WONG'S INTERNATIONAL (HOLDINGS) LIMITED
王氏國際(集團)有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 99)

ANNOUNCEMENT OF 2009 FINAL RESULTS

The Directors announce that the results of the Group for the year ended 31 December 2009 were as follows:

CONSOLIDATED INCOME STATEMENT

	Note	**2009** *HK$'000*	2008 *HK$'000*
Revenue	*2*	**2,409,050**	3,276,001
Other income		**9,781**	2,799
Changes in inventories of finished goods and work in progress		**(10,411)**	21,163
Raw materials and consumables used		**(1,883,454)**	(2,675,780)
Employee benefit expense		**(262,085)**	(292,863)
Depreciation and amortisation charges		**(59,913)**	(79,972)
Other operating expenses		**(148,163)**	(215,081)
Change in fair value of investment properties		**4,750**	(2,020)
Other (losses) / gains - net	*3*	**(1,621)**	259,705
Operating profit		**57,934**	293,952
Finance income		**7,642**	3,503
Finance costs		**(6,357)**	(10,921)
Share of (loss) / profit of associates		**(154)**	3,534
Share of loss of jointly controlled entities		**(115)**	-
Profit before income tax		**58,950**	290,068
Income tax expense	*4*	**(6,591)**	(421)
Profit attributable to equity holders of the Company		**52,359**	289,647
Dividends	*5*	**14,008**	28,015
Earnings per share attributable to the equity holders of the Company during the year			
Basic earnings per share	*6*	**HK$0.11**	HK$0.62
Diluted earnings per share	*6*	**HK$0.11**	HK$0.62

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2009	2008
	HK$'000	*HK$'000*
Profit for the year	**52,359**	289,647
Other comprehensive income:		
Changes in fair value of available-for-sale financial assets	**-**	(4,772)
Impairment loss of available-for-sale financial assets charged to income statement	**-**	4,689
Currency translation differences	**(218)**	25,802
Other comprehensive income for the year	**(218)**	25,719
Total comprehensive income attributable to equity holders of the Company for the year	**52,141**	315,366

CONSOLIDATED BALANCE SHEET

	Note	**2009**	2008
		HK$'000	*HK$'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**176,372**	203,980
Investment properties		**35,120**	34,280
Leasehold land and land use rights		**6,569**	9,809
Investments in associates		**13,422**	17,261
Investments in jointly controlled entities		**177,878**	174,311
Available-for-sale financial assets		**48**	43
Deferred income tax assets		**8,749**	5,692
		418,158	445,376
Current assets			
Inventories		**277,150**	240,423
Trade receivables	*7*	**495,240**	499,680
Prepayments, deposits and other receivables		**51,966**	44,104
Amounts due from associates		**15,202**	25,869
Derivative financial instruments		**113**	3,508
Pledged bank deposits		**23,277**	38,976
Cash and bank deposits		**446,978**	572,236
		1,309,926	1,424,796
Total assets		**1,728,084**	1,870,172
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital		**46,692**	46,692
Other reserves		**459,325**	458,809
Retained earnings			
- Proposed dividends		**9,339**	23,346
- Others		**549,160**	510,809
Total equity		**1,064,516**	1,039,656

	Note	2009 HK$'000	2008 HK$'000
LIABILITIES			
Non-current liabilities			
Borrowings		**-**	69,000
Deferred income tax liabilities		**5,861**	5,013
		5,861	74,013
Current liabilities			
Trade payables	*8*	**457,923**	404,984
Accruals and other payables		**144,894**	116,115
Amount due to an associate		**3,183**	3,183
Amounts due to jointly controlled entities		**24**	10
Derivative financial instruments		**-**	1,526
Current income tax liabilities		**2,837**	5,979
Borrowings		**48,846**	224,706
		657,707	756,503
Total liabilities		**663,568**	830,516
Total equity and liabilities		**1,728,084**	1,870,172
Net current assets		**652,219**	668,293
Total assets less current liabilities		**1,070,377**	1,113,669

NOTES:

1. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"). They have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss and investment properties, which are carried at fair value.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies.

