %	Amount <i>HK\$'000</i>	Relative %	increase/ (decrease)
Continuing operations:					
– Hong Kong	<u>7,370</u>	<u>100.0%</u>	<u>2,613</u>	<u>100.0%</u>	182.1%
	<u>7,370</u>	<u>100.0%</u>	<u>2,613</u>	<u>100.0%</u>	182.1%
Discontinued operations:					
– Hong Kong	10,432	68.2%	24,400	63.2%	(57.2%)
– Mainland China	<u>4,870</u>	<u>31.8%</u>	<u>14,201</u>	<u>36.8%</u>	(65.7%)
	<u><u>15,302</u></u>	<u><u>100.0%</u></u>	<u><u>38,601</u></u>	<u><u>100.0%</u></u>	(60.4%)

During the year ended 31 March 2009, all the turnover of the Group's continuing operations attributable to the trading business was derived from Hong Kong. On the other hand, for the year ended 31 March 2009, approximately 68.2% (2008: 63.2%) of total sales of the discontinued operations attributable to the B2B Business was derived from Hong Kong and the remaining 31.8% (2008: 36.8%) of the turnover of the B2B Business was derived from the mainland of the PRC.

Highlights on Financial Position

	As at 31 March		
	2009 <i>HK\$'000</i>	2008 <i>HK\$'000</i>	% increase/ (decrease)
Property, plant and equipment	24,055	3,367	614.4%
Forest concessions	833,801	–	N/A
Deferred development expenditure	–	4,929	(100.0%)
Cash and cash equivalents	145,349	37,303	289.6%
Convertible bonds (liability portion)	523,557	–	N/A
Minority interests	42,087	(4)	N/A
Shareholders' funds	<u><u>433,868</u></u>	<u><u>57,843</u></u>	<u><u>650.1%</u></u>

Discussion on Financial Position

The book value of the property, plant and equipment increased from approximately HK\$3,367,000 as at 31 March 2008 to approximately HK\$24,055,000 as at 31 March 2009, attributable mainly to purchase of machineries and equipment in relation to the forestry business during the year less the disposal of the fixed assets of the discontinued B2B Business.

The forest concessions amounted to approximately HK\$833,801,000 as at 31 March 2009 which represents the estimated fair value of the concessions acquired.

The deferred development expenditure as at 31 March 2008 represented the capitalised expenditure in relation to the B2B Business and was charged to the consolidated income statement of the Group during the year ended 31 March 2009 in calculating the net gain derived from the Disposal.

The cash and cash equivalents of the Group increased from approximately HK\$37,303,000 as at 31 March 2008 to approximately HK\$145,349,000 as at 31 March 2009. The increase was mainly due to the proceeds of HK\$138,840,000 received from the subscription of the convertible bonds by Manistar Enterprises Limited (“Manistar”), the Company’s substantial shareholder less the outflows for the Group’s continuing operations.

The convertible bonds of approximately HK\$523,557,000 represents the liability component of the outstanding convertible bonds which had not been converted as at 31 March 2009. These convertible bonds were issued as part of the consideration to acquire the forestry business in August 2008. No such convertible bonds were issued in the last corresponding year.

The change in the Group’s minority interests was due to the inclusion of the minority shareholders’ interest in certain subsidiaries of the MTG Group after the completion of the acquisition of the forestry business.

The Group’s shareholders’ funds increased from approximately HK\$57,843,000 as at 31 March 2008 to HK\$433,868,000 as at 31 March 2009. The increase in the shareholders’ funds was mainly due to (i) the issue of new shares of the Company upon conversion of the convertible bonds during the year ended 31 March 2009; (ii) the inclusion of the equity component of the convertible bonds as at 31 March 2009; and (iii) less the loss of the Group for the year ended 31 March 2009.

