CMMB VISION HOLDINGS LIMITED
中國移動多媒體廣播控股有限公司
(formerly known as Global Flex Holdings Limited)
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 471)

ANNUAL RESULTS ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

The board (the "Board") of directors (the "Directors") of CMMB Vision Holdings Limited (formerly known as Global Flex Holdings Limited) (the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2010.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2010

	NOTES	2010 US$	2009 US$
Continuing operations			
Revenue	4	13,717,631	4,606,407
Cost of sales		(24,334,867)	(9,276,969)
Gross loss		(10,617,236)	(4,670,562)
Other income	5	746,827	728,536
Distribution and selling expenses		(330,496)	(187,803)
Administrative expenses		(5,704,098)	(9,207,562)
Research and development costs		(1,290,323)	(1,463,710)
Other expenses		(2,129,140)	(1,961,119)
Other gains and losses		(736,716)	(893,103)
Finance costs	6	(1,487,131)	(1,410,177)
Loss before taxation		(21,548,313)	(19,065,500)
Income tax credit	7	—	178,026
Loss for the year from continuing operations		(21,548,313)	(18,887,474)
Discontinued operations			
Loss for the year from discontinued operations	8	—	(24,742,687)
Loss for the year	9	(21,548,313)	(43,630,161)
Other comprehensive (expense) income			
Exchange differences arising on translation		(546,176)	16,159
Total comprehensive expense for the year		(22,094,489)	(43,614,002)
Loss per share	11		
From continuing and discontinued operations			
- Basic and diluted		(0.0075)	(0.0236)
From continued operations			
- Basic and diluted		(0.0075)	(0.0102)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2010

	NOTES	**2010** **US$**	**2009** **US$**
NON-CURRENT ASSETS			
Property, plant and equipment		15,669,442	21,603,268
Prepaid lease payments - non-current portion		703,693	1,100,588
Investment property		1,990,403	—
Available-for-sale investments		27,505	3,676,678
Deposits paid on acquisition of CMMB projects		9,540,116	—
Other receivables	12	1,015,874	—
		28,947,033	26,380,534
CURRENT ASSETS			
Inventories		1,192,921	671,800
Trade and other receivables	12	2,788,563	8,269,254
Amount due from a related company		511,604	—
Prepaid lease payments - current portion		16,993	456,986
Bank balances and cash		3,957,006	2,721,621
		8,467,087	12,119,661
CURRENT LIABILITIES			
Trade and other payables	13	14,541,878	13,046,764
Amount due to a related company		56,853	199,916
Amount due to a director		—	154,129
Other borrowing - due within one year		120,797	585,806
		14,719,528	13,986,615
NET CURRENT LIABILITIES		(6,252,441)	(1,866,954)
		22,694,592	24,513,580
CAPITAL AND RESERVES			
Share capital		4,436,315	2,979,580
Share premium and reserves		(15,427,921)	(11,318,208)
		(10,991,606)	(8,338,628)
NON-CURRENT LIABILITIES			
Bank borrowings - due after one year		24,222,587	23,566,815
Other payables		9,463,611	9,285,393
		33,686,198	32,852,208
		22,694,592	24,513,580

1. REVIEW OF ANNUAL RESULTS

The annual results have been reviewed by the Audit Committee of the Company.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared on a going concern basis notwithstanding the fact that the Group incurred a loss of US$21,548,313 during the year ended 31 December 2010 and as at that date, the Group's current liabilities exceed its current assets by US$6,252,441. In the opinion of the directors of the Company, the Group should be able to continue as a going concern in the coming year taking into consideration the proposed arrangements which include, but are not limited to, the following:

(a) Subsequent to the end of the reporting period, the Company entered into a sale and purchase agreement in connection with the disposal of subsidiaries to a related company which is beneficially owned by Mr. Wong Chan Chi, Charles, a director of the Company. The disposed subsidiaries are principally engaged in its loss making manufacturing of rigid printed circuit boards and rigid printed circuit boards assembly ("PCB") operations. As at 31 December 2010, the PCB operations' liabilities exceed its assets by approximately US$23.5 million. The carrying amounts of trade and other payables (including other payables due after one year) and bank borrowings relating to these operations as at the end of the reporting period amounted to US$20,630,886 and US$24,222,587, respectively. The disposal which is subject to the approval of the shareholders will be effected in order to minimise net operating cash outflows from these loss-making segments and to retain cash flows for the expansion of the Group's China Mobile Multimedia Broadcasting ("CMMB") business. The disposal does not constitute a disposal of the Group's PCB business as the Group will continue its PCB trading business with existing client franchise and it will sub-contract the manufacturing of PCB back to the disposed subsidiaries and other PCB partners for continued operating supports. The directors of the Company expect that the approval will be obtained in second quarter of 2011;

(b) On 25 January 2010, the Group has entered into a strategic business development agreement with Motorola, Inc. to jointly develop and promote CMMB technology in markets around the world. Pursuant to the agreement, the Group and Motorola, Inc. will jointly globalise the adoption of CMMB technology to develop the platform needed to attract mobile network operators and boardcasters to launch CMMB-mobile video services in their respective markets, and to establish franchise operations for CMMB technology. During the year, the Group continues its active negotiation on domestic and overseas CMMB acquisition and takeover projects, with the aim of becoming a CMMB mobile multimedia services operator and provider in the near future;

(c) On 2 September 2010, the Group contracted for an acquisition of two domestic companies in the PRC which are principally engaged in CMMB business. At the time of signing equity transfer agreement, the acquired companies had entered into cooperation agreements with domestic institutions to establish and operate provincial CMMB interactive multimedia channels in Liaoning, Yunnan and certain other provinces in the PRC. The directors of the Company plans to consolidate this business as soon as practicable;

