MULTIFIELD INTERNATIONAL HOLDINGS LIMITED

(the "Company")

(Incorporated in Bermuda with limited liability)

(Stock Code: 898)

ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2010

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2010

	Notes	**2010** **HK\$'000**	2009 HK\$'000
REVENUE	3	**215,354**	228,671
Cost of sales		**(29,145)**	(25,358)
Gross profit		**186,209**	203,313
Other income and gains	3	**27,575**	37,522
Fair value gains on investment properties		**534,793**	512,521
Gain/(loss) on disposal of investment properties		**3,481**	(18,849)
Operating and administrative expenses		**(27,671)**	(34,064)
Finance costs	5	**(7,446)**	(6,826)
PROFIT BEFORE TAX	4	**716,941**	693,617
Income tax expense	6	**(4,246)**	(168,152)
PROFIT FOR THE YEAR		**712,695**	525,465
OTHER COMPREHENSIVE INCOME			
Changes in fair value of available-for-sale investments		**1,846**	7,871
Exchange differences on translation of foreign operations		**119,747**	29,428
OTHER COMPREHENSIVE INCOME FOR THE YEAR		**121,593**	37,299
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**834,288**	562,764
PROFIT FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company		**512,204**	423,999
Non-controlling interests		**200,491**	101,466
		712,695	525,465
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company		**633,275**	458,581
Non-controlling interests		**201,013**	104,183
		834,288	562,764
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic and diluted	8	**12.25 cents**	10.14 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2010

	Notes	31 December 2010 HK$'000	31 December 2009 HK$'000 (Restated)	1 January 2009 HK$'000 (Restated)
NON-CURRENT ASSETS				
Property, plant and equipment		**353,855**	348,170	341,454
Investment properties		**4,125,200**	3,480,050	3,024,870
Prepaid land lease payments		**441**	450	459
Available-for-sale investments		**670**	46,818	38,572
Total non-current assets		**4,480,166**	3,875,488	3,405,355
CURRENT ASSETS				
Inventories		–	–	595
Properties held for sale		**281,851**	281,851	281,851
Trade receivables	9	**6,870**	7,092	7,767
Prepayments, deposits and other receivables		**80,827**	42,773	55,078
Available-for-sale investments		**92,208**	–	–
Equity investments at fair value through profit or loss		**236,845**	160,043	57,985
Equity-linked notes		–	–	11,668
Derivative financial instruments		–	76	–
Pledged deposits		**80,854**	76,847	133,202
Cash and cash equivalents		**221,040**	241,905	136,210
Total current assets		**1,000,495**	810,587	684,356
TOTAL ASSETS		**5,480,661**	4,686,075	4,089,711
CURRENT LIABILITIES				
Trade payables	10	**1,580**	1,991	1,427
Other payables and accruals		**234,398**	242,802	232,668
Deposits received		**48,254**	45,313	46,043
Derivative financial instruments		**2,222**	351	21,222
Interest-bearing bank and other borrowings		**711,905**	693,016	730,836
Tax payable		**25,704**	20,957	19,798
Total current liabilities		**1,024,063**	1,004,430	1,051,994
NET CURRENT LIABILITIES		**(23,568)**	(193,843)	(367,638)
TOTAL ASSETS LESS CURRENT LIABILITIES		**4,456,598**	3,681,645	3,037,717
NON-CURRENT LIABILITIES				
Due to a director		**14,821**	24,380	33,610
Deferred tax liabilities		**583,142**	595,585	439,354
Total non-current liabilities		**597,963**	619,965	472,964
Net assets		**3,858,635**	3,061,680	2,564,753
EQUITY				
Equity attributable to owners of the Company				
Issued capital		**41,804**	41,804	41,804
Reserves		**2,828,516**	2,237,044	1,811,906
Proposed final dividends	7	**27,172**	20,902	18,812
		2,897,492	2,299,750	1,872,522
Non-controlling interests		**961,143**	761,930	692,231
Total equity		**3,858,635**	3,061,680	2,564,753

NOTES TO FINANCIAL STATEMENTS

1.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties and certain financial instruments, which have been measured at fair value. These financial statements are presented in Hong Kong dollars (HK$) and all values are rounded to the nearest thousand (HK$'000) except when otherwise indicated.