Capital Structure and Gearing Ratio

	31 March 2009		31 March 2008	
	Amount <i>HK\$'000</i>	Relative %	Amount <i>HK\$'000</i>	Relative %
Convertible bonds (liability component)	<u>523,557</u>	<u>54.7%</u>	<u>–</u>	<u>–</u>
Total borrowings	<u>523,557</u>	<u>54.7%</u>	<u>–</u>	<u>–</u>
Equity	<u>433,868</u>	<u>45.3%</u>	<u>57,843</u>	<u>100.0%</u>
Total capital employed	<u><u>957,425</u></u>	<u><u>100.0%</u></u>	<u><u>57,843</u></u>	<u><u>100.0%</u></u>

The Group's gearing ratio was approximately 54.7% as at 31 March 2009 (31 March 2008: nil). The sharp increase in the gearing ratio was due to the issue to Merdeka Commodities Limited ("MCL") of the zero coupon convertible bonds with an nominal value of HK\$776,880,000 (the "MCL Convertible Bonds") as part of the consideration to acquire the forestry business through the acquisition of equity interest of MTG and the issue to Manistar of the zero coupon convertible bonds with an nominal value of HK\$138,840,000 (the "Manistar Convertible Bonds") to provide funds for the development and operations of the forestry business. Manistar is a wholly-owned subsidiary of CCT Telecom Holdings Limited ("CCT Telecom"), which is the Company's substantial shareholder and whose shares are listed on the Main Board of the Stock Exchange. The total amount of the liability component of the MCL Convertible Bonds and the Manistar Convertible Bonds as at the issue date of 12 August 2008 was HK\$742,285,000. Both the MCL Convertible Bonds and the Manistar Convertible Bonds are interest free, have a maturity date of 12 August 2011 and are convertible into shares of the Company at the initial conversion price of HK\$0.1 per share (subject to adjustment according to the terms of the convertible bonds).

During the year ended 31 March 2009, the MCL Convertible Bonds with an aggregate principal amount of HK\$160,000,000 were converted into 1,600,000,000 shares of the Company. The outstanding principal amount of the MCL Convertible Bonds as at 31 March 2009 was HK\$616,880,000.

During the year ended 31 March 2009, all the Manistar Convertible Bonds with an aggregate principal amount of HK\$138,840,000 were fully converted into 1,388,400,000 shares of the Company. As the Manistar Convertible Bonds have been fully converted, there was no Manistar Convertible Bonds outstanding as at 31 March 2009.

As the conversion price of the MCL Convertible Bonds is still below the current market price of the Company's share, it is likely that the balance of the MCL Convertible Bonds will be converted into shares of the Company and thus relieving the obligations of the Company to repay the MCL Convertible Bonds. Other than the convertible bonds, the Group has no other borrowings.

As at 31 March 2009, the maturity profile of all the convertible bonds of the Group is falling due in the second to the fifth year. There was no material effect of seasonality on the Group's borrowing requirements.

Liquidity and Financial Resources

	31 March 2009 HK\$'000	31 March 2008 HK\$'000
Current assets	149,463	58,885
Current liabilities	<u>7,807</u>	<u>9,752</u>
Current ratio	<u>1,914.5%</u>	<u>603.8%</u>

The Group's current ratio as at 31 March 2009 was 1,914.5% (31 March 2008: 603.8%). This strong liquid position was attributable mainly to the proceeds derived from the issue of the Manistar Convertible Bonds in order to provide funds for the development and operations of the forestry business.

As at 31 March 2009, the Group's total cash balance amounted to approximately HK\$145,349,000 (31 March 2008: HK\$37,303,000). Almost all of the Group's cash was placed on Hong Kong dollar deposits with licensed banks in Hong Kong. The ample cash balance provided sufficient cash resources to the Group to cover all cash requirements, including working capital and capital expenditure needs.

Foreign currency exposure

The Group's reporting currency is in Hong Kong dollars. During the year ended 31 March 2009, most of the transactions, assets and liabilities of the Group were denominated in Hong Kong dollars, Renminbi, US dollars and Indonesian Rupiah. During the year ended 31 March 2009, since a substantial part of the receipts and payments of the discontinued B2B Business were denominated in Renminbi, the net Renminbi exposure of the Group was not significant. Following the Disposal, the Group's exposure to Renminbi is therefore very insignificant.