(d) The Group entered into a related party transaction with Chi Capital Holdings Limited, a company which is beneficially owned by Mr. Wong Chan Chi, Charles, a director of the Company on 24 December 2010 in respect of acquisition of 65% of the issued share capital of CMMB International Limited ("CMMB International"), a company incorporated in Hong Kong which holds the international development and licensing rights of CMMB technology granted by TiMi Technologies Co., Ltd., a company established in the PRC under the Academy of Broadcasting Science under the State Administration of Radio, Film and Television of the PRC for the commercial development. Upon completion of the acquisition of CMMB International, the Group can provide turnkey solutions to develop and promote CMMB technology and business platform in markets outside of the PRC and participate in service operations through local partnerships in oversea markets to build a global CMMB franchise. The Group is currently in negotiation with overseas institutions on the joint development of CMMB business in developing countries such as Indonesia. Further details of this proposed acquisition were set out in the announcements of the Company dated 24 December 2010, 31 December 2010 and 16 February 2011;

(e) On 15 March 2011, the Group, together with its partners in the United States of America (the "USA"), has successfully demonstrated live CMMB Mobile TV signals for the first time over cellular network frequencies from a cellular tower. The demonstration signifies the Group's first phase in developing CMMB and launching a commercial trial in the USA market. The directors of the Company expect the Group will close current negotiation on potential acquisition and development projects by the end of 2011, and the Company intends to invest through shares in order to minimise its capital cost;

(f) The Group expects that, following the above disposal and acquisitions, its business model will be gradually shifted from a PCB manufacturer to a mobile television multimedia and internet services provider. The new business operation requires less capital than manufacturing does, currently estimated to be approximately RMB30 million for the first year, which will help to improve the overall profit margin of the Group. Details were set out in the Company's announcement dated 2 July 2010; and

(g) The Group plans to further issue new shares to raise additional fund to improve its liquidity position.

Based on the aforesaid factors, the directors of the Company are satisfied that the Group will have sufficient financial resources to meet its financial obligations as they fall due for the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

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

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

HKFRS 2 (Amendments)	Group Cash-settled Share-based Payment Transactions
HKFRS 3 (as revised in 2008)	Business Combinations
HKAS 27 (as revised in 2008)	Consolidated and Separate Financial Statements
HKAS 39 (Amendments)	Eligible Hedged Items
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009
HKFRSs (Amendments)	Amendments to HKFRS 5 as part of Improvements to HKFRSs issued in 2008
HK(IFRIC) - Int 17	Distributions of Non-cash Assets to Owners
HK - Int 5	Presentation of Financial Statements - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The Group applies HKFRS 3 (as revised on 2008) "Business Combinations" prospectively to business combinations for which the acquisition date is on or after 1 January 2010. The requirements in HKAS 27 (as revised in 2008) "Consolidated and Separate Financial Statements" in relation to accounting for changes in ownership interests in a subsidiary after control is obtained and for loss of control of a subsidiary are also applied prospectively by the Group on or after 1 January 2010.

As there was no transaction during the current interim period in which HKFRS 3 (Revised) and HKAS 27 (as revised in 2008) are applicable, the application of HKFRS 3 (as revised in 2008) and HKAS 27 (Revised) had no effect on the condensed consolidated financial statements of the Group for the current or prior accounting periods.

Results of the Group in future periods may be affected by future transactions for which HKFRS 3 (Revised) and HKAS 27 (Revised) are applicable.

Amendment to HKAS 17 "Leases"

As part of Improvements to HKFRSs issued in 2009, HKAS 17 "Leases" has been amended in relation to the classification of leasehold land. Before the amendment to HKAS 17, leasees were required to classify leasehold land as operating leases and presented as prepaid lease payments in the consolidated statement of financial position. The amendment has removed such a requirement. Instead, the amendment requires the classification of leasehold land to be based on the general principles set out in HKAS 17, that are based on the extent to which risks and rewards incidental to ownership of a leased asset lie with the lessor or the lessee.

In accordance with the transitional provisions of HKAS 17 "Leases", the Group reassessed the classification of land elements of unexpired leases at 1 January 2010 based on information which existed at the inception of these leases. No land elements met finance lease classification requirement and no reclassification is required.

The application of the other new and revised standards, amendments and interpretations in the current year has had no material effect on the amounts reported in these consolidated financial statements or disclosures set out in these consolidated financial statements.

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

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010[1]
HKFRS 7 (Amendments)	Disclosures - Transfers of Financial Assets[3]
HKFRS 9	Financial Instruments[4]
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets[5]
HKAS 24 (as revised in 2009)	Related Party Disclosures[6]
HKAS 32 (Amendments)	Classification of Rights Issues[7]
HK(IFRIC) - Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement[6]
HK(IFRIC) - Int 19	Extinguishing Financial Liabilities with Equity Instruments[2]

1 Effective for annual periods beginning on or after 1 July 2010 or 1 January 2011, as appropriate.
2 Effective for annual periods beginning on or after 1 July 2010.
3 Effective for annual periods beginning on or after 1 July 2011.
4 Effective for annual periods beginning on or after 1 January 2013.
5 Effective for annual periods beginning on or after 1 January 2012.
6 Effective for annual periods beginning on or after 1 January 2011.
7 Effective for annual periods beginning on or after 1 February 2010.

HKFRS 9 "Financial Instruments" (as issued in November 2009) introduces new requirements for the classification and measurement of financial assets. HKFRS 9 "Financial Instruments" (as revised in November 2010) adds requirements for financial liabilities and for derecognition.

Under HKFRS 9, all recognised financial assets that are within the scope of HKAS 39 "Financial Instruments: Recognition and Measurement" are subsequently measured at either amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods.

In relation to financial liabilities, the significant change relates to financial liabilities that are designated as at fair value through profit or loss. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the presentation of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

The directors anticipate that HKFRS 9 that will be adopted in the Group's consolidated financial statements for financial year ending 31 December 2013 and that the application of the new standard will have no material impact on the amounts reported in respect of the Groups' financial assets and financial liabilities based on the Group's financial instruments as at 31 December 2010.

The directors of the Company anticipate that the application of other new and revised HKFRSs will have no material impact on the consolidated financial statements.

4. SEGMENT INFORMATION

HKFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (i.e. the executive directors) in order to allocate resources to segments and to assess their performance.

The Group has two segments based on its major products: (i) rigid printed circuit boards; and (ii) rigid printed circuit boards assembly. Each operating segment derives its revenue from the sale of the products. There are managed separately because each product requires different technology and marketing strategies.