Going concern

The Group had net current liabilities of approximately HK$23,568,000 at the end of the reporting period. Notwithstanding the above, the directors of the Company have prepared the financial statements on the going concern basis on the assumption that the Group will continue to operate as a going concern for the foreseeable future as Power Resources Holdings Limited has confirmed to provide necessary funds to the Group so as to enable the Group to discharge its obligations as and when they fall due.

Basis of consolidation

Basis of consolidation from 1 January 2010

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2010. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated on consolidation in full.

Adjustments are made to bring into line any dissimilar accounting policies that may exist.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate.

Basis of consolidation prior to 1 January 2010
Certain of the above-mentioned requirements have been applied on a prospective basis. The following differences, however, are carried forward in certain instances from the previous basis of consolidation:

- Acquisition of non-controlling interests (formerly known as minority interests), prior to 1 January 2010, were accounted for using parent entity extension method, whereby the difference between the consideration and the book value of the share of the net assets acquired were recognised in goodwill.

- Losses incurred by the Group were attributed to the non-controlling interest until the balance was reduced to nil. Any further excess losses were attributed to the parent, unless the non-controlling interest had a binding obligation to cover these. Losses prior to 1 January 2010 were not reallocated between non-controlling interest and the parent shareholders.

- Upon loss of control, the Group accounted for the investment retained at its proportionate share of net asset value at the date control was lost. The carrying amount of such investment at 1 January 2010 has not been restated.

1.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

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

HKFRS 1 (Revised)	*First-time Adoption of Hong Kong Financial Reporting Standards*
HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards – Additional Exemptions for First-time Adopters*
HKFRS 2 Amendments	Amendments to HKFRS 2 *Share-based Payment – Group Cash–settled Share-based Payment Transactions*
HKFRS 3 (Revised)	*Business Combinations*
HKAS 27 (Revised)	*Consolidated and Separate Financial Statements*
HKAS 39 Amendment	Amendment to HKAS 39 *Financial Instruments: Recognition and Measurement – Eligible Hedged Items*
HK(IFRIC)-Int 17	*Distributions of Non-cash Assets to Owners*
HKFRS 5 Amendments included in Improvements HKFRSs issued in October 2008	Amendments to HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations – Plan to sell the controlling interest in a subsidiary*
Improvements to HKFRSs 2009	Amendments to a number of HKFRSs issued in May 2009
HK Interpretation 4 Amendment	Amendment to HK Interpretation 4 *Leases – Determination of the Length of Lease Term in respect of Hong Kong Land Leases*
HK Interpretation 5	*Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause*

Other than as further explained below regarding the impact of HKFRS 3 (Revised), HKAS 27 (Revised), amendments to HKAS 7 and HKAS 17 included in Improvements to HKFRSs 2009 and HK Interpretation 4 (Revised in December 2009) and HK Interpretation 5, the adoption of these new and revised HKFRSs has had no significant financial effect on these financial statements.

The principal effects of adopting these new and revised HKFRSs are as follows:

(a) HKFRS 3 (Revised) *Business Combinations* and HKAS 27 (Revised) *Consolidated and Separate Financial Statements*

HKFRS 3 (Revised) introduces a number of changes in the accounting for business combinations that affect the initial measurement of non-controlling interests, the accounting for transaction costs, the initial recognition and subsequent measurement of a contingent consideration and business combinations achieved in stages. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results.

HKAS 27 (Revised) requires that a change in the ownership interest of a subsidiary without loss of control is accounted for as an equity transaction. Therefore, such a change will have no impact on goodwill, nor will it give rise to a gain or loss. Furthermore, the revised standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Consequential amendments were made to various standards, including, but not limited to HKAS 7 *Statement of Cash Flows*, HKAS 12 *Income Taxes*, HKAS 21 *The Effects of Changes in Foreign Exchange Rates*, HKAS 28 *Investments in Associates* and HKAS 31 *Interests in Joint Ventures.*

The changes introduced by these revised standards are applied prospectively and affect the accounting of acquisitions, loss of control and transactions with non-controlling interests after 1 January 2010.