The Group has adopted the following new or revised standards and amendments to existing standards that are mandatory for accounting periods beginning on or after 1 January 2009 and relevant to the Group's operations:

HKAS 1 (revised)	Presentation of financial statements
HKFRS 1 and HKAS 27 (amendment)	Cost of an investment in a subsidiary, jointly controlled entity or associate
HKFRS 7 (amendment)	Financial instruments - disclosures
HKFRS 8	Operating segments
Annual improvements project	Improvements to HKFRSs 2008

The adoption of such new or revised standards and amendments to existing standards does not have material impact on the consolidated financial statements and does not result in substantial changes to the Group's accounting policies except certain changes on the presentation of the consolidated financial statements.

HKAS 1 (revised), "Presentation of financial statements". The revised standard prohibits the presentation of items of income and expenses (that is "non-owner changes in equity") in the statement of changes in equity, requiring "non-owner changes in equity" to be presented separately from owner changes in equity in a statement of comprehensive income. As a result the Group presents in the consolidated statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income. Comparative information has been re-presented so that it is in conformity with the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on earnings per share.

HKFRS 8, 'Operating segments'. HKFRS 8 replaces HKAS 14, 'Segment reporting', and aligns segment reporting with the requirements of the United States standard Statement of Financial Accounting Standards 131, 'Disclosures about segments of an enterprise and related information'. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The segments are reported in a manner that is more consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the senior executive management of the Group. However, such restatement in note disclosure does not have any impact on the balance sheets.

1 BASIS OF PREPARATION (Continued)

HKFRS 7 (amendment) 'Financial instruments - disclosures'. The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. As the change in accounting policy only results in additional disclosures, there is no impact on earnings per share.

The following amendments to standards and interpretations are mandatory for accounting periods beginning on or after 1 January 2009, but they are not relevant to the Group's operations:

HKAS 23 (revised)	Borrowing costs
HKAS 32 and HKAS 1 (amendments)	Puttable financial instruments and obligations arising on liquidation
HKFRS 2 (amendment)	Share-based payment - vesting conditions and cancellations
HK(IFRIC)-Int 13	Customer loyalty programmes
HK(IFRIC)-Int 15	Agreements for the construction of real estate
HK(IFRIC)-Int 16	Hedges of a net investment in a foreign operation
HK(IFRIC)-Int 18	Transfer of assets from customers

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

HKAS 1 (amendment)	Presentation of financial statements[3]
HKAS 1 (amendment)	Current / non-current classification of convertible instruments[3]
HKAS 7	Classification of expenditures on unrecognised assets[3]
HKAS 17	Classification of lease of land and buildings[3]
HKAS 24 (revised)	Related party disclosures[6]
HKAS 27 (revised)	Consolidated and separate financial statements[2]
HKAS 32 (amendment)	Classification of rights issue[4]
HKAS 36	Unit of accounting for goodwill impairment tests[3]
HKAS 38	Additional consequential amendments arising from HKFRS 3 (revised) and measuring the fair value of an intangible asset acquired in business combination[2]
HKAS 38 (amendment)	Intangible assets[2]
HKAS 39	Treating loan prepayment penalties as closely related derivatives[3]
HKAS 39	Cash flow hedge accounting[3]
HKAS 39	Scope exemption for business combination contracts[3]
HKFRS 1 (amendment)	Additional exemption for first time adopters[5]
HKFRS 2 (amendment)	Group cash-settled share-based payment transactions[3]
HKFRS 3 (revised)	Business combinations[2]
HKFRS 5	Disclosures required in respect of non-current assets (or disposal groups) classified as held for sale or discontinued operations[3]
HKFRS 8	Disclosure of information about segment assets[3]
HKFRS 9	Financial instruments[7]

1 BASIS OF PREPARATION (Continued)

HK(IFRIC)-Int 9 and HKAS 39 (amendments)	Embedded derivatives[1]
HK(IFRIC)-Int 14 (amendment)	Prepayments of minimum funding requirements[5]
HK(IFRIC)-Int 17	Distributions of non-cash assets to owners[2]
HK(IFRIC)-Int 19	Extinguishing financial liabilities with equity instruments[4]

[1] Effective for annual periods beginning on or after 30 June 2009
[2] Effective for annual periods beginning on or after 1 July 2009
[3] Effective for annual periods beginning on or after 1 January 2010
[4] Effective for annual periods beginning on or after 1 February 2010
[5] Effective for annual periods beginning on or after 1 July 2010
[6] Effective for annual periods beginning on or after 1 January 2011
[7] Effective for annual periods beginning on or after 1 January 2013

The Group is in the process of making an assessment of the impact of the new or revised standards, amendments to standards and interpretations upon initial application. So far, it has concluded that the new or revised standards, amendments to standards and interpretations are unlikely to have significant impact on the Group's results of operations and financial position.

