CHINA DATA
BROADCASTING

China Data Broadcasting Holdings Limited
(中華數據廣播控股有限公司)*

(incorporated in Bermuda with limited liability)

(Stock Code: 8016)

RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009

The Growth Enterprise Market ("GEM") positioned as a market designed to accommodate companies to which a high investment risk may be attached than other companies listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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

* *for identification purposes only*

RESULTS

The board of directors (the "Board") of the Company is pleased to announce the audited financial results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2009.

CONSOLIDATED INCOME STATEMENT

	Notes	**2009** *HK$'000*	2008 *HK$'000*
TURNOVER	*1*	**2,575,279**	1,324,975
Cost of goods sold		**(2,512,715)**	(1,297,743)
GROSS PROFIT		**62,564**	27,232
Other income	*2*	**226**	8,378
Selling expenses		**(6,808)**	(2,792)
Administrative expenses		**(12,864)**	(9,837)
PROFIT FROM OPERATIONS		**43,118**	22,981
Finance costs		**(17,248)**	(15,279)
PROFIT BEFORE TAX		**25,870**	7,702
Tax	*4*	**(4,403)**	(2,000)
PROFIT FOR THE YEAR	*5*	**21,467**	5,702
EARNING PER SHARE			
Basic	*6*	**6.75 cents**	1.79 cents
Diluted		**N/A**	N/A

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	2009 HK$'000	2008 HK$'000
Non-current assets			
Fixed assets		**540**	77
Current assets			
Inventories		**8,437**	2,169
Trade receivables		**679,097**	446,058
Trade deposits paid		**9,224**	383,961
Prepayments, deposits and other receivables		**524**	486
Due from a related company		**69**	102
Amount due from director		**39**	–
Pledged bank deposit		**28,572**	80,015
Bank and cash balances		**76,874**	39,017
		802,836	951,808
Current liabilities			
Trade payables		**455,292**	255,946
Accruals and other payables		**4,937**	7,635
Customer deposits		**54,534**	19,271
Due to a director		**5**	5
Current tax liabilities		**7,285**	6,475
Borrowings		**267,259**	654,455
		789,312	943,787
Net current assets		**13,524**	8,021
Non-current liabilities			
Borrowings		**–**	15,501
		–	15,501
NET ASSET/(LIABILITIES)		**14,064**	(7,403)
Capital and reserves			
Share capital		**7,950**	7,950
Reserves	*7*	**6,114**	(15,353)
TOTAL EQUITY		**14,064**	(7,403)

Note:

1. TURNOVER

Turnover represents the invoiced value of goods sold, net of discounts and sales related taxes. Revenue recognised during the year is as follows:

	2009	2008
	HK$'000	*HK$'000*
Gross amount	**2,575,279**	1,324,975
Less: Goods returned	**–**	–
Net amount	**2,575,279**	1,324,975

2. OTHER INCOME

	2009	2008
	HK$'000	*HK$'000*
Bank interest income	**198**	1,303
Compensation income from a subsidiary of a substantial shareholder	**–**	6,341
Exchange gain, net	**–**	653
Others	**28**	81
	226	8,378

3. SEGMENT INFORMATION

HKFRS 8 "Operating Segments" 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, in order to allocate resources to segments and to assess their performance. In contrast, the predecessor Standard (HKAS 14, Segment Reporting) required an entity to identify two sets of segments (business and geographical) using a risks and returns approach. The Group's primary reporting format was business segments and is currently organised into one single operating divisions – trading of consumer electronic products and related parts and components. The directors of the Company consider that the adoption of HKFRS 8 has not resulted in a redesignation of the reportable segments for the Group compared with the primary reportable segments determined in accordance with HKAS 14, nor has the adoption of HKFRS 8 changed the basis of measurement of segment profit or loss. Accordingly, no operating segment analysis is presented.