(b) Improvements to HKFRSs 2009 issued in May 2009 sets out amendments to a number of HKFRSs. There are separate transitional provisions for each standard. While the adoption of some of the amendments results in changes in accounting policies, none of these amendments has had a significant financial impact on the Group. Details of the key amendments most applicable to the Group are as follows:

- HKAS 7 *Statement of Cash Flows*: Requires that only expenditures that result in a recognised asset in the statement of financial position can be classified as a cash flow from investing activities.

- HKAS 17 *Leases*: Removes the specific guidance on classifying land as a lease. As a result, leases of land should be classified as either operating or finance leases in accordance with the general guidance in HKAS 17.

Amendment to HK Interpretation 4 *Leases – Determination of the Length of Lease Term* in respect of Hong Kong Land Leases is revised as a consequence of the amendment to HKAS 17 *Leases* included in Improvements to HKFRSs 2009. Following this amendment, the scope of HK Interpretation 4 has been expanded to cover all land leases, including those classified as finance leases. As a result, this Interpretation is applicable to all leases of property accounted for in accordance with HKAS 16, HKAS 17 and HKAS 40.

The Group has reassessed its leases in Hong Kong and Mainland China, previously classified as operating leases, upon the adoption of the amendments. The classification of leases in Mainland China remained as operating leases.

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

The Group applied HK-Int 5 and changed the classification of a term loan that contains a repayment on demand clause. Term loans are loans which are repayable on a specified date or in instalments over a period of time. In previous years, term loans were classified in the consolidated statement of financial position according to the scheduled repayment dates. The adoption of HK-Int 5 requires term loans which include an overriding repayment on demand clause in the loan agreement that give the lender an unconditional right to call the loan at any time to be classified as current liability. In addition, the contractual maturity analysis of these term loans is revised.

Summary of the effect of the adoption of HK-Int 5

The effect of the adoption of HK-Int 5 above on the consolidated statement of financial position of the Group at 1 January 2009 and 31 December 2009 is as follows:

	At 1 January 2009 (originally stated)	**Effect of HK-Int 5**	**At 1 January 2009 (restated)**	**At 31 December 2009 (originally stated)**	**Effect of HK-Int 5**	**At 31 December 2009 (restated)**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Current liabilities						
Interest-bearing bank and other borrowings	172,581	558,255	730,836	91,756	601,260	693,016
Non-current liabilities						
Interest-bearing bank and other borrowings	558,255	(558,255)	–	601,260	(601,260)	–
Total effect on liabilities	730,836	–	730,836	693,016	–	693,016

1.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

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

HKFRS 1 Amendment	Amendment to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards – Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters*[2]
HKFRS 7 Amendments	Amendments to HKFRS 7 *Financial Instruments: Disclosures – Financial Transfers of Financial Assets*[4]
HKFRS 9	*Financial Instruments*[5]
HKAS 12 (Amendments)	*Deferred Tax: Recovery of underlying assets*[6]
HKAS 24 (Revised)	*Related Party Disclosures*[3]
HKAS 32 Amendment	Amendment to HKAS 32 *Financial Instruments: Presentation – Classification of Rights Issues*[1]
HK(IFRIC)-Int 14 Amendments	Amendments to HK(IFRIC)-Int 14 *Prepayments of a Minimum Funding Requirement*[3]
HK(IFRIC)-Int 19	*Extinguishing Financial Liabilities with Equity Instruments*[2]

Apart from the above, the HKICPA has issued Improvements to HKFRSs 2010 which sets out amendments to a number of HKFRSs primarily with a view to removing inconsistencies and clarifying wording. The amendments to HKFRS 3 and HKAS 27 are effective for annual periods beginning on or after 1 July 2010, whereas the amendments to HKFRS 1, HKFRS 7, HKAS 1, HKAS 34 and HK(IFRIC)-Int 13 are effective for annual periods beginning on or after 1 January 2011 although there are separate transitional provisions for each standard.

[1] Effective for annual periods beginning on or after 1 February 2010
[2] Effective for annual periods beginning on or after 1 July 2010
[3] Effective for annual periods beginning on or after 1 January 2011
[4] Effective for annual periods beginning on or after 1 July 2011
[5] Effective for annual periods beginning on or after 1 January 2013
[6] Effective for annual periods beginning on or after 1 January 2012

Further information about those changes that are unlikely to have a significant impact on the Group's results of operations and financial position is as follows:

HKAS 12 (Amendments), '*Deferred Tax: Recovery of underlying assets*'. The amendment provides an exception to the principles in the existing standard for measuring deferred tax assets or liabilities when investment property is measured at fair value. The amendment is effective for annual periods on or after 1 January 2012. This amendment is not expected to have a material impact on the Group's financial statements. Management is in the process of making an assessment of their impact and is not yet in a position to state what impact, if any, they may have on the Group's consolidated financial statements.