2. SEGMENT INFORMATION

The Group's senior executive management is considered as the Chief Operating Decision Maker ("CODM"). The Group was organised into two operating divisions:

Electronic Manufacturing Service ("EMS") - manufacture and distribution of electronic products for EMS customers.

Original Design and Manufacturing ("ODM") - original design and manufacturing for both EMS and ODM customers.

The CODM reviews the performance of the Group on a regular basis and reviews the Group's internal reporting in order to assess performance and allocate resources. The CODM assesses the performance of the operating segments based on a measure of segment results. This measurement basis includes profit or loss of the operating segments before other income, other (losses) / gains - net, share of (loss) / profit of associates and jointly controlled entities, interest income, interest expense, tax and change in fair value of investment properties but excludes corporate and unallocated expenses. Other information provided to the Group's management is measured in a manner consistent with that in the consolidated financial statements.

2 SEGMENT INFORMATION (Continued)

For the year ended 31 December 2009	**EMS division** *HK$'000*	**ODM division** *HK$'000*	**Total** *HK$'000*
Total gross revenue	**2,404,992**	**5,365**	**2,410,357**
Inter-segment revenue	**(1,307)**	**-**	**(1,307)**
External revenue	**2,403,685**	**5,365**	**2,409,050**
Segment results	**80,318**	**(13,858)**	**66,460**
Depreciation and amortisation charges	**59,551**	**199**	**59,750**
Capital expenditure	**32,794**	**139**	**32,933**

For the year ended 31 December 2008	EMS division *HK$'000*	ODM division *HK$'000*	Total *HK$'000*
Total gross revenue	3,271,700	5,417	3,277,117
Inter-segment revenue	(1,116)	-	(1,116)
External revenue	3,270,584	5,417	3,276,001
Segment results	94,055	(29,200)	64,855
Depreciation and amortisation charges	62,599	10,840	73,439
Capital expenditure	39,050	4,521[#]	43,571

[#] *The full amount of HK$4,521,000 represents the development costs capitalised.*

2 SEGMENT INFORMATION (Continued)

	EMS division *HK$'000*	ODM division *HK$'000*	Total *HK$'000*
Reportable segment assets			
As at 31 December 2009	**1,377,844**	**5,172**	**1,383,016**
As at 31 December 2008	1,402,436	5,930	1,408,366

Segment assets consist primarily of property, plant and equipment, leasehold land and land use rights, inventories, trade receivables, prepayments, deposits and other receivables, and cash, but exclude corporate and unallocated assets.

A reconciliation of reportable segment results to profit before income tax is provided as follows:

	2009 *HK$'000*	2008 *HK$'000*
Reportable segment results	**66,460**	64,855
Other income	**9,781**	2,799
Change in fair value of investment properties	**4,750**	(2,020)
Other (losses) / gains - net	**(1,621)**	259,705
Finance income / (costs) - net	**1,285**	(7,418)
Share of (loss) / profit of associates	**(154)**	3,534
Share of loss of jointly controlled entities	**(115)**	-
Corporate and unallocated expenses	**(21,436)**	(31,387)
Profit before income tax	**58,950**	290,068

Reportable segments assets are reconciled to total assets as follows:

	2009 *HK$'000*	2008 *HK$'000*
Reportable segment assets	**1,383,016**	1,408,366
Investment properties	**35,120**	34,280
Investments in associates	**13,422**	17,261
Investments in jointly controlled entities	**177,878**	174,311
Available-for-sale financial assets	**48**	43
Deferred income tax assets	**8,749**	5,692
Amounts due from associates	**15,202**	25,869
Derivative financial instruments	**113**	3,508
Corporate and unallocated assets	**94,536**	200,842
Total assets per consolidated balance sheet	**1,728,084**	1,870,172

2 SEGMENT INFORMATION (Continued)

Reconciliations of other material items are as follows:

	2009	2008
	HK$'000	*HK$'000*
Depreciation and amortisation charges		
- Reportable segment total	**59,750**	73,439
- Adjustments*	**163**	6,533
	59,913	79,972
Capital expenditure		
- Reportable segment total	**32,933**	43,571
- Adjustments*	**596**	-
	33,529	43,571