Revenue from major products

The following is an analysis of the Group's revenue from continuing operations from its major products:

	2009	2008
	HK$'000	*HK$'000*
Consumer electronic products and related parts and components	**2,575,279**	1,324,975

Geographical information

The following table provides an analysis of the Group's sales by geographical market, irrespective of the origin of the goods:

	2009	2008
	HK$'000	*HK$'000*
People's Republic of China ("PRC")	**1,328,137**	993,835
Europe	**370,644**	159,706
Australia	**344,182**	71,926
Hong Kong	**67,635**	49,410
Middle East	**185,029**	21,787
Africa	**70,128**	11,824
Other Asian District	**97,304**	7,355
United States of America ("USA")	**3,998**	3,176
South America	**108,222**	4,982
Other	**–**	974
	2,575,279	1,324,975

Non-current assets of the Group are located in Hong Kong.

Information about major customers

Revenues from customers of the corresponding years contributing over 10% of the total sales of the Group are as follows:

	2009	2008
	HK$'000	*HK$'000*
A group of companies under common control	**1,776,669**	1,075,991

4. TAX

	2009	2008
	HK$'000	*HK$'000*
Hong Kong Profits Tax		
– Current tax	**4,403**	2,046
– Over-provision in prior years	**–**	(46)
	4,403	2,000

Hong Kong Profits Tax has been provided at a rate of 16.5% (2008: 16.5%) on the estimated assessable profit for the year ended 31 December 2009.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof for the year ended 31 December 2009 and 2008.

A reconciliation of the tax expense for the year to the profit per consolidated income statement is as follow:

	2009	2008
	HK$'000	*HK$'000*
Profit before taxation	**25,870**	7,702
Tax at the statutory tax rate	**4,269**	1,271
Income not subject to tax	**(21)**	(11)
Expenses not deductible for tax	**22**	30
Deferred tax assets not recognised	**–**	6
Tax losses not recognised	**201**	750
Over-provision in previous year	**–**	(46)
Others	**(68)**	–
Income tax expense	**4,403**	2,000

DEFERRED TAXATION

At 31 December 2009, the Group had unused tax losses and other deductible temporary difference of approximately HK$24,685,000 (2008: HK$23,471,000) and HK$448,000 (2008: HK$36,000) respectively available for offset against future profits. No deferred tax asset in respect of other deductible temporary differences and unused tax loss has been recognised due to the unpredictability of future profit streams. The unused tax losses may be carried forward indefinitely.

5. PROFIT FOR THE YEAR

The Group's profit for the year is stated after charging the following:

	2009	2008
	HK$'000	*HK$'000*
Depreciation	**76**	100
Cost of inventories recognised as an expense	**2,512,715**	1,297,743
Auditor's remuneration	**850**	790
Exchange loss (net)	**670**	–
Staff costs (including directors' remuneration):		
Salaries and related staff costs	**6,549**	5,822
Retirement benefit scheme contributions	**146**	136
	6,695	5,958

6. EARNING PER SHARE

The calculation of basic earning per share is based on the profit for the year of approximately HK$21,467,000 (2008: HK$5,702,000), and the weighted average number of ordinary shares of 318,000,000 (2008: 318,000,000) in issue during the year.

No diluted earning per share is presented for the year ended 31 December 2009 and 31 December 2008 as the Company did not have any dilutive potential ordinary shares in existence during the year.

7. RESERVES

	Share premium	Accumulated losses	Total
	HK$'000	*HK$'000*	*HK$'000*
At 1 January 2008	28,537	(49,592)	(21,055)
Profit for the year	–	5,702	5,702
At 31 December 2008 and at 1 January 2009	28,537	(43,890)	(15,353)
Profit for the year	–	21,467	21,467
At 31 December 2009	28,537	(22,423)	6,114

8. CONTINGENT LIABILITIES

On 12 June 2006, Koninkljke Philips Electronics N.V. and United States Philips Corporation issued a writ of summons to the United States District Court, Central District of California, against eight parties, including the Company, Apex Digital Inc. Limited and Apex Digital, LLC (subsidiaries of the Company), David Ji Long Fen ("Mr. Ji"), Ancle Hse Ann Keh (an ex-executive director of the Company), Apex Digital Inc ("Apex Digital" a former substantial shareholder), United Delta Inc (a ex-beneficial shareholder) and an individual. The defendants were claimed damages for patent infringement for the distribution of unlicensed DVD products within USA.