HKFRS 9 issued in November 2009 is the first part of phase 1 of a comprehensive project to entirely replace HKAS 39 *Financial Instruments: Recognition and Measurement*. This phase focuses on the classification and measurement of financial assets. Instead of classifying financial assets into four categories, an entity shall classify financial assets as subsequently measured at either amortised cost or fair value, on the basis of both the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. This aims to improve and simplify the approach for the classification and measurement of financial assets compared with the requirements of HKAS 39.

In November 2010, the HKICPA issued additions to HKFRS 9 to address financial liabilities (the "Additions"). The changes resulting from the Amendments only affect the measurement of financial liabilities designated at fair value through profit or loss using the fair value option ("FVO"). For these FVO liabilities, the amount of change in the fair value of a liability that is attributable to changes in credit risk must be presented in other comprehensive income ("OCI"). The remainder of the change in fair value is presented in profit or loss, unless presentation of the fair value change in respect of the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. All other requirements in HKAS 39 in respect of liabilities are carried forward into HKFRS 9. However, loan commitments and financial guarantee contracts which have been designated under the FVO are scoped out of these additions.

HKAS 39 is aimed to be replaced by HKFRS 9 in its entirety. Before this entire replacement, the guidance in HKAS 39 on hedge accounting, derecognition and impairment of financial assets continues to apply. The Group expects to adopt HKFRS 9 from 1 January 2013.

HKAS 24 (Revised) clarifies and simplifies the definition of related parties. The Group expects to adopt HKAS 24 (Revised) from 1 January 2011 and the comparative related party disclosures will be amended accordingly.

Improvements to HKFRSs 2010 issued in May 2010 sets out amendments to a number of HKFRSs. The Group expects to adopt the amendments from 1 January 2011. There are separate transitional provisions for each standard. While the adoption of some of the amendments may result in changes in accounting policies, none of these amendments are expected to have a significant financial impact on the Group. Those amendments that are expected to have a significant impact on the Group's policies are as follows:

(a) HKFRS 3 *Business Combinations*: Clarifies that the amendments to HKFRS 7, HKAS 32 and HKAS 39 that eliminate the exemption for contingent consideration do not apply to contingent consideration that arose from business combinations whose acquisition dates precede the application of HKFRS 3 (as revised in 2008).

(b) HKAS 1 *Presentation of Financial Statements*: Clarifies that an analysis of other comprehensive income for each component of equity can be presented either in the statement of changes in equity or in the notes to the financial statements.

(c) HKAS 27 *Consolidated and Separate Financial Statements*: Clarifies that the consequential amendments from HKAS 27 (as revised in 2008) made to HKAS 21, HKAS 28 and HKAS 31 shall be applied prospectively for annual periods beginning on or after 1 July 2009 or earlier if HKAS 27 is applied earlier.

2. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has five (2009: five) reportable operating segments as follows:

(a) the property investment segment mainly comprises rental income from investment properties;

(b) the provision of service apartment and property management segment;

(c) the trading and investment segment includes the trading of securities and investment income from securities investment and investment holding;

(d) the electronic products segment is a supplier of electronic components mainly for use in the manufacture of electronic products; and

(e) the corporate and others segment.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit/(loss) before tax from operations except that interest income from loans and receivables, finance costs, and other gains are excluded from such measurement.

Segment liabilities exclude interest-bearing bank and other borrowings, amount due to a director, tax payable and deferred tax liabilities as these liabilities are managed on a group basis.

There are no sales or other transactions between the operating segments during the year (2009: Nil).