** The reconciling items for these other material items are the amount incurred for the corporate headquarters which is not included in segment information.*

The Company is domiciled in Bermuda. Analysis of the Group's revenue by geographical market, which is determined by the destination of the invoices billed, is as follows:

	2009	2008
	HK$'000	*HK$'000*
North America	**260,976**	387,765
Asia (excluding Hong Kong)	**1,578,630**	1,929,501
Europe	**262,157**	362,142
Hong Kong	**307,287**	596,593
	2,409,050	3,276,001

For the year ended 31 December 2009, revenues of approximately HK$584,833,000 (2008: HK$683,142,000), HK$555,733,000 (2008: HK$932,882,000) and HK$380,508,000 (2008: HK$455,763,000) were derived from the top three external customers respectively. These revenues are attributable to the EMS division.

2 SEGMENT INFORMATION (Continued)

Analysis of the Group's non-current assets by geographical market is as follows:

	2009	2008
	HK$'000	*HK$'000*
North America	**218**	184
Asia (excluding Hong Kong)	**164,806**	205,643
Europe	**57**	45
Hong Kong	**244,328**	233,812
	409,409	439,684

Non-current assets comprise property, plant and equipment, investment properties, leasehold land and land use rights, investments in associates, investments in jointly controlled entities and available-for-sale financial assets. They exclude deferred income tax assets.

3. OTHER (LOSSES) / GAINS - NET

	2009	2008
	HK$'000	*HK$'000*
Gain on disposal of property	**-**	264,845
Loss on disposal of property, plant and equipment and land use rights	**(2,255)**	-
Loss on disposal of an investment property	**(1,239)**	-
Exchange gains / (losses), net	**2,287**	(7,122)
Fair value change on financial instruments, net		
- Unrealised (losses) / gains	**(1,869)**	1,982
- Realised gains	**1,455**	-
	(1,621)	259,705

4. INCOME TAX EXPENSE

	2009	2008
	HK$'000	*HK$'000*
Current income tax		
- Hong Kong profits tax	**4,320**	6,379
- Overseas taxation	**6,396**	4,654
Deferred income tax	**(3,023)**	(4,031)
(Over) / under - provision in prior years		
- Current income tax	**(1,916)**	(6,581)
- Deferred income tax	**814**	-
	6,591	421

4 INCOME TAX EXPENSE (Continued)

Hong Kong profits tax has been provided at the rate of 16.5% (2008: 16.5%) on the estimated assessable profit arising in or derived from Hong Kong.

The new Corporate Income Tax Law in the People's Republic of China increases the corporate income tax rate for foreign investment enterprises from previous preferential rates to 25% with effect from 1 January 2008. Companies established in Mainland China before 16 March 2007 and previously taxed at the rate lower than 25% may be offered a gradual increase of tax rate to 25% within 5 years. Certain subsidiaries of the Company established in Mainland China will enjoy preferential income tax rate from 2008 to 2011 and be taxed at the rate of 25% from 2012 when the preferential treatment expires.

5. DIVIDENDS

	2009	2008
	HK$'000	*HK$'000*
Interim dividend paid - HK$0.01 (2008: HK$0.01) per share	**4,669**	4,669
Proposed final dividend - HK$0.02 (2008: HK$0.02) per share	**9,339**	9,339
Proposed special final dividend - Nil (2008: HK$0.03) per share	**-**	14,007
	14,008	28,015

The directors recommend the payment of a final dividend of HK$0.02 per ordinary share, totalling HK$9,339,000 (2008: HK$0.02 per ordinary share and special final dividend of HK$0.03 per ordinary share). The dividend is to be approved by the shareholders at the upcoming Annual General Meeting. This proposed dividend has not been dealt with as dividend payable as at 31 December 2009.

6. EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2009	2008
Profit attributable to equity holders of the Company *(HK$'000)*	**52,359**	289,647
Weighted average number of ordinary shares in issue *(in thousands)*	**466,922**	466,922
Basic earnings per share *(HK$)*	**0.11**	0.62

6 EARNINGS PER SHARE (Continued)

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has outstanding share options, which are of dilutive potential. For share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	2009	2008
Profit attributable to equity holders of the Company *(HK$'000)*	**52,359**	289,647
Weighted average number of ordinary shares in issue *(in thousands)*	**466,922**	466,922
Adjustment for share options *(in thousands)*	**4,824**	132
Weighted average number of ordinary shares for diluted earnings per share *(in thousands)*	**471,746**	467,054
Diluted earnings per share *(HK$)*	**0.11**	0.62

7. TRADE RECEIVABLES

The credit period allowed by the Group to its trade customers mainly ranges from 30 days to 90 days and no interest is charged.

Ageing analysis of Group's trade receivables by invoice date is as follows:

	2009	2008
	HK$'000	*HK$'000*
0 - 60 days	**458,311**	404,466
61 - 90 days	**35,753**	74,910
Over 90 days	**1,176**	20,304
	495,240	499,680

8. TRADE PAYABLES

Ageing analysis of the Group's trade payables by invoice date is as follows:

	2009	2008
	HK$'000	*HK$'000*
0 - 60 days	**423,695**	340,637
61 - 90 days	**20,134**	45,784
Over 90 days	**14,094**	18,563
	457,923	404,984

DIVIDENDS

The Company paid an interim dividend of HK$0.01 per share (2008: HK$0.01) for 2009. The Directors now recommend the payment of a final dividend of HK$0.02 (2008: final dividend of HK$0.02 and a special final dividend of HK$0.03) per share on Friday, 18 June 2010 to the shareholders whose names appear on the Register of Members of the Company on Wednesday, 2 June 2010.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Monday, 31 May 2010 to Wednesday, 2 June 2010, both days inclusive, during which period no transfer of shares will be effected. To qualify for the above dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrars, Tricor Standard Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:00 p.m. on Friday, 28 May 2010.

REVIEW OF BUSINESS ACTIVITIES

The Group

The Group's turnover decreased 26% from HK$3.28 billion in 2008 to HK$2.41 billion in 2009. The decrease was primarily due to the reduction in customer demand as a result of weakened macro-economic environment caused by the global financial crisis.

The profit before taxation was HK$59.0 million in 2009 compared to the HK$290.1 million in 2008. The decrease was primarily attributable to the exceptional gain of HK$264.8 million recorded in 2008 on the disposal of Wong's Industrial Centre. Excluding non-operating results, interest and depreciation expenses, the adjusted earnings before interest, tax, depreciation and amortisation ("Adjusted EBITDA") for 2009 was in line with the previous year after taken into the consideration of the lower level of sales.

The following table sets forth the calculations of Adjusted EBITDA for fiscal years of 2009 and 2008:

	2009	2008
	HK$'000	*HK$'000*
Profit before income tax	**58,950**	290,068
Non-operating results		
Change in fair value of investment properties	**(4,750)**	2,020
Loss / (gain) on disposal of property, plant and equipment, an investment property and land use rights	**3,494**	(264,845)
Exchange (gains) / losses, net	**(2,287)**	7,122
Fair value losses / (gains) on financial instruments, net	**414**	(1,982)
	(3,129)	(257,685)
Adjusted profit before income tax	**55,821**	32,383
Finance income	**(7,642)**	(3,503)
Finance cost	**6,357**	10,921
Depreciation and amortisation charges	**59,913**	79,972
	58,628	87,390
Adjusted EBITDA	**114,449**	119,773

The financial year 2009 presented a very challenging operating environment to the Group's business. We witnessed a sharp decline in our customer demand during the first half of 2009, followed by facing the worldwide supply shortage for some key electronics components and local labour supply shortage towards the latter part of the year when the global economy was rebounding from the downturn. In response to this challenging environment, the Group has been focusing on costs control and streamlining operation. The Group improved its operational efficiencies by streamlining the workforce, consolidated its supply chain to reduce the material costs, subdued its capital expenditure outlay, and improved operational productivity. Despite the difficulties, the Directors believe the Group has responded and performed well under such a difficult environment in the past year by posting positive earnings and maintaining a well-improved balance sheet and cash flow position.

The EMS Division

The turnover of the Electronic Manufacturing Service Division ("EMS Division") decreased 26% from HK$3.27 billion in 2008 to HK$2.40 billion in 2009. Sales revenues for Shajing factory in Shenzhen fell by 32%, while the factory at Suzhou increased slightly by 3% when compared to the same period in 2008. The decrease in the overall sales at EMS Division was largely driven by reduction in demand of electronic products from our customers as a result of the global economic downturn.