On 2 August 2007, a settlement has been reached between the plaintiffs and the defendants and the proceedings were dismissed without prejudice. Pursuant to the terms of the settlement, one of the defendants, Apex Digital is to pay a total amount of US$3,284,000 to the plaintiffs by installments. Subsequently, the Group has signed an agreement with Apex Digital (which is wholly-owned by Mr. Ji, director of the Company) that Apex Digital has agreed to bear all the payments, legal and professional fees incurred. Up to the balance sheet date, Apex Digital has paid the amount of US$2,150,000.

Notwithstanding that the amount has not been fully settled according to the terms of settlement, Apex Digital repays the amount by installments continuously subsequent to the balance sheet date and the directors of the Company are not aware of any further action taken by plaintiffs. Accordingly, no provision has been provided for the year ended 31 December 2009.

9. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

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

Hong Kong Accounting Standard ("HKAS") 1 (Revised 2007)	Presentation of Financial Statements
HKAS 23 (Revised 2007)	Borrowing Costs
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosures about Financial instruments
HKFRS 8	Operating Segments
HK(IFRIC)-Interpretation ("Int") 9 & HKAS 39 (Amendments)	Embedded Derivatives
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	Transfers of Assets from Customers
HKFRSs (Amendments)	Improvements to HKFRSs Issued in 2008, except for the amendment to HKFRS 5 that is effective for annual periods beginning on or after 1 July 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendment to paragraph 80 of HKAS 39

Except as described below the adoption of the new and revised HKFRSs had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods.

HKAS 1 (Revised 2007) Presentation of Financial Statements

HKAS 1 (Revised 2007) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements.

HKFRS 8 Operation Segments

HKFRS 8 is a disclosure standard that has resulted in a redesignation of the Groups reportable segments (see notes 3).

Improving Disclosures about Financial Instruments (Amendments to HKFRS 7 Financial Instruments: Disclosures)

The amendments to HKFRS 7 expand the disclosures required in relation to fair value measurements in respect of financial instruments which are measured at fair value. The amendments also expand and amend the disclosures required in relation to liquidity risk. The Group has not provided comparative information for the expanded disclosures in accordance with the transitional provision set out in the amendments.

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

HKFRSs (Amendments)	Amendments to HKFRS 5 as part of Improvements to HKFRSs 2008[1]
HKFRSs (Amendments)	Improvements to HKFRSs Issued in 2009[2]
HKAS 24 (Revised)	Related Party Disclosures[3]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[1]
HKAS 32 (Amendment)	Classification of Rights Issues[4]
HKAS 39 (Amendment)	Eligible Hedged Items[1]
HKFRS 1 (Revised)	First-time Adoption of HKFRSs[1]
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters[5]
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions[5]
HKFRS 3 (Revised)	Business Combinations[1]
HKFRS 9	Financial Instruments[6]
HK(IFRIC)-Int 14 (Amendment)	Prepayments of a Minimum Funding Requirements[3]
HK(IFRIC)-Int 17	Distribution of Non-cash Assets to Owners[1]
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments[7]

1 Effective for annual periods beginning on or after 1 July 2009.

2 Amendments that are effective for annual periods beginning on or after 1 July 2009 and 1 January 2010 as appropriate.

3 Effective for annual periods beginning on or after 1 January 2011.

4 Effective for annual periods beginning on or after 1 February 2010.

5 Effective for annual periods beginning on or after 1 January 2010.

6 Effective for annual periods beginning on or after 1 January 2013.

7 Effective for annual periods beginning on or after 1 July 2010.

The application of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary.

The directors of the Company anticipate that the application of the other new and revised standards, amendment or interpretations will have no material impact on the consolidated financial statements.

CORPORATE GOVERNANCE REPORT

The Company has applied the Code on Corporate Governance Practices (the "CG Code") contained in appendix 15 to the GEM Listing Rules which sets out corporate governance principles (the "Principles") and code provisions (the "Code Provisions") as far as possible and practicable. An explanation for any deviations is adhered.

CHAIRMAN AND MANAGING DIRECTOR

The Code Provision A.2.1 stipulates that the roles of Chairman and Managing Director should be separated and should not be performed by the same individual.

During the year, Mr. YU Xiao was appointed as chairman and Mr. TANG Yun was appointed as managing director. Despite the aforesaid, the Board will review such arrangement from time to time.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Each of the independent non-executive directors is appointed to a twelve month auto-renewable service agreement with a fixed amount per annum. None of each has served the Group for more than nine years.