The Group involved in manufacture and sale of flexible printed circuit boards and flexible printed circuit boards assembly (the "discontinued operations"), which were reported as separate operating segments under HKFRS 8. These operations were discontinued with effect from 27 September 2009.

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segment:

	2010 US$	2009 US$
Continuing operations		
Rigid printed circuit boards	13,717,631	4,535,804
Rigid printed circuit boards assembly	—	70,603
Total segment revenue from external customers	13,717,631	4,606,407
Rigid printed circuit boards	(10,669,870)	(3,879,142)
Rigid printed circuit boards assembly	—	(382,825)
Segment loss	(10,669,870)	(4,261,967)
Unallocated income:		
Interest income	4,194	6,467
Other income	619,428	722,069
Gain on disposal of available-for-sale investments	2,755	—
Gain on debt restructuring	—	12,092,387
Gain on disposal of subsidiaries	—	351,051
Unallocated expenses:		
Interest expenses	(1,487,131)	(1,410,177)
Write-down of inventories	(154,657)	(596,398)
Impairment loss on trade and other receivables, net	(698,644)	(426,102)
Impairment loss on available-for-sale investments	—	(130,000)
Impairment loss on property, plant and equipment	—	(12,047,166)
Loss on disposal on property, plant and equipment	(13,952)	(733,273)
Loss on disposal of prepaid lease payments	(26,875)	—
Administrative expenses	(5,704,098)	(9,207,562)
Research and development costs	(1,290,323)	(1,463,710)
Other expenses	(2,129,140)	(1,961,119)
Loss before taxation	(21,548,313)	(19,065,500)

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment loss represents gross loss plus distribution and selling expenses excluding the write-down of inventories. There was asymmetrical allocations to reportable segments because the Group allocates property, plant and equipment, prepaid lease payments, inventories and trade and other receivables to each segment without allocating the related impairment losses and loss on disposal for the year.This is the measure reported to the chief operating decision marker for the purpose of resource allocation and performance measurement.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segment:

Segment assets

	2010 US$	2009 US$
Continuing operations		
Rigid printed circuit boards	22,354,180	32,071,414
Rigid printed circuit boards assembly	—	22,098
Total segment assets	22,354,180	32,093,512
Unallocated assets:		
Available-for-sale investments	27,505	3,676,678
Deposits paid on acquisition of CMMB projects	9,540,116	—
Other receivables	1,023,709	8,384
Amount due from a related company	511,604	—
Bank balances and cash	3,957,006	2,721,621
Consolidated assets	37,414,120	38,500,195

Segment liabilities

	2010 US$	2009 US$
Continuing operations		
Rigid printed circuit boards	15,548,212	13,873,172
Rigid printed circuit boards assembly	448,478	440,032
Total segment liabilities	15,996,690	14,313,204
Unallocated liabilities:		
Other payables	8,008,799	8,018,953
Amount due to a related company	56,853	199,916
Amount due to a director	—	154,129
Other borrowings	120,797	585,806
Bank borrowings	24,222,587	23,566,815
Consolidated liabilities	48,405,726	46,838,823

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

- all assets are allocated to operating segments other than available-for-sale investments, deposits paid on acquisition of CMMB projects, unallocated other receivables, amount due from a related company and bank balances and cash; and

- all liabilities are allocated to operating segments other than unallocated other payables, amount due to a related company, amount due to a director and bank and other borrowings.

Other segment information

2010
Continuing operations

	Rigid printed circuit boards US$	Rigid printed circuit boards assembly US$	Unallocated US$	Total US$
Amounts included in the measured of segment loss or segment assets				
Additions to non-current assets (Note)	910,089	—	—	910,089
Depreciation and amortisation	5,813,657	—	—	5,813,657
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss or segment assets				
Impairment losses on (reversal of) trade and other receivables	770,175	(71,531)	—	698,644
Loss on disposal of property, plant and equipment	13,952	—	—	13,952
Write-down of inventories	154,657	—	—	154,657
Research and development costs	—	—	1,290,323	1,290,323
Deposits paid on acquisition of CMMB projects	—	—	9,540,116	9,540,116
Other receivables	—	—	1,015,874	1,015,874

2009
Continuing operations

	Rigid printed circuit boards US$	Rigid printed circuit boards assembly US$	Total US$
Amounts included in the measured of segment loss or segment assets			
Additions to non-current assets (Note)	27,494	—	27,494
Depreciation and amortisation	2,941,217	507,084	3,448,301
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss			
Impairment losses on (reversal of) trade and other receivables	446,865	(20,763)	426,102
Loss on disposal of property, plant and equipment	630,728	102,545	733,273
Write-down of inventories	596,398	—	596,398

Note: Non-current assets excluded those relating to discontinued operations and financial instruments.

Geographical information

The Group's operations are mainly located in the PRC.

The Group's revenue from continuing operations from external customers by geographical location of customers are detailed below:

	2010 US$	2009 US$
The PRC	10,051,163	3,448,341
Korea	3,503,092	—
United States of America	79,390	809,143
Singapore	—	73,854
Others	83,986	275,069
	13,717,631	4,606,407

All non-current assets of the Group excluding financial instruments are located in the PRC.

Information about major customers

For the year ended 31 December 2010, there were two customers who accounted for over 10% of total revenue with revenue of US$7,471,406 and US$4,739,666 (2009: US$2,929,218 and US$711,870) related to rigid printed circuit boards.

5. OTHER INCOME

	2010 US$	2009 US$
Continuing operations		
Compensation from customers for cancellation of orders	174,179	356,492
Interest income	4,194	6,467
Sales of scrap materials	234,103	183,460
Gross property rental income	123,205	—
Others	211,146	182,117
	746,827	728,536

6. FINANCE COSTS

	2010 US$	2009 US$
Continuing operations		
Interest on bank and other borrowings wholly repayable - within five years	1,169,527	1,066,394
Interest on other payables wholly repayable with five years	317,604	8,612
Interest on amount due to a director	—	200,119
Effective interest expense on convertible loan notes	—	135,052
	1,487,131	1,410,177

7. INCOME TAX CREDIT

	2010 US$	2009 US$
Continuing operations		
The charge comprises:		
PRC Enterprise Income Tax ("EIT")		
Overprovision in prior year	—	(178,026)

No provision for Hong Kong Profits Tax and Taiwan Income Tax has been made as the Group's profit neither arose in, nor derived from Hong Kong and Taiwan.