During the year ended 31 March 2009, most of the transactions of the Group's forestry business were denominated in Hong Kong dollars, Indonesian Rupiah or US dollars. As the Hong Kong dollar remains pegged to the US dollar, the exchange fluctuation of the US dollar against the Hong Kong dollar was not significant during the year ended 31 March 2009. As such, the forestry business did not have any significant exposure to foreign exchange risk during the year under review as the timber operation was still in the start-up stage.

The Board considers that the Group's exposure to foreign exchange risk is not significant at present and therefore, no hedging transaction was entered into during the year.

Contingent liabilities

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

Acquisition and disposal of subsidiaries and affiliated companies

Save for the acquisition of the MTG Group in August 2008 and the disposal of the B2B Business in September 2008, the Group did not acquire or dispose of any material subsidiaries and associates for the year ended 31 March 2009.

Significant investments

Save for the acquisition of the MTG Group and its forestry project, the Group did not acquire or hold any significant investment during the year ended 31 March 2009.

Pledge of assets

As at 31 March 2009, the Group did not have any pledge of assets.

Capital commitments

The outstanding capital commitments authorized but not contracted for by the Group in the accounts amounted to approximately HK\$19,562,000 (31 March 2008: Nil) as at 31 March 2009, which was mainly related to capital expenditure for the forestry business of the Group and all of which will be funded by internal resources.

Employees and Remuneration Policy

As at 31 March 2009, the Group employed 124 staff (31 March 2008: 233). Remuneration packages are normally reviewed on an annual basis. Apart from salary payments, other staff benefits include provident fund contributions, medical insurance coverage and performance related bonuses. Share options may also be granted to eligible employees and persons of the Group. At 31 March 2009, there were outstanding share options of approximately 68,500,000 (31 March 2008: 104,900,000).

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 March 2009, the directors and the chief executive of the Company and/or any of their respective associates had the following interests and short positions in the shares, underlying shares and debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or Rule 5.46 of the GEM Listing Rules:

(a) Interests and short positions in the shares and the underlying shares of the share options of the Company as at 31 March 2009

(i) Long positions in the shares of the Company:

Name of director	Number of the shares interested and nature of interest			Approximate percentage of the total issued share capital (%)
	Personal	Corporate	Total	
Mak Shiu Tong, Clement (<i>Note</i>)	19,344,000	2,031,764,070	2,051,108,070	48.80
Tam Ngai Hung, Terry	7,500,000	–	7,500,000	0.18
Fung Hoi Wing, Henry	550,000	–	550,000	0.01
Lau Ho Wai, Lucas	950,000	–	950,000	0.02
Ma Hang Kon, Louis (<i>appointed on 3 October 2008</i>)	1,180,000	–	1,180,000	0.03

Note: Included in the shareholdings in which Mr. Mak Shiu Tong, Clement was interested, 2,031,764,070 shares of the Company were held by Manistar (an indirect wholly-owned subsidiary of CCT Telecom). Mr. Mak Shiu Tong, Clement is deemed to be interested in such shares of the Company under the SFO as he is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of CCT Telecom. The interest of Mr. Mak Shiu Tong, Clement in these shares of the Company has also been disclosed under the section headed "Substantial Shareholders' Interests in Shares and Underlying Shares of the Company" below.

(ii) Long positions in the underlying shares of the share options of the Company:

Name of director	Date of grant of the share options	Exercise period of the share options	Exercise price per share <i>HK\$</i>	Number of the share options outstanding	Number of the underlying shares	Approximate percentage of the total issued share capital (%)
Mak Shiu Tong, Clement	14/8/2006	14/8/2006 – 13/8/2011	0.038	22,500,000	22,500,000	0.54
Tam Ngai Hung, Terry	14/8/2006	14/8/2006 – 13/8/2011	0.038	18,000,000	18,000,000	0.43
Cheng Yuk Ching, Flora	14/8/2006	14/8/2006 – 13/8/2011	0.038	5,000,000	5,000,000	0.12
William Donald Putt	14/8/2006	14/8/2006 – 13/8/2011	0.038	5,000,000	5,000,000	0.12
Ma Hang Kon, Louis <i>(appointed on 3 October 2008)</i>	6/10/2008	6/4/2009 – 13/8/2011	0.195	5,000,000	5,000,000	0.12
	6/10/2008	6/10/2009 – 13/8/2011	0.195	5,000,000	5,000,000	0.12
Chan Hoi Tung, Tony <i>(appointed on 13 November 2008)</i>	14/11/2008	14/5/2009 – 13/8/2011	0.116	4,000,000	4,000,000	0.10
	14/11/2008	14/11/2009 – 13/8/2011	0.116	4,000,000	4,000,000	0.10

