INCUTECH INVESTMENTS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 356)

ANNOUNCEMENT OF 2009 FINAL RESULTS

The board of directors (the "Board") of Incutech Investments Limited (the "Company") hereby presents the consolidated results of the Company and its subsidiaries (the "Group") for the financial year ended 31 December 2009.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2009

	Note	2009 HK$	2008 HK$
Turnover	3	**225,978**	196,951
Realised gain/(loss) on disposals of listed investments		**28,145**	(84,916)
Unrealised surplus/(loss) on listed investments		**2,781,870**	(3,468,180)
Investment management fee		**(621,445)**	(530,017)
Other operating expenses		**(3,996,029)**	(3,846,553)
Operating loss		**(1,581,481)**	(7,732,715)
Finance costs	5	**(491,158)**	(500,864)
Loss before taxation	6	**(2,072,639)**	(8,233,579)
Taxation	7	**—**	—
Loss for the year attributable to equity holders of the Company		**(2,072,639)**	(8,233,579)
Other comprehensive income/(loss) for the year		**—**	—
Total comprehensive loss for the year attributable to equity holders of the Company		**(2,072,639)**	(8,233,579)
Loss per share	9	**(HK$0.029)**	(HK$0.11)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2009

	2009	2008
	HK$	*HK$*
NON-CURRENT ASSETS		
Property, plant and equipment	**3,990**	118,222
Available-for-sale investments	**2**	2
	3,992	118,224
CURRENT ASSETS		
Investments held for trading	**7,633,848**	5,295,228
Loans receivable	**2**	2
Prepayments and other receivables	**159,578**	184,079
Bank balances and cash	**21,217**	141,096
	7,814,645	5,620,405
CURRENT LIABILITIES		
Short term loans	**6,891,063**	6,399,905
Other payables and accruals	**5,285,893**	3,195,604
Due to a director	**3,201,086**	1,629,886
Tax payable	**1,005,082**	1,005,082
	16,383,124	12,230,477
NET CURRENT LIABILITIES	**(8,568,479)**	(6,610,072)
NET LIABILITIES	**(8,564,487)**	(6,491,848)
CAPITAL AND RESERVES		
Share capital	**720,000**	720,000
Reserves	**(9,284,487)**	(7,211,848)
SHAREHOLDERS' FUNDS	**(8,564,487)**	(6,491,848)
NET LIABILITIES PER SHARE	**(HK$0.12)**	(HK$0.09)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

Incutech Investments Limited (the "Company") was incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The principal activities of the Company and its subsidiaries during the year are investments in securities listed on the Stock Exchange and unlisted investments with a potential for earning growth and capital appreciation.

2. Principal accounting policies

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKRFSs"), which collective term include all applicable individual HKFRSs, Hong Kong Accounting Standards ("HKASs") and interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), the disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The consolidated financial statements have been prepared under the historical cost convention, except that available-for-sale investments and investments held for trading are stated at fair value.

The preparation of consolidated financial statements in conformity with the HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing the consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group in light of a loss of HK$2,072,639 for the year ended 31 December 2009 and the Group's net current liabilities and net liabilities as at 31 December 2009 amounted to HK$8,568,479 and HK$8,564,487 respectively. The directors of the Company have been taking steps to improve the liquidity of the Group. These steps include (i) extending the Group's short term loans upon maturity; (ii) securing the financial support from the substantial shareholder; (iii) negotiating with the suppliers to reschedule the payments of the Group's expenditures; and (iv) exploring the possibility to conduct fund raising activities. Provided that these measures are successful and can effectively improve the liquidity position of the Group, 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.

In the current year, the Company has applied a number of new and revised standards, amendments and interpretations of HKAS, new and revised HKFRSs issued by HKICPA.

Except as described below, the adoption of the new and revised HKFRSs has had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been recognised.

New and revised HKFRSs affecting presentation and disclosure only

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: Operating segments

HKFRS 8 is a disclosure standard that has resulted in a redesignation of the Company's reportable segments.