Years ended 31 December 2010 and 2009

	Property investment		Provision of service apartment and property management services		Trading and investments		Electronic products		Corporate and others		Total	
	2010	2009	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue:												
Sales to external customers	**146,592**	143,885	**18,143**	16,885	**52,841**	67,687	**–**	214	**(2,222)**	–	**215,354**	228,671
Segment results	**129,868**	113,221	**(14,109)**	(13,663)	**48,509**	43,657	**–**	(4,489)	**(2,249)**	11,674	**162,019**	150,400
Interest income from loans and receivables											**3,257**	1,524
Unallocated gains											**559,111**	548,519
Finance costs											**(7,446)**	(6,826)
Profit before tax											**716,941**	693,617

	Property investment		Provision of service apartment and property management services		Trading and investments		Electronic products		Corporate and others		Total	
	2010	2009	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment assets	**4,740,095**	4,111,051	**105,797**	129,424	**336,538**	328,148	**–**	476	**298,231**	116,976	**5,480,661**	4,686,075
Total assets											**5,480,661**	4,686,075
Segment liabilities	**162,606**	163,541	**14,146**	10,434	**95**	514	**–**	3,179	**13,291**	8,164	**190,138**	185,832
Unallocated liabilities											**1,431,888**	1,438,563
Total liabilities											**1,622,026**	1,624,395
Other segment information:												
Depreciation and amortisation	**2,086**	1,567	**768**	688	**–**	–	**–**	26	**992**	1,282	**3,846**	3,563
Change in fair value of investment properties	**534,793**	512,521	**–**	–	**–**	–	**–**	–	**–**	–	**534,793**	512,521
Impairment loss on trade receivables	**500**	473	**–**	–	**–**	–	**–**	–	**–**	–	**500**	473
Impairment loss recognised in the statement of comprehensive income	**–**	–	**7,800**	–	**–**	–	**–**	–	**–**	–	**7,800**	–
Capital expenditure*	**22,007**	5,629	**427**	944	**–**	–	**–**	–	**4**	1,789	**22,438**	8,362

* *Capital expenditure consists of additions to property, plant and equipment, and investment properties.*

Geographical information

	Hong Kong		Mainland China		Total	
	2010	2009	**2010**	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Revenue from sales to external customers	**74,170**	92,857	**141,184**	135,814	**215,354**	228,671
Non-current assets	**609,438**	427,232	**3,870,058**	3,401,438	**4,479,496**	3,828,670

The revenue information above is based on the location of the customers. No customer accounted for 10% or more of the total revenue for the years ended 31 December 2010 and 2009.

The non-current asset information above is based on the location of assets and excludes financial instruments and deferred tax assets.

3. REVENUE, OTHER INCOME AND GAINS

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

	2010	2009
	HK$'000	*HK$'000*
Revenue		
Rental income from property letting	**147,377**	143,885
Service apartment and property management	**18,143**	16,885
Sale of goods	**–**	214
Fair value (losses)/gains, net:		
Equity-linked notes	**–**	15,632
Equity investments at fair value through profit or loss	**41,920**	24,627
Derivative financial instruments	**(1,947)**	20,947
Dividend income from listed investments	**5,194**	3,361
Interest income from available-for-sale investments	**4,667**	3,120
	215,354	228,671
Other income and gains		
Interest income from loans and receivables	**3,257**	1,524
Gain on disposal of items of property, plant and equipment	**13,886**	24,906
Others	**10,432**	11,092
	27,575	37,522

4. PROFIT BEFORE TAX

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

	2010	2009
	HK$'000	*HK$'000*
Cost of inventories sold	**–**	614
Cost of services provided	**27,004**	24,744
Depreciation	**4,190**	3,554
Amortisation of prepaid land lease payments	**9**	9
Minimum lease payments under operating leases for land and buildings	**77**	596
Auditors' remuneration	**688**	650
Impairment of trade receivables*	**130**	473
Impairment of other receivables*	**30**	–
Impairment of available-for-sale investments*	**7,800**	–
Direct operating expenses (including repairs and maintenance) arising on rental-earning investment properties	**18,860**	15,080
Foreign exchange loss/(gain), net	**1,724**	(4,149)
Employee benefits expense, including directors' remuneration:		
Salaries, wages and other benefits	**13,373**	14,440
Pension scheme contributions (defined contribution scheme) *(Note)*	**180**	228
	13,553	14,668

* *Included in "Operating and administrative expenses" on the face of the consolidated statement of comprehensive income.*

Note:

At 31 December 2010, the Group had no forfeited contributions available to reduce its contributions to the pension scheme in future years (2009: Nil).