The segment results attributable to EMS Division was HK$80.3 million for the year of 2009 representing a decline of 15% as compared to HK$94.1 million for the same period of 2008. The decrease in the segment results was mainly attributable to lower level of sales during the year.

The ODM Division

The turnover of the Original Design and Manufacturing Division ("ODM Division") for the Radio Frequency Identification ("RFID") readers was HK$5.4 million in 2009 which was almost the same as 2008 whilst the segment loss attributable to ODM Division decreased 53% from HK$29.2 million in 2008 to HK$13.9 million in 2009. Notwithstanding the unfavourable economy, sales was maintained almost the same for 2009 which was the result from the Group's continued effort to expand and strengthen the distribution network. The decrease in segment loss resulted primarily from reduced operating expenses and termination of amortisation in development costs during the fiscal year of 2009.

Property Development

With respect to the jointly controlled entities ("JCE") with Sun Hung Kai Properties Limited to develop two adjacent sites in Kwun Tong into a commercial office complex , the JCE had accepted the land premium for lease modification on one of the sites from the District Land Office in early March of 2010. Architectural design was completed and construction for this site is expected to start in the later part of 2010. In addition, the submission of lease modification to the District Land Office for the remaining site is targeted in the later part of 2010.

Regarding the residential development in the mid-level property project, at the end of 2009, the balance due from the Mid-Levels development project was approximately HK$12.0 million. As at the end of 2009, there were 4 residential units remaining which consisted of 3 duplexes and 1 combined unit. In addition, there were 10 parking spaces which remained unsold. On 18 March 2010, the project development company had entered into a preliminary sales and purchase agreement with an individual buyer to sell one of the duplex units together with a parking space at a cash consideration of HK$40 million (the Group's interest in this project development represents 25.26%). The transaction is estimated to be completed by the end of May 2010. According to the market evaluation, the Directors expect that the balance of the amount due by the Mid-Levels development project amounting to HK$12.0 million will be recoverable and thus no further impairment provision is necessary.

Acquisitions

During the first quarter of 2010, the Group has acquired 22% of the issued shared capital of Focus Media Network Limited ("FMN"), a digital Out-of-Home media company in Hong Kong and Singapore. Under the transaction, the Group will utilize FMN's Out-of-Home digital screen network to launch its newly developed Interactive Digital Signage ("IDS") service, which integrates the RFID interactive technology with digital signage. The IDS enables users to interact with the digital signage displays to obtain product content information or promotional coupons on-the-go. As Out-of-Home is one of the fastest growing advertising sectors after the Internet, FMN's extensive network of over 700 premium locations at office buildings and shopping malls offers an excellent platform to launch the Group's new IDS services. The Board is confident that our partnership with FMN will contribute to the long term growth of the Group.

The Group announced on 8 April 2010 that one of its wholly owned subsidiaries had entered into the Memorandum for Sales with a wholly owned subsidiary of Sun Hung Kai Properties Limited to purchase a property located at 108 Wai Yip Street, Kwun Tong which comprised of office units on the entire 17th floor together with twelve car parking spaces at a cash consideration of HK$98,642,000. Although no formal valuation on the property has been carried out, the consideration was arrived at after arm's length negotiations taking into the accounts of current prices of comparable properties and the location. The property will be established as the new head office for the Group in Hong Kong after the disposal of the Wong's Industrial Centre in 2008. The transaction shall be completed on 30 June 2010.

FINANCE

As at 31 December 2009, the Group had a HK$758.5 million banking facilities in Hong Kong under which there was HK$0.4 million outstanding loan. In addition, we have bank loan of HK$48.4 million outstanding from overseas subsidiaries at the end of the year. Cash balances decreased to HK$447.0 million at 31 December 2009 from HK$572.2 million at 31 December 2008.

As at 31 December 2009, the Group had a net cash surplus of HK$398.1 million in excess of the bank borrowings as compared to the net cash surplus of HK$278.5 million in excess of the bank borrowings at 31 December 2008.

Most of the Group's sales are conducted in US dollars and costs and expenses are mainly in US dollars, Hong Kong dollars, Japanese yen and Chinese renminbi. Forward contracts are used to hedge foreign exchange exposures where it is necessary or practicable.