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 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)	Amendment to HKFRS 5 as part of improvements to HKFRSs 2008[1]
HKFRSs (Amendments)	Improvements to HKFRSs 2009[2]
HKAS 24 (Revised)	Related party disclosures[6]
HKAS 27 (Revised)	Consolidated and separate financial statements[1]
HKAS 32 (Amendment)	Classification of right issues[4]
HKAS 39 (Amendment)	Eligible hedged items[1]
HKFRS 1 (Amendment)	Additional exemptions for first-time adopters[3]
HKFRS 1 (Amendment)	Limited exemption from comparative HKFRS 7 disclosures for first-time adopters[5]
HKFRS 2 (Amendment)	Group cash-settled share-based payments transactions[3]
HKFRS 3 (Revised)	Business combinations[1]
HKFRS 9	Financial instruments[7]
HK(IFRIC)* — INT 14 (Amendment)	Prepayments of a minimum funding requirement[6]
HK(IFRIC) — INT 17	Distributions of non-cash assets to owners[1]
HK(IFRIC) — INT 19	Extinguishing financial liabilities with equity instruments[5]

1 Effective for annual periods beginning on or after 1 July 2009.
2 Effective for annual periods beginning on or after 1 July 2009 or 1 January 2010, as appropriate.
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.

* IFRIC represents the International Financial Reporting Interpretations Committee.

HKFRS 9 "Financial Instruments" introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2013, with earlier application permitted. The standard requires all recognized financial assets that are within the scope of HKAS 39 "Financial Instruments: Recognition and Measurement" to be measured at either amortized cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows; and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 might affect the classification and measurement of the Group's financial assets.

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

3. Turnover and revenues

Total revenues recognised during the year are as follows:

	2009	2008
	HK$	*HK$*
Turnover:		
Dividend income from listed investments	**225,978**	196,951
Other revenue:		
Realised gain/(loss) on disposals of listed investments	**28,145**	(84,916)
Total revenues	**254,123**	112,035

4. Segment Information

The Group has adopted HKFRS 8 "Operating segments" with effect from 1 January 2009. HKFRS 8 is a disclosure standard that 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 for the purpose of allocating resources to segments and assessing 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. In the past, the Group has only one business activity, namely investments in listed Hong Kong securities and unlisted investments. The application of HKFRS 8 has resulted in a redesignation of the Group's reportable segments as compared with the primary reportable segments determined in accordance with HKAS 14.

In prior years, segment information reported externally was analyzed on the basis of the types of business activities and geographical segments. No segment information is presented as the Group has only one business activity, namely investments in listed Hong Kong securities and unlisted investments. However, information reported to the executive directors, the chief operating decision maker of the

Group is more specifically focused on the categories of the investments. The Group's operating and reportable segments under HKFRS 8 are therefore as follows:

Listed securities — Investments in securities listed on the Stock Exchange
Unlisted securities — Investments in unlisted securities

Information regarding the above segments is reported below. Amounts reported for prior year have been restated to conform to the requirements of HKFRS 8.

Segment revenues and results

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

Year ended 31 December 2009

	Listed securities *HK$*	Unlisted securities *HK$*	Total *HK$*
Segment result	3,035,993	—	3,035,993
Unallocated expenses			(5,108,632)
Loss for the year			(2,072,639)

Year ended 31 December 2008

	Listed securities *HK$*	Unlisted securities *HK$*	Total *HK$*
Segment result	(3,356,145)	—	(3,356,145)
Unallocated expenses			(4,877,434)
Loss for the year			(8,233,579)

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment result of listed securities represents dividend income from listed securities, realised gain/loss on disposals of investments in listed securities and fair value gain/loss on investments in listed securities. Segment result of unlisted securities represents fair value gain/loss on investments in unlisted securities and gain/loss on disposals of investment in unlisted securities. With the nature of securities business, no segment revenue is presented.