Under the law of the PRC on Enterprise Income Tax (the "EIT law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries of the Company is 25% from 1 January 2008 onward.

Pursuant to the relevant laws and regulations in the PRC, Global Flex (Suzhou) Co., Limited ("Global Flex (Suzhou)"), the PRC subsidiary of the Company, is entitled to the exemptions from EIT for two years starting from its first profit-making year and to a 50% relief from the EIT for the following three years ("Tax Holidays").

The first profit-making year of Global Flex (Suzhou) is the year ended 31 December 2002. In December 2005, Global Flex (Suzhou) re-invested and increased its capital by US$16,000,000 to US$48,000,000. As a result, Global Flex (Suzhou) is entitled to another Tax Holidays on a capital proportionate basis from the date of re-investment subject to the approval by the relevant tax authority. Upon approval relevant obtained from tax authority, one-third of the taxable profit of Global Flex (Suzhou) is subject to the Tax Holidays starting from 2005 to 2009. The tax rate of Global Flex (Suzhou) is approximately 20.83% for the year ended 31 December 2009. Upon expiry of the Tax Holidays in 2009, the applicable tax rate from 1 January 2010 onwards is 25%.

The EIT Law imposes withholding tax upon the distribution of the profits earned by the PRC subsidiaries on or after 1 January 2008 to their shareholders. No deferred tax liability has been recognised in respect of such withholding tax due to absence of undistributed profits for both years.

The tax credit for the year can be reconciled to the loss before taxation as follows:

	2010 US$	2009 US$
Loss before taxation from continuing operations	(21,548,313)	(19,065,500)
Tax at the domestic income tax rate of 25%	(5,387,078)	(4,766,375)
Tax effect of income not taxable for tax purpose	(10,692)	(3,024,713)
Tax effect of expenses not deductible for tax purpose	1,536,547	2,229,725
Tax effect of tax losses not recognised	3,647,897	2,293,947
Tax effect of deductible temporary differences not recognised	213,326	3,267,416
Overprovision in respect of prior year	—	(178,026)
Tax credit for the year relating to continuing operations	—	(178,026)

At 31 December 2010, the Group has unused tax losses of approximately US$56,373,000 (2009: US$41,781,000) and deductible temporary differences in relation to impairment loss on trade and other receivable and write-down on inventories of approximately US$54,375,000 (2009: US$53,522,000) available for offset against future profits in the Group. No deferred tax asset has been recognised in respect of such tax losses and deductible temporary differences due to the unpredictability of future profits streams of the Group. Included in unused tax losses as at 31 December 2010 are tax losses of approximately US$32,605,000, US$9,176,000 and US$14,592,000 that will expire in year 2013, 2014 and 2015, respectively (2009: US$32,605,000 and US$9,176,000 would expire in year 2013 and 2014).

8. DISCONTINUED OPERATIONS

On 30 July 2009, the Group entered into a share sale agreement to dispose of a wholly-owned subsidiary, Global Flex (Suzhou) Plant II Co. Ltd. ("Global Flex (Suzhou) Plant II") incorporated in the PRC (the "Share Sale Agreement"), and an asset sale agreement to dispose of certain property, plant and equipment of Global Flex (Suzhou) (the "Asset Sale Agreement"). The transactions contemplated under the Share Sale Agreement and the Asset Sale Agreement were aggregated as a single transaction as they were entered into by the Group with the same counterparty on the same date. Both disposals were completed on 27 September 2009. After these disposals, the Group discontinued the production of flexible printed circuit boards and flexible printed circuit boards assembly ("Discontinued Business").

The loss for the year from the discontinued operation is analysed as follows:

	2010 US$	2009 US$
Loss of the discontinued operations for the year	—	(12,555,972)
Loss on disposal of property, plant and equipment	—	(13,601,822)
Gain on disposal of Global Flex (Suzhou) Plant II	—	1,415,107
	—	(24,742,687)

The results of the discontinued operations for the period from 1 January 2009 to 27 September 2009, which have been included in the consolidated statement of comprehensive income, were as follows:

	US$
Revenue	3,137,572
Cost of sales	(13,553,577)
Impairment loss on trade and other receivables	(622,030)
Distribution and selling expenses	(395,291)
Administrative expenses	(1,122,646)
Loss for the period	(12,555,972)

Loss for the period from discontinued operations including the following:

Staff costs, including directors' remuneration	
- Salaries and allowances	1,017,975
- Retirement benefit scheme contributions	105,293
Total staff costs	1,123,268
Auditor's remuneration	—
Release of prepaid lease payments	16,247
Redundancy costs	454,466
Cost of inventories recognised as an expense (note)	13,553,577
Depreciation of property, plant and equipment	5,799,443
Impairment loss on trade and other receivables	622,030
Loss on disposal of property, plant and equipment	13,601,822

Note: Included in cost of sales was a write-down of inventories amounting to US$1,494,938 for the period from 1 January 2009 to 27 September 2009.

During the year ended 31 December 2009, the discontinued operations contributed US$3,357,789 to the Group's net operating cash flows and paid US$164,200 in respect of investing activities.

The carrying amounts of the assets and liabilities of the discontinued operation at the date of disposal.

9. LOSS FOR THE YEAR

	2010 US$	2009 US$
Loss for the year has been arrived at after charging (crediting):		
Continuing operations		
Staff costs, including directors' remuneration		
- Salaries and allowances	2,728,848	2,127,058
- Retirement benefit scheme contributions	122,641	112,182
- Share-based payments	457,994	1,302,773
Total staff costs	3,309,483	3,542,013
Auditor's remuneration	180,645	148,387
Release of prepaid lease payments	422,877	456,798
Redundancy costs	—	134,672
Share-based payments expense to consultants included in other expenses	2,129,140	1,961,119
Cost of inventories recognised as an expense (note)	24,334,867	9,276,969
Depreciation of property, plant and equipment	5,216,947	2,991,503
Deprecation of investment property	173,833	—
Net exchange (gain) loss	(41,614)	56,235
Gross rental income from investment property	123,205	—
Less: direct operating expenses from investment property that generated rental income during the year	(3,517)	—
	119,688	—

note: Included in cost of sales is a write-down of inventories amounting to US$154,657 (2009: US$596,398).