CAPITAL STRUCTURE

There had been no material change in the Group's capital structure since 31 December 2008 which consists of bank borrowings, cash and cash equivalents and equity attributable to equity holders of the Group, comprising issued share capital and reserves.

EMPLOYEES

As at 31 December 2009, the Group employed approximately 4,950 employees of whom approximately 4,040 were production workers. In addition to the provision of annual bonuses, medical and life insurance, discretionary bonuses are also available to employees based on individual performance. The remuneration packages and policies are reviewed periodically.

The Group also provides in-house and external training programs to its employees.

PROSPECTS

The recent level of orders received and sales forecasts provided by our customers suggest that the world economy has rebounded from the downturn since mid-2009. While the Group is cautiously optimistic about the business outlook for 2010, we believe uncertainties remain on the global economic condition for the year 2010.

In response to these uncertainties, our EMS Division will continue to find ways to control and reduce our operating costs to minimize the macro-economic impact. Meanwhile, we will continue to expand our value engineering services to provide better time-to-market and cost-saving solutions for our customers.

Our ODM Division will continue its emphasis on developing new RFID products as well as expanding its vertical markets into different business applications in order to increase sales. The iCarte, a near field communication ("NFC") accessory on Apple's iPhone equipped with the e-Wallet payment application, was introduced and launched in late 2009 and was well received in the market. The Group expects it to make an important contribution to improve the ODM's sales in 2010. For the upcoming year, we will continue to expand and strengthen our distribution networks for the RFID sales focusing in Europe and North America markets.

On behalf of the Directors, I would like to sincerely thank our customers, suppliers and business partners for their continued confidence in and support to the Group. I would also like to pay a special tribute to all of our employees for their loyal, diligent and professional services to the Group.

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

During the year ended 31 December 2009, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

CODE ON CORPORATE GOVERNANCE PRACTICES

During the year ended 31 December 2009, the Company has complied with the code provisions of the "Code on Corporate Governance Practices" (the "Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, except for the following deviations:

1. Code provision A.2.1

Mr. Wong Chung Mat, Ben is the Group's Chairman and Chief Executive Officer and has occupied these two positions since February 2003. In allowing the two positions to be occupied by the same person, the Company has considered the following:

(a) Both positions require in-depth knowledge and considerable experience of the Group's business. Candidates with the suitable knowledge, experience and leadership are difficult to find both within and outside the Group. If either of the positions is occupied by an unqualified person, the Group's performance could be gravely compromised.

(b) The Company believes that the supervision of the Board and its Independent Non-executive Directors can provide an effective check and balance mechanism and ensures that the interests of the shareholders are adequately represented.

2. Code provision A.4.1

None of the existing Non-executive Directors of the Company is appointed for a specific term. This constitutes a deviation from code provision A.4.1 of the Code. However, every Director of the Company is now subject to retirement by rotation under Bye-law 112 of the Bye-laws of the Company. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Company has made specific inquiry with all of its Directors. Each of the Directors has confirmed his/her compliance with the requirements set out in the Model Code for the year ended 31 December 2009.

AUDIT COMMITTEE

The Audit Committee, which comprises all Independent Non-executive Directors, has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including a review of the financial statements for the year ended 31 December 2009.

PUBLICATION OF RESULTS AND ANNUAL REPORT

This results announcement is published on the Company's website at www.wongswih.com and The Stock Exchange of Hong Kong Limited at www.hkexnews.hk. The 2009 annual report will be dispatched to shareholders of the Company and will be available on the above websites in due course.

By Order of the Board
WONG CHUNG MAT, BEN
Chairman and Chief Executive Officer

Hong Kong, 15 April 2010

As at the date of this announcement, the Executive Directors of the Company are Mr. Wong Chung Mat, Ben, Mr. Wong Chung Ah, Johnny, Mr. Chan Tsze Wah, Gabriel, Mr. Tan Chang On, Lawrence, Mr. Wan Man Keung, Ms. Wong Yin Man, Ada and Mr. Lam Sek Sung, Patrick; and the Independent Non-executive Directors are Dr. Li Ka Cheung, Eric, G.B.S., O.B.E., J.P., Dr. Yu Sun Say, G.B.S., J.P. and Mr. Alfred Donald Yap, J.P.

**For identification purpose only*