(b) Interests and short positions in the shares and the underlying shares of an associated corporation – CCT Telecom as at 31 March 2009

Long positions in the shares of CCT Telecom:

Name of director	Number of the shares interested and nature of interest			Total	Approximate percentage of the total issued share capital (%)
	Personal	Family	Corporate		
Mak Shiu Tong, Clement <i>(Note 1)</i>	715,652	–	294,775,079	295,490,731	45.11
Tam Ngai Hung, Terry	500,000	–	–	500,000	0.08
Cheng Yuk Ching, Flora <i>(Note 2)</i>	14,076,713	160,000	–	14,236,713	2.17
William Donald Putt	591,500	–	–	591,500	0.09

Notes:

- Included in the shareholdings in which Mr. Mak Shiu Tong, Clement was interested, an aggregate of 294,775,079 shares of CCT Telecom were held by Capital Force International Limited, New Capital Industrial Limited and Capital Winner Investments Limited, all of which are corporations wholly-owned by him, his spouse and his two sons. Mr. Mak Shiu Tong, Clement is deemed to be interested in such shares of CCT Telecom under the SFO as he is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of Capital Force International Limited, New Capital Industrial Limited and Capital Winner Investments Limited.*
- Included in the shareholdings in which Ms. Cheng Yuk Ching, Flora was interested, 160,000 shares of CCT Telecom were held by the spouse of Ms. Cheng Yuk Ching, Flora, who is deemed to be interested in such shares of CCT Telecom under the provisions of Part XV of the SFO or Rule 5.46 of the GEM Listing Rules.*

(c) Interests and short positions in the shares and the underlying shares of an associated corporation – CCT Tech International Limited (“CCT Tech”) as at 31 March 2009

Long positions in the shares of CCT Tech:

Name of director	Number of the shares interested and nature of interest			Approximate percentage of the total issued share capital (%)
	Personal	Corporate	Total	
Mak Shiu Tong, Clement <i>(Note)</i>	120,000,000	33,026,391,124	33,146,391,124	50.67
Tam Ngai Hung, Terry	20,000,000	–	20,000,000	0.03
Cheng Yuk Ching, Flora	18,000,000	–	18,000,000	0.03

Note: Included in the shareholdings in which Mr. Mak Shiu Tong, Clement was interested, 33,026,391,124 shares of CCT Tech were held by CCT Telecom through its indirect wholly-owned subsidiaries. Mr. Mak Shiu Tong, Clement is deemed to be interested in such shares of CCT Tech under the SFO as he is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of CCT Telecom.

Save as disclosed above, as at 31 March 2009, none of the directors and the chief executive of the Company and/or any of their respective associates had any interest and short position in the shares, underlying shares and debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or Rule 5.46 of the GEM Listing Rules.

DIRECTORS’ RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the sections headed “Directors’ Interests in Shares and Underlying Shares” above and “Share Option Scheme” below, at no time during the year was the Company, or any of its subsidiaries or associated corporations, a party to any arrangement to enable the directors of the Company (including their respective spouse and children under 18 years of age) to acquire benefits by means of the acquisition of the shares or underlying shares in, or debentures of, the Company or any of its associated corporations.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 March 2009, the following persons had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO:

(i) Long positions in the shares of the Company as at 31 March 2009:

Name of shareholder	Capacity and nature of interest	Notes	Number of the shares interested	Approximate percentage of the total issued share capital (%)
MCL	Directly beneficially owned		700,000,000	16.65
Merdeka Finance Group Limited	Through a controlled corporation	(1)	700,000,000	16.65
Lai Wing Hung	Directly beneficially owned and through a controlled corporation	(1) and (2)	775,000,000	18.44
Manistar	Directly beneficially owned		2,031,764,070	48.34
CCT Telecom Securities Group Limited	Through a controlled corporation	(3)	2,031,764,070	48.34
CCT Telecom	Through a controlled corporation	(3)	2,031,764,070	48.34
Mak Shiu Tong, Clement	Directly beneficially owned and through a controlled corporation	(4)	2,051,108,070	48.80

Notes:

- (1) *The shares were held by MCL, a subsidiary of Merdeka Finance Group Limited which is deemed to be interested in such shares under the SFO as it is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of MCL.*
- (2) *Included in the shareholdings in which Mr. Lai Wing Hung was interested, 700,000,000 shares of the Company were held by MCL. Mr. Lai Wing Hung is deemed to be interested in such shares under the SFO as he is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of Merdeka Finance Group Limited. The remaining 75,000,000 shares in the Company were beneficially owned by Mr. Lai Wing Hung.*
- (3) *The shares were held by Manistar, which is wholly-owned by CCT Telecom Securities Group Limited which in turn is a wholly-owned subsidiary of CCT Telecom.*
- (4) *Included in the shareholdings in which Mr. Mak Shiu Tong, Clement was interested, 2,031,764,070 shares of the Company were held by Manistar. Mr. Mak Shiu Tong, Clement is deemed to be interested in such shares under the SFO as he is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of CCT Telecom. The remaining 19,344,000 shares in the Company were beneficially owned by Mr. Mak Shiu Tong, Clement.*

(ii) Long positions in the underlying shares of the share options of the Company as at 31 March 2009:

Name of the holder of the share options	Date of grant of the share options	Exercise period of the share options	Exercise price per share HK\$	Number of the share options outstanding	Number of the underlying shares	Approximate percentage of the total issued share capital (%)
Mak Shiu Tong, Clement	14/8/2006	14/8/2006 – 13/8/2011	0.038	22,500,000	22,500,000	0.54

(iii) Long positions in the underlying shares of the convertible bonds of the Company as at 31 March 2009:

Name of the holder of the convertible bonds	Description of equity derivatives	Principal amount of the convertible bonds HK\$	Number of the underlying shares	Approximate percentage of the total issued share capital (%)
MCL	MCL Convertible Bonds (Note)	616,880,000	6,168,800,000	146.77
Merdeka Finance Group Limited	MCL Convertible Bonds (Note)	616,880,000	6,168,800,000	146.77
Lai Wing Hung	MCL Convertible Bonds (Note)	616,880,000	6,168,800,000	146.77

Note: The MCL Convertible Bonds with an outstanding principal amount of HK\$616,880,000 as at 31 March 2009, were issued by the Company to MCL on 12 August 2008 following the completion of the agreement entered into amongst the Company, MCL and MTG in connection with the acquisition and subscription by the Company of the shares in MTG representing 100% shareholding in MTG on that date. The MCL Convertible Bonds, due on 12 August 2011, are interest-free and convertible into the shares of the Company (subject to conversion restrictions and conversion lock-up provisions pursuant to the MCL Convertible Bonds) at the conversion price of HK\$0.10 per share of the Company (subject to adjustments pursuant to the MCL Convertible Bonds). Merdeka Finance Group Limited is deemed to be interested in such underlying shares of the Company under the SFO as it is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of MCL. Mr. Lai Wing Hung is deemed to be interested in such underlying shares of the Company under the SFO as he is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of Merdeka Finance Group Limited.

Save as disclosed above, as at 31 March 2009, there were no other persons who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

SHARE OPTION SCHEME

The share option scheme of the Company (the “Share Option Scheme”) was effective on 7 March 2002. Unless otherwise cancelled or amended, the Share Option Scheme will remain in force for a period of 10 years from the date of its adoption. As at 31 March 2009, there were 68,500,000 share options outstanding under the Share Option Scheme. Based on these outstanding share options, the total number of shares available for issue is 68,500,000, which represents approximately 1.63% and 1.63% of the total issued share capital of the Company as at 31 March 2009 and the date of this announcement respectively.