Segment assets

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

	2009	2008
	HK$	*HK$*
Listed securities	**7,633,848**	5,295,228
Unlisted securities	**2**	2
Total segment assets	**7,633,850**	5,295,230
Unallocated assets	**184,787**	443,399
	7,818,637	5,738,629

For the purposes of monitoring segment performances and allocating resources between segments, all assets are allocated to reportable segments other than loan receivable, prepayments, other receivables and bank balances.

Geographical information

No geographical information is presented as the Group operates in Hong Kong only.

5. Finance costs

	2009	2008
	HK$	*HK$*
Interest on unsecured short term loans	**491,158**	500,864

6. Loss before taxation

Loss before taxation is stated after charging the following:

	2009	2008
	HK$	*HK$*
Auditor's remuneration	**143,500**	180,000
Depreciation	**114,232**	110,242
Rental charges under operating leases in respect of rented premises	**637,387**	630,400
Staff costs including directors' emoluments:		
Salaries and other benefits	**2,058,000**	2,063,068
Contributions to retirement benefits scheme	**20,400**	21,300

7. Taxation

No provision for Hong Kong Profit Tax has been made in the consolidated financial statements as the Group has no assessable profits for both years.

8. **Loss for the year attributable to equity holders of the company**

The consolidated loss attributable to equity holders of the Company includes a loss of HK$892,352 (2008: HK$45,074,880) which has been dealt with in the financial statements of the Company.

9. **Loss per share**

The calculation of the loss per share is based on the Group's loss attributable to the equity holders of HK$2,072,639 (2008: HK$8,233,579) and the weighted average number of 72,000,000 (2008: 72,000,000) ordinary shares in issue during the year.

As the Company has not issued any warrants and options during the year, the calculation of diluted earnings per share is the same as the basic earnings per share.

DIVIDENDS

The Board has resolved not to pay a final dividend for the year ended 31 December 2009 (2008: HK$Nil).

REVIEW OF RESULTS

For the year ended 31 December 2009, the Group recorded a net loss of HK$2,072,639 and loss per share of HK2.9 cents. During the year, the Group received HK$225,978 in dividend income (2008: HK$196,951) from listed securities.

As for unlisted investments, no fair value change in unlisted investments was recognized for the year ended 31 December 2009.

MANAGEMENT DISCUSSION AND ANALYSIS

2009 was on the whole a challenging year for all sectors. It began with the economy being adversely affected by the global financial crisis. It caused a decrease in demand from overseas, which resulted in a drop in exports in Hong Kong and China. Many governments were struggling to find solutions to rescue banks and large corporations from bankruptcy, which could lead to severe unemployment and further worsening the already battered economy. By the very end of March, some banks in US reported operating profits for the first quarter, which the market believed was a turning point of sign of economy recovery. Global markets started to rebound from the bottom.

In the US, the government injected funding into banks and financial institutions to shore up their capital, hoped that no more major banks would have to declare bankruptcy.

In order to avoid being dragged into the global recession alongside with other western countries, China government came up with a massive fiscal stimulus program by pushed total loans in China from 2008's RMB 3,000 billion to a new high of approximately RMB 4,000 billion by the end of 2009 to boost domestic demand. New loans in 2009 had boosted an appreciation in real estate prices and increased consumer spending and property investments. China's annual GDP growth for the first quarter was 6.2%, second quarter was 7.9%, for the third quarter was 9.1% and for the last quarter finally ended with an impressive 10.7%, culminating an overall 8.7% for the whole of 2009.

BUSINESS REVIEW AND PROSPECTS

During the year under review, the Group reported a net loss from operation of HK$2,072,639 on turnover of HK$225,978 in 2009 as compared with a loss from operation of HK$8,233,579 on turnover of HK$196,951 in 2008. The increase in turnover was mainly due to the increase in dividend income received from listed securities. The financial markets was stabilized and the conditions of the Group was progressively improved as the management took great effort on risk control during the year under review.

The Group is principally engaged in the investments in the listed securities for the short term and in the unlisted equities with a potential for earnings growth and capital appreciation.