5. FINANCE COSTS

An analysis of finance costs is as follows:

	2010	2009
	HK$'000	*HK$'000*
		(Restated)
Interest on bank loans, overdrafts and other loans wholly repayable within five years	**7,446**	6,826

6. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2009: 16.5%) on the estimated assessable profits arising in Hong Kong for the year. Taxes on profits assessable in Mainland China have been calculated at the rates of tax prevailing in Mainland China, based on existing legislation, interpretations and practices in respect thereof.

	2010	2009
	HK$'000	*HK$'000*
Current tax – Hong Kong		
Charge for the year	**1,324**	–
Underprovision in prior years	**874**	29
Current tax – Mainland China		
Charge for the year	**14,491**	11,892
Deferred tax	**(12,443)**	156,231
Total tax charge for the year	**4,246**	168,152

A reconciliation of the tax expense applicable to profit before tax at the applicable rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

2010

	Hong Kong	**Elsewhere in the PRC**	**Total**
	HK$'000	***HK$'000***	***HK$'000***
Profit before tax	**247,444**	**469,497**	**716,941**
Tax at applicable tax rate	**40,828**	**117,374**	**158,202**
Adjustments in respect of current tax of previous years	**874**	**–**	**874**
Lower tax rate for specific provinces or enacted by local authority	**–**	**(2,170)**	**(2,170)**
Income not subject to tax	**(40,600)**	**(106,362)**	**(146,962)**
Expenses not deductible for tax	**2,343**	**5,469**	**7,812**
Tax losses not recognised	**784**	**23**	**807**
Tax losses utilised from prior years	**(438)**	**–**	**(438)**
Effect of PRC land appreciation tax	**–**	**(13,501)**	**(13,501)**
Others	**(378)**	**–**	**(378)**
Tax charge at the Group's effective rate	**3,413**	**833**	**4,246**

2009

	Hong Kong *HK$'000*	Elsewhere in the PRC *HK$'000*	Total *HK$'000*
Profit before tax	245,033	448,584	693,617
Tax at applicable tax rate	40,430	112,146	152,576
Adjustments in respect of current tax of previous years	29	–	29
Lower tax rate for specific provinces or enacted by local authority	–	(106,427)	(106,427)
Income not subject to tax	(60,176)	(5,350)	(65,526)
Expenses not deductible for tax	21,398	3,865	25,263
Tax losses not recognised	816	195	1,011
Tax losses utilised from prior years	(163)	–	(163)
Effect of PRC land appreciation tax	–	162,857	162,857
Others	(1,468)	–	(1,468)
Tax charge at the Group's effective rate	866	167,286	168,152

7. DIVIDENDS

	2010 ***HK$'000***	2009 *HK$'000*
Interim dividend – HK0.35 cents (2009: HK0.3 cents) per ordinary share	**14,631**	12,541
Proposed final dividend – HK0.65 cents (2009: HK0.5 cents) per ordinary share	**27,172**	20,902
	41,803	33,443

The proposed final dividend for the year ended 31 December 2010 is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the Company of approximately HK$512,204,000 (2009: HK$423,999,000) and the weighted average number of ordinary shares of 4,180,371,092 (2009: 4,180,371,092) in issue during the year.

The calculation of diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 December 2010 and 2009 in respect of a dilution as the Group had no dilutive potential ordinary shares in issue during those years.

9. TRADE RECEIVABLES

	2010	2009
	HK$'000	*HK$'000*
Trade receivables	**12,713**	12,805
Impairment	**(5,843)**	(5,713)
	6,870	7,092

For the Group's property rental business, the tenants are usually required to settle the rental payments on the first day of the rental period, and are required to pay rental deposits with amount ranging from two to three months' rentals in order to secure any default in their rental payments.

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

	2010	2009
	HK$'000	*HK$'000*
Within 1 month	**1,013**	1,111
1 to 2 months	**340**	705
2 to 3 months	**237**	318
Over 3 months	**5,280**	4,958
	6,870	7,092

The movements in provision for impairment of trade receivables are as follows:

	2010	2009
	HK$'000	*HK$'000*
At 1 January	**5,713**	5,240
Impairment losses recognised	**130**	473
	5,843	5,713

Included in the above provision for impairment of trade receivables is a provision for individually impaired trade receivables of approximately HK$5,843,000 (2009: HK$5,713,000) with a carrying amount before provision of approximately HK$5,843,000 (2009: HK$5,713,000).