10. DIVIDENDS

No dividend was paid, declared or proposed during both years, nor has any dividend been proposed since the end of the reporting period.

11. LOSS PER SHARE

For continuing and discontinued operations

The calculation of the basic and diluted loss per share for the year is based on the following data:

	2010 US$	2009 US$
Loss for the purposes of basic and diluted loss per share	(21,548,313)	(43,630,161)
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	2,883,101,883	1,850,085,205

From continuing operations

The calculation of the basic and diluted loss per share from continuing operations is based on the following data:

Loss per share are calculated as follows:

	2010 US$	2009 US$
Loss for the year	(21,548,313)	(43,630,161)
Less: Loss for the year from discontinued operations	—	24,742,687
Loss for the purposes of basic and diluted loss per share from continuing operations	(21,548,313)	(18,887,474)

The denominators used are the same as those detailed above for both basic and diluted loss per share.

From discontinued operations

For the year ended 31 December 2009, basic and diluted loss per share for the discontinued operation is US$0.0134, based on the loss for the year from the discontinued operations of US$24,742,687 and the denominators detailed above for both basic and diluted loss per share.

The computation of diluted loss per share does not assume the exercise of the Company's outstanding share options and conversion of the Company's outstanding convertible loan notes since the exercise price of those share options in both 2010 and 2009 and the conversion of these convertible loan notes in year 2009 would result in decrease in loss per share.

12. TRADE AND OTHER RECEIVABLES

	2010 US$	2009 US$
Trade receivables	27,049,700	35,851,308
Less: Accumulated impairment	(25,800,086)	(32,148,915)
	1,249,614	3,702,393
Advance to suppliers	1,123,709	3,907,387
Other receivables and deposits	930,512	198,285
Other tax recoverables	648,363	3,836,582
Prepayments	134,329	48,160
Less: Accumulated impairment	(1,297,964)	(3,423,553)
	1,538,949	4,566,861
Total trade and other receivables	2,788,563	8,269,254

The Group generally allows credit period ranged from 30 days to 120 days to its customers.

Other receivables of US$1,015,874 (2009: nil) as at 31 December 2010 was classified as non-current assets as the expected repayment date are more than one year. The Group does not hold any collateral over this balance.

The aged analysis of the trade receivables, presented based on invoice date, net of allowance for doubtful debts as at the end of the reporting period are as follows:

	2010 US$	2009 US$
Trade receivables:		
0 - 30 days	—	583,281
31 - 60 days	464,460	2,620,957
61 - 90 days	584,840	473,081
91 - 120 days	4,020	—
Over 120 days	196,294	25,074
	1,249,614	3,702,393

Before accepting any new customer, the Group has to assess the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed periodically. 84% (2009: 99%) of the trade receivables that are neither past date nor impaired have no default payment history.

Included in the Group's trade receivable balance are debtors with aggregate carrying amount of US$200,314 (2009: US$25,074) which are past due at the reporting date for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances.

Ageing of trade receivables which are past due but not impaired

	2010 US$	2009 US$
91 - 120 days	4,020	—
121 - 365 days	196,294	25,074
	200,314	25,074

Other than the above trade receivable which are past due but not impaired, the Group has provided fully for all receivables over 365 days because historical experience is that receivables that are past due beyond 365 days are generally not recoverable.

Movement in the impairment loss on trade receivables

	2010 US$	2009 US$
Balance at beginning of the year	32,148,915	34,336,067
Exchange adjustment	115,499	24,975
Amounts written off as uncollectible	(6,170,834)	(49,152)
Disposal of subsidiaries	—	(1,899,615)
Impairment loss recognised	443,160	416,165
Reversal of impairment loss	(736,654)	(679,525)
Balance at end of the year	25,800,086	32,148,915

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the reporting date. Accordingly, the directors believe that there is no further credit provision required in excess of the allowance for doubtful debts.

Included in the allowance for doubtful debts are individually impaired trade receivables with an aggregate balance of US$25,800,086 (2009: US$32,148,915 which have either been placed under liquidation or in severe financial liabilities. The Group does not hold any collateral over these balances.

Movement in the impairment loss on other receivables

	2010 US$	2009 US$
Balance at beginning of the year	3,423,553	2,796,747
Exchange adjustments	41,798	2,515
Amounts written off as uncollectible	(3,159,525)	—
Disposal of subsidiaries	—	(687,201)
Impairment loss recognised	992,138	1,311,492
Balance at end of the year	1,297,964	3,423,553

The impairment loss recognised on other receivables because the counterparties have financial difficulties.

The carrying amounts of the Group's trade and other receivables denominated in currencies other than functional currencies of the relevant group entities at the reporting date are as follows:

	2010 US$	2009 US$
United States dollar	950,831	3,422,042

13. TRADE AND OTHER PAYABLES

The aged analysis of the trade payables as at the end of the reporting period are as follows:

	2010 US$	2009 US$
Trade payables:		
0 - 90 days	4,391,329	3,331,265
91 - 120 days	275,423	42,759
121 - 180 days	546,533	—
181 - 365 days	182,445	24,783
Over 365 days	3,164,133	2,897,618
	8,559,863	6,296,425
Advance from customers	636,067	595,250
Accruals	4,515,581	5,474,498
Other tax payables	403,523	142,651
Other payables	426,844	537,940
Total trade and other payables	14,541,878	13,046,764

The average credit period on purchases of goods is 150 days.

The carrying amounts of the Group's trade and other payables denominated in currencies other than functional currencies of the relevant group entities at the reporting date are as follows:

	2010 US$	2009 US$
United States dollar	8,620,990	8,375,556

Other payables of US$9,463,611 (2009: US$9,285,393) as at 31 December 2010 was classified as non-current liabilities as the maturity dates of the related payables are more than one year pursuant to the debt restructuring. The amounts bears fixed interest rate of 3% (2009: 3%) per annum.