2009 was an extremely challenging year for the global economy. The world economy stabilized to a certain extent, with some industries showing signs of recovery with slow pace. China with over 10% GDP growth in the fourth quarter of 2009, China may need a balance between continuous economic growth and prevent inflation and creation of economic bubble. In US, given that no more banks or multinational corporations declare bankruptcy, the US economy shall be able to get back on its feet.

Hong Kong is expected to continue to benefit from the economic development of China. The low interest rate environment may change in 2010 when the world economy improves even further.

Apart from trading securities and existing investments, the management will also keep seeking more investment opportunities with potential of asset appreciation as well as with sustainable income stream across various sectors to enhance returns to the Group and shareholders within the acceptable risk profile.

FINANCIAL REVIEW

Liquidity and financial resources

As at 31 December 2009, the Group's current ratio was 0.48, based on the current assets of HK$7,814,645 and current liabilities of HK$16,383,124. No gearing ratio was available as the Group was in a negative equity position.

Capital structure

There has been no change to the capital structure of the Company since 1 January 2007.

Material acquisitions and disposals of subsidiaries

The Group has not made any material acquisition or disposal of subsidiaries during the year ended 31 December 2009.

Capital commitment and contingent liabilities

As at 31 December 2009, no material capital commitment and contingent liabilities were noted by the Directors of the Company.

Share options

The Company does not have a share option scheme.

CHANGE IN CUSTODIAN

The custodian services previously provided by Wing Hang Bank Limited was terminated as from 30 June 2009 and Bank of Communications Trustee Limited was appointed as custodian of the Company with effect from the same date.

EMPLOYMENT AND REMUNERATION POLICIES

As at 31 December 2009, the Group employed a total of 4 employees (2008: 4) including the executive directors of the Company. The remuneration packages consist of basic salary, mandatory provident fund, medical insurance, and other benefits considered as appropriate. Remuneration packages are generally structured by reference to market terms, individual qualification and performance. They are under periodic review based on individual merit and other market factors.

STAFF COST

The Group's total staff costs for the year under review amounted to HK$2,078,400 (2008: HK$2,084,368).

CHARGES ON THE COMPANY'S ASSETS AND CONTINGENT LIABILITIES

As at 31 December 2009, there were no charges on the Company's assets and the Company did not have any significant contingent liabilities.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The Group's assets and liabilities are denominated in Hong Kong Dollars and, therefore, the Group has no significant exposure to foreign exchange fluctuation.

EXTRACT OF THE DRAFT INDEPENDENT AUDITOR'S REPORT ON THE GROUP'S CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

Basis for disclaimer of opinion

(1) Prior year audit scope limitation affecting opening balance of available-for-sale investments

As detailed in the auditor's report dated 29 April 2009 issued by the other auditor ("Predecessor Auditor") on the consolidated financial statements of the Group for the year ended 31 December 2008, the Predecessor Auditor were unable to obtain sufficient audit evidence to satisfy themselves as to whether the carrying value in the consolidated balance sheet as at 31 December 2008 and the notes thereon relating to the available-for-sale investments are fairly stated. Accordingly, the Predecessor Auditor, among others, expressed a disclaimer opinion on the consolidated financial statements of the Group for the year ended 31 December 2008. Any adjustments found to be necessary to the opening balance of available-for-sale investments as at 1 January 2009 would have a consequential effect on the net liabilities of the Group as at 31 December 2009 and the loss and the related disclosures in the notes to the consolidated financial statements of the Group for the year ended 31 December 2009.