The individually impaired trade receivables relate to customers that were in default of payments. The Group does not hold any collateral or other credit enhancements over these balances.

The aged analysis of the trade receivables that are not considered to be impaired is as follows:

	2010 *HK$'000*	2009 *HK$'000*
Neither past due nor impaired	**1,353**	1,816
Less than 1 month past due	**237**	318
1 to 3 months past due	**448**	405
Over 3 months past due	**4,832**	4,553
	6,870	7,092

Receivables that were neither past due nor impaired relate to a number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

10. TRADE PAYABLES

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

	2010 *HK$'000*	2009 *HK$'000*
Within 1 month	**1,281**	1,899
1 to 2 months	**2**	2
2 to 3 months	**–**	–
Over 3 months	**297**	90
	1,580	1,991

Trade payables are non-interest-bearing and are normally settled on 60-day terms.

11. COMPARATIVE AMOUNTS

As further explained in note 1.2 to the financial statements, due to the adoption of new and revised HKFRSs during the current year, the presentation of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain comparative amounts have been reclassified and restated to conform with the current year's presentation.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 4th May 2011 to 5th May 2011, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 3rd May 2011.

REVIEW OF OPERATION

Year 2010 was on the whole a challenging and fruitful year for the Group. During the year under review, the Group recorded a net profit of about HK$713 million (2009: HK$525 million), an increase of 35.81% as compared with last year.

PROPERTY INVESTMENT

Hong Kong

Most of the investment properties in Hong Kong comprise industrial and office units with some shops on the ground floor. During the year under review, the number of establishing new companies and initial public offerings and fund-raising activities was on the rise. This drives the demand for more office space. In view of these factors and in order to capture the potential of property appreciation and enhance a stable source of rental income on leasing out the properties in future, the Group had acquired a quality commercial premise at a consideration of HK$44 million. Apart from this, the Group also entered into a sale and purchase agreement for the acquisition of 225 lorry car parking spaces at a consideration of HK$112.5 million. Indeed, the investment properties consistently contributed stable rental revenue of approximately HK$30 million (2009: HK$30 million).

Shanghai, PRC

The Group's properties in Shanghai, PRC comprise around 182 blocks of detached garden houses and 126 hotel-serviced apartment units respectively, which were operated under the name of "Windsor Renaissance". These properties generated a stable rental revenue of approximately HK$117 million (2009: HK$114 million) with an increase of 2.63% as compared with previous years. Our properties are well accepted by the expatriate community in Shanghai and thus our trademark, "Windsor Renaissance", is a symbol of high quality villas and hotel-serviced apartments in Shanghai.

Zhuhai, PRC

The Group holds two land banks in Zhuhai, PRC. The first land of about 36,808 square metres is located at Qianshan commercial business district and for commercial and shopping usages. It is still in the process of demolition and removal of existing constructions. Another land of about 94,111 square metres in DouMen commercial business district is at planning and design stage. This land is for hotel and shopping usages. The Group believes that these acquisitions of land will further strengthen the business of property investment in the PRC and will bring remarkable return to the Group upon completion of development.

TRADING AND INVESTMENTS

The global financial market in 2010 was quite volatile. The first half of 2010 was uncertain as a result of the downgrading of European sovereign debts credit rating. With the continuing rescue measures from various governments to support the economy, the financial markets were rebound in the second half of the year and the Hang Seng Index closed at above 23,000, up by over 5% from the beginning of the year. As a result, the Group's investment segment recorded a net fair value gains of HK$40 million (2009: HK$61 million) when marking the investment portfolios to market valuation as at 31 December 2010.

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cash flow and banking facilities provided by principal bankers in Hong Kong. In order to preserve liquidity and enhance interest yields, liquid assets were maintained in the form of highly liquid equity investments and available-for-sale investments of HK$327 million (2009: HK$160 million) as at 31 December 2010. The Group's cash and cash equivalents as at 31 December 2010 amounted HK$221 million (2009: HK$242 million). As at 31 December 2010, the Group had total bank and other borrowings amounting to approximately HK$712 million (2009: HK$693 million) which were secured by legal charges on certain investment properties in Hong Kong and Shanghai, and certain cash deposits and securities investment. Based on the total bank and other borrowings of HK$712 million (2009: HK$693 million) and the aggregate of the shareholder funds, non-controlling interest and total bank borrowings of approximately HK$4,571 million (2009: HK$3,755 million), the Group's gearing ratio as at 31 December 2010 was around 16% (2009: 18%).