All independent non-executive directors have confirmed their independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considers they are independent.

REMUNERATION COMMITTEE

The remuneration committee currently comprises two independent non-executive directors and one executive director. It is chaired by an executive director. During the year, the Committee held a meeting.

AUDITOR'S REMUNERATION

The remuneration of the audit service rendered by the auditor of the Group was mutually agreed in view of the scope of services in the total amount of HK$850,000. The auditor and its affiliates also provided non-audit service (i.e. issue of proforma and comfort letter on working capital sufficiency and issue of confirmation letter on continuing connected transaction) to the Company which amounted to HK$270,000 during the period.

AUDIT COMMITTEE

The audit committee currently comprises three independent non-executive directors. At the discretion of the Committee, executive directors and/or senior management personnel, overseeing the Group's finance and internal control functions, may be invited to attend meeting.

During the year, the Committee held five meetings. The annual results for the year ended 31 December 2009 was reviewed by the Committee.

NOMINATION COMMITTEE

The nomination committee currently comprises two independent non-executive directors and one executive director. It is chaired by an executive director. During the year, the Committee did not hold any meeting.

INTERNAL CONTROL

The Board has overall responsibilities for the establishment of, maintaining an adequate and effective internal control system and for reviewing its effectiveness to safeguard the Company's assets against unauthorized use or disposition, and to protect the interests of shareholders of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the year, the Group engaged in trading business in the consumer electronic industry (the "Trading Business"). The Group has accomplished an improved operating revenue of approximately HK$2,575.28 million and a net profit of approximately HK$21.47 million for the year ended 31 December 2009. The Group's revenue for 2009 increased approximately 94% over that of 2008.

As at 31 December 2009, the Group's gross margin was approximately 2.43% which represented a remarkable growth of 18.25% as compared with 2008. The total selling expenses, administrative expenses and finance costs increased reasonably due to increase in revenue.

The Company raised a legal suit on 17 October 2008 at Shanghai in PRC against Apex Digital (Shanghai) Co., Limited (a subsidiary of former substantial shareholder, Apex Digital Inc. ("Apex Digital")) for the collection of the repayment of approximately HK$6,640,000 which happened by the end of year 2006 and has been provided in the accounts of the year 2007. On 17 April 2009, the suit has been trailed by the court ordering Apex Digital (Shanghai) Co., Limited repay the said amount. Up to the date of this announcement, nothing has been received by the Company. Also the Company tried various measures for the collection of the service deposit of approximately HK$2,496,000 owed by Ms. Fei Liqiong (an American) and which has been provided in the accounts of the year 2007, a repayment agreement has been proposed but has not been finalized as at the date of the announcement.

On 30 October 2009, trading of the Company's share has been resumed as the Company fulfilled all the resumption requirements from the Stock Exchange.

A new Master Supply and Purchase Agreement has entered into between the Company and the substantial shareholder (ie. Sichuan Changhong Electric Co., Limited, "Changhong") on 20 November 2009 and has been approved by independent shareholders at the special general meeting held on 29 December 2009.

LIQUIDITY AND FINANCIAL RESOURCES

The Group's financial and liquidity positions are healthy and stable. As at 31 December 2009, the aggregate outstanding borrowings with related companies of the Group were approximately HK$267.26 million which were unsecured and interested bearing (2008: HK$669.96 million). Such fluctuation was within the normal pattern of operations of the Group. The Group's cash and bank balances amounted to approximately HK$76.87 million, together with trading receivables amounted to approximately HK$679.10 million. The Group's net current assets approximate to HK$13.52 million and the Group does not have any charges on its assets. The management is confident that the Group's financial resources are sufficient to finance the daily operation.

The Group's monetary assets and liabilities and transactions are principally denominated in Hong Kong dollars and United States dollars. As the exchange rate between Hong Kong dollars and United States dollars is pegged, the Group believes its exposure to exchange risk is minimal.

EMPLOYMENT AND REMUNERATION POLICY

As at 31 December 2009, the total number of the Group's staff was 19. The total staff costs (including directors) amounted to approximately HK$6.70 million for the year under review. The Group remunerates its employees based on their performance, experience and prevailing industry practice. The Group provides retirement benefit for its employees in Hong Kong in form of mandatory provident fund.