Summary of the Independent Auditor's Report on the Group's Consolidated Financial Statements

The Group's auditor, Messrs Deloitte Touche Tohmatsu, has made qualification on the report on the Group's consolidated financial statements as at 31 December 2008. Any adjustments found to be necessary would affect the Group's loss for the year ended 31 December 2009. Details of the qualification as extracted from the independent auditor's report are as follow:

Basis for Qualified Opinion on the Loss and Cash Flows

(a) **Impairment of property, plant and equipment**

During the year ended 31 December 2008, the Group incurred a loss of US$75,093,827 and the production activities of certain of the Group's facilities were suspended. These factors, in our opinion, constituted indicators of impairment of the property, plant and equipment. However, no impairment loss was recognised for the year ended 31 December 2008. We were unable to perform satisfactory audit procedures to satisfy ourselves that the recoverable amounts of the property, plant and equipment exceeded its carrying amounts as at 31 December 2008 and whether any impairment loss should have been recognised during that year in accordance with Hong Kong Accounting Standard 36 "Impairment of Assets" issued by the HKICPA. Furthermore, during the year ended 31 December 2009, the Group recognised impairment loss on property, plant and equipment of US$12,047,166 and disposed of certain property, plant and equipment used for the production of flexible printed circuit boards and flexible printed circuit boards assembly businesses (the "Transaction") at a significant loss of US$13,601,822 to the consolidated financial statements. However, due to the limitation described above, we were unable to perform satisfactory audit procedures to determine whether the loss arising from the Transaction and the impairment loss recognised on property, plant and equipment during the year ended 31 December 2009 were free from material misstatements. We were therefore unable to determine whether adjustments to the accumulated losses as at 1 January 2009 and the results of operations might be necessary for the year ended 31 December 2009. Our audit opinion on the consolidated financial statements for the year ended 31 December 2009 was modified accordingly. Our opinion on the current year's consolidated financial statements is also modified because of the possible effect of this matter on the comparability of the current year's figures and the corresponding figures.

(b) **Fair value and carrying amounts of convertible loan notes**

During the year ended 31 December 2009, the convertible loan notes with principal amounts of HK$20,999,910 (equivalent to US$2,709,665) were fully converted into 719,175,000 ordinary shares in the share capital of the Company. The fair values of the liability component of convertible loan notes and conversion option derivative were determined on initial recognition by the directors of the Company. In addition, the carrying amounts of the conversion option derivative at the relevant dates of conversion of the convertible loan notes were also determined by the directors of the Company. However, we were unable to obtain sufficient evidence to satisfy ourselves as to whether the valuation methodology and the assumptions adopted by the directors of the Company in these valuations of the liability component of convertible loan notes and conversion option derivative on initial recognition and the valuation of the conversion option derivative at the relevant dates of conversion of the convertible loan notes were appropriate. There were no other alternative audit procedures that we could carry out to satisfy ourselves as to whether the liability component of convertible loan notes and the conversion option derivative are fairly stated on initial recognition and at relevant dates of conversion of the convertible loan notes in accordance with the requirements of Hong Kong Accounting Standard 39 "Financial Instruments: Recognition and Measurement" issued by the HKICPA. We were therefore unable to determine whether adjustments to the accumulated losses as at 1 January 2009 and results of operations might be necessary for the year ended 31 December 2009. Our audit opinion on the consolidated financial statements for the year ended 31 December 2009 was modified accordingly. Our opinion on the current year's consolidated financial statements is also modified because of the possible effect of this matter on the comparability of the current year's figures and the corresponding figures.

Qualified Opinion on the Loss and Cash Flows

In our opinion, except for the possible effects on the corresponding figures of the matters described in the Basis for Qualified Opinion on the Loss and Cash Flows paragraphs, the consolidated statement of comprehensive income and the consolidated statement of cash flows give a true and fair view of the Group's loss and cash flows for the year ended 31 December 2010 in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Opinion on the Financial Position

In our opinion, the consolidated statement of financial position gives a true and fair view of the state of the Group's affairs as at 31 December 2010 in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

Emphasis of Matter

Without further qualifying our opinion, we draw attention to note 2 to the consolidated financial statements which indicate that the Group incurred a loss of US$21,548,313 during the year ended 31 December 2010 and as at that date, the Group's current liabilities exceeded its current assets by US$6,252,441. These conditions, along with other matters as set forth in note 2 to the consolidated financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

FINAL DIVIDEND

The Board did not recommend the payment of a final dividend for the year ended 31 December 2010.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

For the financial year ended 31 December 2010, the Group recorded loss for the year of approximately US$21.5 million as compared to loss for the year approximately US$43.6 million for the year ended 31 December 2009, representing a decrease of approximately 50.7%. Loss per share was approximately US0.7 cents (2009: approximately US2.4 cents) and net liabilities per share of the Group was approximately US0.3 cents (2009: approximately US0.4 cents).

Turnover and gross loss margin

During the year, the turnover of the Group increased by approximately US$9.1 million (197.8%) and the overall gross loss margin decreased from approximately 102.2% for the year ended 31 December 2009 to approximately 77.4% for the year ended 31 December 2010. Under the restructuring of a major subsidiary during the year ended 31 December 2009, there were suspension of certain level of operations and discontinuation of manufacturing, assembling and trading of flexible printed circuit boards solution. Following the recent restructuring, there were increase in turnover and improvement in gross loss margin of the Group.

Operating expenses

Distribution costs for the year ended 31 December 2010 increased by approximately 75.5% to approximately US$330,000, as compared to that of approximately US$188,000 for the year ended 31 December 2009. The items comprising the distribution and selling expenses were in line with the level of turnover.

The administrative expenses for the year ended 31 December 2010 decreased by approximately 38.0% to approximately US$5.7 million as compared to that of approximately US$9.2 million for the year ended 31 December 2009. The decrease is mainly due to tightening of the control on the expenses incurred for administration.