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2010, the Group had approximately 280 employees, of whom 230 were based in the PRC and 50 in Hong Kong. The remuneration packages of the Group's employees are mainly based on their performance and experience and the prevailing market condition. In addition to the basic salaries, the Group also provides staff benefits including discretionary bonus, provident fund and tuition/training subsidies in order to retain competent employees.

PROSPECT

Given the recent changes in government in Tunisia and the recent unrest in the Middle East and North Africa and the ensuing speculation over global oil prices, the Group's expects that global markets are likely to remain nervous and 2011 will be another challenging year for all business sectors.

According to the National Bureau of Statistics of China, the gross domestic product ("GDP") of 2010 was RMB39,783.3 billion, an increase of 10.3% over that of 2009. Indeed, China overtook Japan to become the second largest economy in the world. Yet, the Group expects a gradual contraction of policies which induced liquidity in short term in order to combat price pressure and assets bubbles. Nevertheless, the Group is of the view that the ultimate objective of all macro-control policies of the China is to reduce disparities in wealth distribution and regional growth. The Group believes that all control measures will ultimately lay down a strong foundation for future growth of China economy over the long term.

In Hong Kong, the real GDP was up at 6.8% in 2010. The economy of Hong Kong is expected to improve since Hong Kong has a sound business fundamentals and well-established supporting facilities. In addition, with the support from the mother country, Hong Kong was also become an offshore clearing centre for the RMB. Since the raising number of establishing new companies and initial public offerings and fund-raising activities drives the demand for more office space, the outlook for office sector is positive.

The Group will adhere to its prudent financial policy and maintain high liquidity and low gearing. The Group will continue to monitor market conditions and look for attractive investment opportunities as appropriate in the long run. We strongly believe that we have the necessary skills and expertise to enable us to work towards the goal of maximising our shareholder's wealth through restructuring our business mix and strengthening the competitiveness of our business.

CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the directors of the Company (the "Director(s)"), save as disclosed below, the Company has complied with the code provisions set out in the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the year ended 31 December 2010.

Under code provisions of A.4.1 and A.4.2, (i) non-executive directors should be appointed for a specific term and subject to re-election; and (ii) all directors appointed to fill a causal vacancy should be subject to election by shareholders at the first general meeting after their appointment, and every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Non-executive directors do not have a specific term of appointment and under the bye-laws of the Company, at each general meeting, one-third of the directors for the time being, or if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office by rotation save any director holding office as chairman and managing director. The Company intends to propose any amendment of relevant bye-laws of the Company, if necessary, in order to ensure compliance with the Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules as its own code of conduct regarding directors' securities transactions. Based on specific enquiry of all the Directors, the Directors have complied with the required standard as set out in the Model Code for the year ended 31 December 2010.

AUDIT COMMITTEE

The audit committee comprises four independent non-executive Directors, namely, Lee Siu Man, Ervin, Wong Yim Sum, Lo Yick Wing and Tsui Ka Wah. The chairman of the audit committee, Wong Yim Sum, has extensive experience in the finance and auditing fields.

In the presence of the representatives of the Company's independent external auditors, the Group's draft audited consolidated financial statements for the year ended 31 December 2010 have been reviewed by the audit committee, and with recommendation to the Board for approval.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

The annual results announcement of the Company is published on the websites of the Company (www.irasia.com/listco/hk/multifield/index.htm) and Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk). The annual report of the Company for 2010 containing all the information required by the Listing Rules will be dispatched to the shareholders of the Company and made available on the above websites in due course.

BOARD OF DIRECTORS

As at the date of this announcement, the executive Directors are Mr. Lau Chi Yung and Mr. Lau Michael Kei Chi and the independent non-executive Directors are Mr. Lee Siu Man, Ervin, Mr. Wong Yim Sum, Mr. Lo Yick Wing and Mr. Tsui Ka Wah.

By Order of the Board
Lau Chi Yung
Chairman

Hong Kong, 18 March 2011