The Group established a Share Options Scheme to reward its employees for their individual performance. As at 31 December 2009, there were no outstanding share options. During the year under review, no share option had been granted nor exercised. The Share Options Scheme has expired on 10 January 2010.

The Group did not experience any significant labour disputes or substantial change in the number of its employees that led to any disruption of normal business operations. The Board consider the Group's relationship with its employees to be good.

OUTLOOK

As the Company has established stable clientele bases of supplier and customers, there is a minimal effect by the financial crisis to the operations of the Company. The Company is confident that the Trading Business in the consumer electronic industry will build up a steady and considerable income stream of the Group. The management will put more efforts to explore further business opportunities in the consumer electronic industry, such as trading of finished goods/parts and components of televisions, set top boxes, fridges, notebooks and other products. The Board believes that the business will keep on the track and will continue to improve in the near future.

DIVIDEND

The board do not recommend the payment of any dividend in respect of the year (2008: Nil).

INTERESTS OF THE DIRECTORS IN THE COMPANY

As at 31 December 2009, the interests and short positions of the Directors in the ordinary Shares of the Company (the "Shares"), underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Stock Exchange were as follows:

Long positions in Shares

Name of Director	Number of Shares	Capacity	Type of Interest	Approximate percentage of interest
Mr. Ji	44,520,000	Beneficial owner	Personal	14.00

Save as disclosed above, none of the Directors had interests in any securities of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Companies relating to securities transactions by directors to be notified to the Company and the Stock Exchange.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate. No options have been granted to the directors up to the date of this announcement.

INTERESTS OF THE SUBSTANTIAL SHAREHOLDERS IN THE COMPANY

As at 31 December 2009, the persons or companies (not being a Director or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly deemed to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group were as follows:

Long positions in Shares

Name of substantial shareholder	Capacity	Number of Shares	Approximate percentage of interest %
Changhong	Directly beneficially owned	95,368,000	29.99
Sichuan Investment Management Company Limited	Directly beneficially owned	83,009,340	26.10
Mr. Ji	Directly beneficially owned	44,520,000	14.00
Ms. Liu Ru Ying *(note (a))*	Through spouse	44,520,000	14.00

Notes

(a) Ms. Liu Ru Ying is the spouse of Mr. Ji and, under Section 316 of the SFO, is therefore deemed to be interested in all 44,520,000 shares in which Mr. Ji is interested.

Save as disclosed above, the Directors were not aware of any other person who had an interest or short position in the Shares or underlying Shares which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or who was interested in 5% or more of the nominal value of any class of share capital, or options in respect of such capital, carrying rights to vote in all circumstances at general meetings of the Company.

COMPETING INTEREST

Apex Digital is wholly owned by Mr. Ji from 10 April 2006. Apex Digital is principally engaged in the wholesaling business of consumer home electronics items under the name of “APEX Digital”.

Changhong is a substantial shareholder of the Company which incorporated in the PRC and is listed in PRC Stock Exchange. Changhong is principally engaged in the wholesaling business of consumer home electronics items under the name of “Changhong”.

Save as disclosed above, none of the directors or the management shareholders of the Company (as defined in the Rules Governing the Listing of Securities on GEM) had an interest in a business which competes or may compete with the business of the Group during the period.

COMPLIANCE WITH CODE OF BEST PRACTICE

To the best knowledge of the Board, the Company had complied with the Code of Best Practice as set out in Appendix 15 of the GEM Listing Rules.

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTING SECURITIES

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

By Order of the Board
Yu Xiao
Chairman

Hong Kong, 24 March 2010

As at the date of this announcement, the Company's executive directors are Mr. David Ji Long Fen, Mr. Xiang Chao Yang, Mr. Wu Xiangtao, Mr Tang Yun, Mr Yu Xiao, Ms. Shi Ping and Mr Wang Zhenhua and the independent non-executive directors of the Company are Mr. Jonathan Chan Ming Sun, Mr. Robert Ip Chun Chung and Mr. Sun Dongfeng.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and on the website of the Company at http://www.cdb-holdings.com.hk.