Details of the movements of the share options under the Share Option Scheme during the year were as follows:

Name or category of the participant	Number of share options					Outstanding as at 31 March 2009	Date of grant of the share options	Exercise period of the share options	Exercise price of the share options* HK\$ per share
	Outstanding as at 1 April 2008	Granted during the year	Exercised during the year	Expired during the year	Forfeited during the year				
Executive directors									
Mak Shiu Tong, Clement	45,000,000	–	(22,500,000)	–	–	22,500,000	14/8/2006	14/8/2006 – 13/8/2011	0.038
Tam Ngai Hung, Terry	28,000,000	–	(10,000,000)	–	–	18,000,000	14/8/2006	14/8/2006 – 13/8/2011	0.038
Cheng Yuk Ching, Flora	5,000,000	–	–	–	–	5,000,000	14/8/2006	14/8/2006 – 13/8/2011	0.038
William Donald Putt	5,000,000	–	–	–	–	5,000,000	14/8/2006	14/8/2006 – 13/8/2011	0.038
Ma Hang Kon, Louis (appointed on 3 October 2008)	–	5,000,000	–	–	–	5,000,000	6/10/2008	6/4/2009 – 13/8/2011	0.195
	–	5,000,000	–	–	–	5,000,000	6/10/2008	6/10/2009 – 13/8/2011	0.195
Chan Hoi Tung, Tony (appointed on 13 November 2008)	–	4,000,000	–	–	–	4,000,000	14/11/2008	14/5/2009 – 13/8/2011	0.116
	–	4,000,000	–	–	–	4,000,000	14/11/2008	14/11/2009 – 13/8/2011	0.116
	<u>83,000,000</u>	<u>18,000,000</u>	<u>(32,500,000)</u>	<u>–</u>	<u>–</u>	<u>68,500,000</u>			

Number of share options

Name or category of the participant	Number of share options					Outstanding as at 31 March 2009	Date of grant of the share options	Exercise period of the share options	Exercise price of the share options* HK\$ per share
	Outstanding as at 1 April 2008	Granted during the year	Exercised during the year	Expired during the year	Forfeited during the year				
Independent non-executive directors									
Lam Kin Kau, Mark	950,000	-	(950,000)	-	-	-	14/8/2006	14/8/2006 – 13/8/2011	0.038
Lau Ho Wai, Lucas	950,000	-	(950,000)	-	-	-	14/8/2006	14/8/2006 – 13/8/2011	0.038
	1,900,000	-	(1,900,000)	-	-	-			
Others									
In aggregate	20,000,000	-	-	(20,000,000)	-	-	22/4/2003	23/6/2003 – 22/6/2008	0.037
	20,000,000	-	-	(20,000,000)	-	-			
	104,900,000	18,000,000	(34,400,000)	(20,000,000)	-	68,500,000			

Note to the reconciliation of the share options outstanding as at 31 March 2009:

* *The exercise price of the share options is subject to adjustment in the case of capitalisation issue, rights issue, subdivision or consolidation of shares of the Company, or other similar changes in the Company's share capital.*

The closing market price of the shares of the Company immediately before the date of grant in relation to the share options exercisable during the period from 14 August 2006 to 13 August 2011 as quoted in the Stock Exchange's daily quotation sheets was HK\$0.039.

The closing market price of the shares of the Company immediately before the date of grant in relation to the share options exercisable during the period from 6 April 2009 to 13 August 2011 and from 6 October 2009 to 13 August 2011 as quoted in the Stock Exchange's daily quotation sheets was HK\$0.185.

The closing market price of the shares of the Company immediately before the date of grant in relation to the share options exercisable during the period from 14 May 2009 to 13 August 2011 and from 14 November 2009 to 13 August 2011 as quoted in the Stock Exchange's daily quotation sheets was HK\$0.112.

As at 31 March 2009, the Company had 68,500,000 share options outstanding under the Share Option Scheme. The exercise in full of the remaining share options would, under the present capital structure of the Company, result in the issue of 68,500,000 additional ordinary shares of the Company, additional share capital of HK\$685,000 and share premium of HK\$4,112,000 (before the share issue expenses).