Research and development costs for the year ended 31 December 2010 decreased by approximately 13.3% to approximately US$1.3 million as compared to that of approximately US$1.5 million for the year ended 31 December 2009. It mainly comprises the development costs for the business of China Mobile Multimedia Broadcasting ("CMMB").

Other expenses represent the share-based payments expense to the consultants by granting share options of the Company to the consultants during the year. It slight increased by 5.0% to approximately US$2.1 million for the year ended 31 December 2010, as compared to that of approximately US$2.0 million for the year ended 31 December 2009.

Impairment loss on trade and other receivables for the year ended 31 December 2010 increased by approximately 64.1% to approximately US$699,000, as compared to that of approximately US$426,000 for the year ended 31 December 2009. Impairment loss was made on certain trade and other receivables which are past due and their recoverability are in doubt.

Finance costs of the Group for the year ended 31 December 2010 slightly decreased by 7.1% to approximately US$1.5 million, as compared to that of approximately US$1.4 million for the year ended 31 December 2009, no significant movements in bank borrowings during the year.

LIQUIDITY AND FINANCIAL RESOURCES

The Group had shareholders' deficits of approximately US$11.0 million as at 31 December 2010 and approximately US$8.3 million as at 31 December 2009. Current assets amounted to approximately US$9.5 million mainly comprising bank balances and cash of approximately US$4.0 million, inventories of approximately US$1.2 million and trade and other receivables of approximately US$3.8 million. Current liabilities amounted to approximately US$14.7 million mainly comprising trade and other payables of approximately US$14.5 million.

As at 31 December 2010, the Group's current ratio is 0.6 (2009: 0.9) and the gearing ratio (a ratio of total loans to total assets) is 64.7% (2009: 86.8%).

As at 31 December 2010, the Group's bank loan balance is approximately US$24.2 million, all loans are fixed rate borrowings which carried interest ranging from 4.7% per annum and on demand in more than one year but not more than five years.

During the year, the Company entered into certain subscription agreements with the subscribers for the subscription of an aggregate 593,321,800 new shares ("Shares") of the Company for an aggregate consideration of HK$63,717,908 (equivalent to approximately US$8.2 million). Total net proceeds of all above subscriptions are approximately US$8.1 million, which were intended to be used as general working capital at initial. Subsequantly, part of the net proceeds amounting to approximately US$1.1 million was used as a deposit to acquire 30% equity interests in Fuxue (Beijing) Media Co., Ltd (北京富學傳媒文化有限公司) and 30% equity interests in Deshen (Beijing) Interactive Media Co., Ltd (北京德神互動文化傳媒有限責任公司), both operate the business regarding the CMMB; and the remaining part of the net proceeds amounting to approximately US$7.0 million was used for general working capital during the year under review.

FOREIGN CURRENCY EXCHANGE RISK

Most of the Group's assets, liabilities and transactions are denominated in US dollar and Renminbi ("RMB"). The management believes that foreign exchange risk does not affect the Group since RMB has generally appreciated comparing with US dollar and its sales and purchases in RMB substantially hedged the risks of transactions in foreign currency. The management will continue to monitor any further changes in RMB exchange rate and would proactively take measures to minimise any adverse impact by the fluctuations of exchange rates on the Group. The Group did not make any other hedging arrangement in the two years ended 31 December 2010.

SEGMENTAL INFORMATION

As at 31 December 2010, detail segmental information of the Group is set out in note 4 to the annual results announcement.

EMPLOYEE BENEFITS

For the year ended 31 December 2010, average number of employees of the Group was approximately 500 (2009: approximately 900). For the year ended 31 December 2010, the Group's staff costs (including Directors' fees and emoluments) amounted to approximately US$3.2 million (2009: approximately US$3.4 million). The remuneration policy of the Company is reviewed annually and is in line with the prevailing market practice. During the year under review, the Company has granted 31,250,000 share options to the Directors and employees of the Group under the share option scheme of the Company adopted on 5 July 2005.

The employees of the Company's subsidiaries in the PRC are members of a state-managed social welfare scheme operated by the local government of the PRC. Under the scheme, the Group provides retirement, medical, employment injury, unemployment and maternity benefits to its employees in the PRC in accordance with the relevant PRC rules and regulations. The Group is required to contribute a specified percentage of their payroll costs to the social welfare scheme to fund the benefits. The only obligation of the Group with respect to the social welfare scheme is to make the specified contributions. During the year under review, the Group contributed approximately US$123,000 (2009: approximately US$112,000) to the scheme.

BUSINESS/OPERATION REVIEW

During the year under review, the Company's principal activity is investment holdings whilst its subsidiaries are mainly engaged in manufacturing and trading of printed circuit boards.

The Group currently remains rigid printed circuit board ("PCB") solutions, which comprises the products of PCB and rigid printed circuit board assembly ("PCBA"). For the year under review, the turnover of the Group is approximately US$13.7 million (2009: approximately US$4.6 million), representing an increase of 197.8% compared to the year ended 31 December 2009. The Group undertook restructuring for the purpose of dealing with and settling its indebtedness and it has massively cut costs, reduced debts, streamlined operations and sought new investment opportunities during the year ended 31 December 2009. The operations for the PCB solutions are back to normal and continue to growth. In addition, the Group has discontinued the operations of flexible printed circuit boards solution since September 2009.

Following the recent successful completion of its corporate restructuring, the Company has been pursuing opportunities arising from China's new policy in support of 3-Way Network Convergence (television, telecom and internet) and, in particular, has been focused on developing mobile television and interactive multimedia business based on CMMB standards. The Company's goal is to develop into a mobile TV multimedia company, providing CMMB-based services, solutions, and innovations in China and in other markets around the world.

PROSPECTS

The Company has been pursuing opportunities arising from China's new policy in support of 3-Way Network Convergence (television, telecom and internet) and, in particular, has been focused on developing mobile television and interactive multimedia businesses based on the China Mobile Multimedia Broadcasting ("CMMB") standard. The Company's goal is to develop into a mobile TV multimedia company, providing CMMB-based services, solutions, and innovations in China and in other markets around the world.