(2) Existence and ownership of available-for-sale investments

As at 31 December 2009, included in the available-for-sale investments were the investments in unlisted equity securities, Super Plus Investments Limited and Good Spirit Group Limited (collectively the "Investee Companies") with an aggregate carrying amount of HK$2. As detailed in the consolidated financial statements, the Group was unable to contact the management of the Investee Companies and obtain sufficient information and documentations to verify the existence and its ownership of the equity interest in Investee Companies. In the absence of sufficient reliable evidence, we were unable to carry out adequate audit procedures to ascertain the existence and ownership of the available-for-sale investments and accordingly, we were unable to satisfy ourselves as to whether the carrying amount of the available-for-sale investments included in the consolidated financial statements and the related disclosures set out in the notes to the consolidated financial statements are free from material misstatement. Any adjustments found to be necessary in respect of the above would have a consequential effect on the net liabilities of the Group as at 31 December 2009 and on the loss and the related disclosures in the notes to the consolidated financial statements of the Group for the year ended 31 December 2009.

(3) Going concern

As set out in the consolidated financial statements, the Group incurred a loss of HK$2,072,639 for the year ended 31 December 2009 and the Group's net current liabilities and net liabilities as at 31 December 2009 amounted to HK$8,568,479 and HK$8,564,487 respectively. The directors of the Company have been taking steps to improve the liquidity of the Group. These steps included (i) extending the Group's short term loans upon maturity; (ii) securing the financial support from the substantial shareholder; (iii) negotiating with the suppliers to reschedule the payments of the Group's expenditures; and (iv) exploring the possibility to conduct fund raising activities.

The validity of the going concern assumption on which the consolidated financial statements are prepared is dependent on the favourable outcomes of the steps being taken by the directors of the Company as described above. The consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern and therefore do not include any adjustments relating to the realisation and classification of non-current assets that may be necessary if the Group is unable to continue as a going concern.

Should the going concern assumption be inappropriate, adjustments may have to be made to reflect the situation that assets may need to be realised other than at the amounts at which they are currently recorded in the consolidated statement of financial position. In addition, the Group may have to provide for further liabilities that might arise, and to reclassify non-current assets as current assets.

These matters therefore indicate the existence of material uncertainties which may cast significant doubt about the Group's ability to continue as a going concern.

DISCLAIMER OF OPINION

Because of the significance of the matters described in the basis for disclaimer of opinion paragraphs, we do not express an opinion on the consolidated financial statements as to whether they give a true and fair view of the state of affairs of the Group as at 31 December 2009 and of the loss and cash flows of the Group for the year then ended in accordance with Hong Kong Financial Reporting Standards. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

AUDIT COMMITTEE

The Company established an audit committee in accordance with rule 3.21 of the Listing Rules, for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee of the Company has reviewed the final results for the year ended 31 December 2009.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the Directors, the Company has complied with the Code on Corporate Governance Practices ("Code") as set out in Appendix 14 to the Listing Rules throughout the year under review, except that the independent non-executive Directors are not appointed for a specific term as required by Provision A.4.1 of the Code, but are subject to retirement by rotation in accordance with the Articles of Association of the Company.

SCOPE OF WORK OF AUDITOR ON PRELIMINARY RESULTS ANNOUNCEMENT

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2009 as set out in the preliminary announcement have been agreed by the Group's auditor, W. H. Tang & Partners CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by W. H. Tang & Partners CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by W. H. Tang & Partners CPA Limited on the preliminary announcement.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company had complied with the code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"). Having made specific enquiry of all Directors, they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transaction by the Directors adopted by the Company.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

PUBLICATION OF ANNUAL REPORT ON THE WEBSITE OF THE STOCK EXCHANGE

The 2009 annual report of the Company containing all the information required by the Listing Rules will be published on the websites of the Company (http://www.hklistedco.com/hklco.asp?PD=Home&SC=0356&L=E) and the Stock Exchange (www. hkex.com.hk) in due course.

By Order of the Board
Incutech Investments Limited
Tung Tat Wah
Executive Director

Hong Kong, 26 April 2010

As at the date of this announcement, the Board comprises of Mr. Tung Tat Wah and Mr. Michael Wu Chun Wah as executive directors; Mr. Allan Kwok Ming Fai, Mr. Robert Siu Siu Ling and Mr. Stephen Lee Ming Ching as independent non-executive directors.