At the date of approval of these consolidated financial statements, no share options were exercised subsequent to the balance sheet date. The number of share options outstanding under the Share Option Scheme as at the date of approval of these consolidated financial statements was 68,500,000, which represents approximately 1.63% of the Company's shares in issue as at that date.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has always recognised the importance of the shareholders of the Company's (the "Shareholders") transparency and accountability. It is the belief of the Board that the Shareholders can maximise their benefits from good corporate governance. The Company is committed to maintaining and ensuring high standards of corporate governance in the interests of the Shareholders.

Throughout the financial year ended 31 March 2009, the Board has reviewed the Group's corporate governance practices and is satisfied that the Company has complied with the code provisions under the Code on Corporate Governance Practices (the "Code") set out in Appendix 15 to the GEM Listing Rules, except for the following deviations from the code provisions of the Code:

Code Provision A.2.1

There was no separation of the roles of chairman and chief executive officer as set out in the Code Provision A.2.1.

During the year ended 31 March 2009, Mr. Mak Shiu Tong, Clement assumed the roles of both the chairman (the “Chairman”) and the chief executive officer (the “CEO”) of the Company until his resignation as the CEO on 3 October 2008. Mr. Mak has substantial experience that is essential to fulfilling the role of the Chairman. At the same time, Mr. Mak has the appropriate management skills and business acumen that are the pre-requisites for assuming the role of the CEO in the day-to-day management of the Group. As at 31 March 2009, the Board was composed of six executive directors (including the Chairman) and three independent non-executive directors (the “INED(s)”) with a balance of skills and experience appropriate for the requirements of the Group. Furthermore, the roles of the managing director and the general managers of the Company’s major operating subsidiaries are performed by other individuals. The Board believes that there was balance of power and authority in the corporate structure of the Company though there was no separation of the roles of the Chairman and the CEO before Mr. Mak Shiu Tong, Clement’s resignation as the CEO on 3 October 2008.

On 3 October 2008, the deviation was rectified following Mr. Mak Shiu Tong, Clement’s resignation as the CEO and the appointment of Mr. Ma Hang Kon, Louis as an executive director of the Company and the CEO. Mr. Mak Shiu Tong, Clement remains as the Chairman and an executive director of the Company after his resignation as the CEO.

Code Provision A.4.1

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

None of the existing INEDs of the Company is appointed for a specific term. However, all INEDs of the Company are subject to retirement by rotation and re-election at every annual general meeting of the Company (the “AGM”) in accordance with the articles of association of the Company.

Code Provision A.4.2

The Code Provision A.4.2 provides that all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment. Every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

In accordance with the articles of association of the Company, any director appointed to fill a casual vacancy shall hold office only until the next following AGM of the Company and shall then be eligible for re-election. The Board considers that such a deviation is not material as casual vacancy seldom happens and duration between appointment to fill casual vacancy and the immediate following AGM of the Company is less than one year and is considered to be short.

Pursuant to the articles of association of the Company, the Chairman and the managing director of the Company shall not be subject to retirement by rotation or also not be taken into account in determining the number of directors to retire in each year. The Board considers that the continuity of the Chairman and his leadership will be essential for the stability of the key management of the Board. On the other hand, the Board will ensure that the directors of the Company other than the Chairman will rotate at least once every three years in order to comply with the Code Provision A.4.2.

In the opinion of the directors of the Company, the Company has complied with the code provisions under the Code set out in Appendix 15 to the GEM Listing Rules throughout the financial year under review, except for the deviations from Code Provisions A.2.1, A.4.1 and A.4.2. Detailed information of such deviations and their respective considered reasons as well as other information on the corporate governance practices of the Company have been disclosed in the corporate governance report which will be contained in the 2008/09 Annual Report of the Company.

Model Code for Securities Transactions by the Directors of the Company

The Company has not adopted a code of conduct regarding the securities transactions by the directors of the Company but has applied the principles of the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company has also made specific enquiry of all directors of the Company and the Company is not aware of any non-compliance with the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules throughout the year for the year ended 31 March 2009.