CMMB is China home grown mobile TV technology standard that provides terrestrial and satellite broadcast transmission to mobile devices, (e.g. smart-phones, car-mount TVs, GPS, PC TVs, etc.) with accompanying interactive multi-media services. The standard's principal founder is Dr. Hui Liu, the vice-chairman of the Company. The China Broadcasting Corporation, under the State Administration of Radio, Film and Television ("SARFT") commenced commercial CMMB services in 2010 and already operates the world's largest mobile television broadcasting network covering over 300 cities with more than 500 million inhabitants. CMMB is a key driver for China's 3-Way Network Convergence. China Mobile, the world's largest mobile networks operator, is preparing to roll-out its convergence TD-CMMB services, which packages TD-SDMA 3G voice, data and internet services with CMMB Mobile TV. The service is expected to commence in 2010 and with projected subscribers reaching well over 100 million within a few years. The Company will endeavour in China's CMMB and 3-Way Network Convergence developments, and it anticipates to have much closer working relationship with relevant government departments and major service operators there.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the largest and the five largest customers of the Group accounted for approximately 54.6% and 93.0% of the Group's turnover respectively. Aggregate purchases attributable to the Group's five largest suppliers were less than 73% of total purchases. The largest supplier of the Group accounted for approximately 42.5% of the Group's total purchase.

At no time during the year did a Director, an associate of a Director or any shareholders (which to the knowledge of the Directors had more than 5% interests in the Company) had an interest in any of the Group's five largest customers or suppliers.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

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

COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE

The Company had adopted the code provisions set out in the Code on Corporate Governance Practices ("CG Code") contained in Appendix 14 to the Listing Rules. The Board will continuously review and improve the corporate governance practices and standards of the Company to ensure that business activities and decision making processes are regulated in a proper and prudent manner.

During the year under review, the Company has complied with the requirements of the Code Provisions in the CG Code throughout the year ended 31 December 2010 except that the Company has been deviated from the Code Provision A.2.1 of the CG Code, as the roles of Chairman and chief executive officer of the company were not separate. With effect from 19 May 2008, Mr. Wong Chau Chi ("Mr. Wong") had been re-designated as the Chairman and Mr. Wong also remains as the chief executive officer of the Company. According to the Code Provision A.2.1 of the CG Code, the roles of a chairman and a chief executive officer should be separate and should not be performed by the same individual. Given Mr. Wong has had extensive experience in the business of the Group and has performed satisfactorily since his joining of the Company in 2007, particularly in soliciting for possible new business opportunities and deducing the overall strategic plan for the future development of the Company, the Board considers that it would be beneficial to the Group if Mr. Wong is also in charge of overseeing the Company's operations as the Chairman. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Group. The Board will regularly review the effectiveness of this arrangement.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a revised code of conduct regarding securities transactions by Directors on terms no less exacting than the required standards under the revised Model Code for Securities Transactions by Directors of Listed Issues ("Model Code") as set out in Appendix 10 to the Listing Rules. The Company has made specific enquiry of all Directors regarding any non-compliance with the Model Code throughout the year ended 31 December 2010 and all the Directors confirmed that they have fully complied with the required standard set out in the Model Code and the code of conduct throughout the year ended 31 December 2010.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive Director, namely Messrs. Wang Wei-Lin, Yu Kam Kee Lawrence and Mr. Shan Li, an annual confirmation of their independence pursuant to the Rule 3.13 of the Listing Rules. Based on such confirmations, the Board considers all of the independent non-executive Directors are independent.

On 2 March 2010, the Board has re-designated Mr. Shan Li from a non-executive Director to an independent non-executive Director and he was also appointed as the chairman of the audit committee ("Audit Committee") of the Company with effect from the same date according to the provision of Rule 3.21 of the Listing Rules. Since 2 March 2010, the Company has complied with the provisions of 3.10(1) and 3.10(2) of the Listing Rules that sufficient number of independent non-executive Directors have been appointed and that at least one of the independent non-executive Directors has appropriate professional qualifications or accounting or related financial management expertise.

AUDIT COMMITTEE

An Audit Committee was established by the Company on 5 July 2005 with written terms of reference to review and supervise the Group's financial reporting process and internal controls. The Company has adopted a revised written terms of reference with reference to the corresponding changes made to the code provisions of the CG Code. The Audit Committee currently comprises Mr. Yu Kam Kee Lawrence and Mr. Shan Li, being independent non-executive Directors and Mr. Chou Tsan-Hsiung, a non-executive Director. Currently, Mr. Shan Li is the chairman of the Audit Committee.

On 2 March 2010, Mr. Shan Li was appointed as the chairman of the Audit Committee according to the provision of Rule 3.21 of the Listing Rules. Since 2 March 2010, the Company has complied with the provision of Rule 3.21 of the Listing Rules that the Company's audit committee comprises a minimum of three members, at least one of whom is an independent non-executive director with appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules.

REMUNERATION COMMITTEE

A remuneration committee ("Remuneration Committee") was established by the Company on 5 July 2005 and re-constituted pursuant to a written resolution passed by the Board on 23 September 2005 to formulate and make recommendation to the Board on the Group's policy and structure for all remuneration of the Directors and senior management of the Group.

The Remuneration Committee currently comprises the three independent non-executive Directors, namely Mr. Wang Wei-Lin, Mr. Yu Kam Kee Lawrence and Mr. Shan Li and one non-executive Director, Mr. Chou Tsan-Hsiung. Currently, Mr. Wang Wei-Lin is the chairman of the Remuneration Committee.

By Order of the Board
CMMB Vision Holdings Limited
(formerly known as
Global Flex Holdings Limited)
Wong Chau Chi
Chairman

Hong Kong, 30 March 2011

As at the date of this announcement, the Board comprises one executive Director, namely Mr. WONG Chau Chi; four non-executive Directors, namely Mr. CHOU Tsan-Hsiung, Mr. YANG Yi, Dr. LI Jun and Dr. Hui LIU, and three independent non-executive Directors, namely Mr. WANG Wei-Lin, Mr. YU Kam Kee Lawrence BBS, MBE, JP and Mr. Shan LI.