Remuneration Committee

The Company has established a remuneration committee (the “Remuneration Committee”) with specific written terms of reference in line with the code provisions under the Code. The Remuneration Committee consists of five members comprising three INEDs, namely Mr. Lam Kin Kau, Mark, Mr. Fung Hoi Wing, Henry and Mr. Lau Ho Wai, Lucas, and two executive directors, namely Mr. Mak Shiu Tong, Clement and Mr. Tam Ngai Hung, Terry. The Remuneration Committee is chaired by one of the members who must be an INED and is subject to rotation each year. The chairman of the Remuneration Committee is elected by the members who are present at the meeting provided that he/she must be an INED.

Audit Committee

The Company has established an audit committee (the “Audit Committee”) with specific written terms of reference formulated in accordance with the requirements of the GEM Listing Rules. The primary duties of the Audit Committee are to ensure the objectivity and credibility of the Company’s financial reporting and internal control procedures as well as to maintain an appropriate relationship with the external auditors of the Company.

The Audit Committee consists of three members comprising the three INEDs of the Company, namely Mr. Lam Kin Kau, Mark, Mr. Fung Hoi Wing, Henry and Mr. Lau Ho Wai, Lucas, one of whom is a qualified accountant and has extensive experience in accounting and financial matters. The chairman of the Audit Committee is elected by the members who are present at the meeting. All members of the Audit Committee hold the relevant industry or legal, accounting and financial experience necessary to advise on the Board's strategies and other related matters. All members of the Audit Committee have complete and unrestricted access to the external auditors and all employees of the Company.

The Audit Committee has reviewed the consolidated annual results of the Group for the year ended 31 March 2009, and confirmed that the preparation of such complied with applicable accounting principles and practices adopted by the Company and the requirements of the Stock Exchange, and adequate disclosure had been made.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Each of the INEDs of the Company has filed a written confirmation to the Company confirming his independence pursuant to Rule 5.09 of the GEM Listing Rules and has undertaken to inform the Stock Exchange and the Company as soon as practicable if there is any subsequent change in circumstances which may affect his independence. As at the date of this announcement, the INEDs of the Company are still considered to be independent. The INEDs of the Company are not appointed for any specific terms, but they are subject to retirement by rotation and re-election at the AGM of the Company in accordance with the articles of association of the Company.

PURCHASE, SALE OR REDEMPTION OF LISTED SHARES

Neither the Company, nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed shares during the year.

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

The results announcement of the Company for the year ended 31 March 2009 will be published and remains on the website of the Company at www.cct-resources.com and will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for at least seven days from the date of its publication. The annual report, corporate governance report and the notice of the AGM of the Company will be despatched to the Shareholders and made available on the websites of the Company and the Stock Exchange on or before 30 June 2009.

ANNUAL GENERAL MEETING

The 2009 AGM of the Shareholders will be held at 2208, 22/F., St. George's Building, 2 Ice House Street, Central, Hong Kong on Thursday, 30 July 2009 at 10:00 a.m. and the notice of the AGM of the Company will be published and despatched to the Shareholders in the manner as required by the GEM Listing Rules in due course.

BOARD OF DIRECTORS

As at the date of this announcement, the directors of the Company are:

Executive Directors:

Mr. Mak Shiu Tong, Clement (*Chairman*)

Mr. Ma Hang Kon, Louis (*Chief Executive Officer*)

Mr. Tam Ngai Hung, Terry

Mr. Chan Hoi Tung, Tony

Ms. Cheng Yuk Ching, Flora

Dr. William Donald Putt

Independent Non-Executive Directors:

Mr. Lam Kin Kau, Mark

Mr. Fung Hoi Wing, Henry

Mr. Lau Ho Wai, Lucas

By Order of the Board of
CCT RESOURCES HOLDINGS LIMITED
Mak Shiu Tong, Clement
Chairman

Hong Kong, 25 June 2009

This announcement will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for at least seven days from the day of its publication and will be published and remains on the website of the Company at www.cct-resources.com.