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Global Link

國 聯 通 信 控 股 有 限 公 司

Global Link Communications Holdings Limited

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8060)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 MARCH 2009**

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the 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 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 will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting. This announcement will also be posted on the website of the Company at www.glink.hk.

HIGHLIGHTS

- Turnover of the Group for the year ended 31 March 2009 was approximately HK\$31,591,000, representing a decrease of approximately 18%, as compared with that of the year ended 31 March 2008.
- Profit attributable to equity shareholders of the Company was approximately HK\$1,022,000 for the year ended 31 March 2009.
- The board of the Directors does not recommend the payment of final dividend for the year ended 31 March 2009.

The board of directors (the “Directors”) of Global Link Communications Holdings Limited (the “Company”) announces the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 March 2009 together with the audited comparative figures for the year ended 31 March 2008 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2009

	<i>Note</i>	2009 <i>HK\$'000</i>	2008 <i>HK\$'000</i>
Revenue	5	31,591	38,401
Cost of sales		<u>(20,698)</u>	<u>(23,791)</u>
Gross profit		10,893	14,610
Other income	5	1,467	3,811
Selling expenses		(5,332)	(4,154)
Administrative expenses		(5,819)	(6,282)
Finance costs	6	<u>(6)</u>	<u>(21)</u>
Profit before tax	7	1,203	7,964
Income tax	9	<u>(181)</u>	<u>(1,844)</u>
Profit for the year		<u>1,022</u>	<u>6,120</u>
Attributable to:			
Equity holders of the Company		1,022	6,120
Minority interests		<u>—</u>	<u>—</u>
		<u>1,022</u>	<u>6,120</u>
Earnings per share (in HK cents)	<i>11</i>		
– Basic		<u>0.13 cent</u>	<u>0.80 cent</u>
– Diluted		<u>0.13 cent</u>	<u>0.77 cent</u>

CONSOLIDATED BALANCE SHEET

At 31 March 2009

	<i>Note</i>	2009 <i>HK\$'000</i>	2008 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		<u>965</u>	<u>606</u>
Current assets			
Trade and other receivables	12	24,394	23,528
Prepayments and deposits		1,574	2,856
Pledged bank deposit and balance		889	842
Cash and bank balances		<u>16,307</u>	<u>12,580</u>
Total current assets		<u>43,164</u>	<u>39,806</u>
Current liabilities			
Trade and other payables	13	12,258	11,253
Provision for taxation		<u>1,516</u>	<u>1,733</u>
Total current liabilities		<u>13,774</u>	<u>12,986</u>
Net current assets		<u>29,390</u>	<u>26,820</u>
Total assets less current liabilities		<u>30,355</u>	<u>27,426</u>
Net assets		<u><u>30,355</u></u>	<u><u>27,426</u></u>
Capital and reserves			
Share capital		7,775	7,697
Reserves		<u>22,580</u>	<u>19,729</u>
Total equity attributable to equity holders of the Company		<u>30,355</u>	<u>27,426</u>
Total equity		<u><u>30,355</u></u>	<u><u>27,426</u></u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2009

	Share capital HK\$'000	Share premium HK\$'000	Merger reserve HK\$'000 (note a)	Foreign currency translation reserve HK\$'000	Share option reserve HK\$'000	Accumulated losses HK\$'000	Statutory reserves HK\$'000 (note b)	Total HK\$'000
At 1 April 2007	6,635	15,211	2,135	245	177	(17,721)	2,352	9,034
Exchange differences on translating foreign operations	-	-	-	616	-	-	-	616
Net income recognised directly in equity	-	-	-	616	-	-	-	616
Profit for the year	-	-	-	-	-	6,120	-	6,120
Total recognised income and expense for the year	-	-	-	616	-	6,120	-	6,736
Issue of new shares	1,000	9,600	-	-	-	-	-	10,600
Recognition of equity – settled share based payments	-	-	-	-	509	-	-	509
Issue of shares upon exercise of share option	62	485	-	-	-	-	-	547
Transfer to statutory reserves	-	-	-	-	-	(793)	793	-
At 31 March 2008 and 1 April 2008	7,697	25,296	2,135	861	686	(12,394)	3,145	27,426
Exchange differences on translating foreign operation	-	-	-	1,118	-	-	-	1,118
Net income recognised directly in equity	-	-	-	1,118	-	-	-	1,118
Profit for the year	-	-	-	-	-	1,022	-	1,022
Total recognised income and expense for the year	-	-	-	1,118	-	1,022	-	2,140
Recognition of equity – settled share based payments	-	-	-	-	509	-	-	509
Issue of shares upon exercise of share option	78	202	-	-	-	-	-	280
Transfer to statutory reserves	-	-	-	-	-	(438)	438	-
At 31 March 2009	7,775	25,498	2,135	1,979	1,195	(11,810)	3,583	30,355

Note:

- (a) The merger reserve represents the difference between the nominal value of the share capital issued by the Company in exchange for the nominal value of the share capital and share premium of its subsidiary arising from group reorganisation in 2002.
- (b) Statutory reserves comprise statutory surplus reserve and statutory welfare reserve fund of a subsidiary in the People's Republic of China (the "PRC").

Notes:

1. GENERAL INFORMATION

The Company is an exempted company incorporated in the Cayman Islands with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P. O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of its principal place of business is 6/F., Kexun Building, No. 60 Jian Zhong Road, High-Tech Industrial Park, Zhongshan Avenue, Tianhe District, Guangzhou City, Guangdong Province, the People's Republic of China. The Company's shares are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

These financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires management to exercise its judgements in the process of applying the accounting policies.

3. IMPACT OF NEW AND REVISED HKFRSs

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

HKAS 39 & HKFRS 7 Amendments	Reclassification of Financial Assets
HK(IFRIC)-Int 12	Service Concession Arrangements
HK(IFRIC)-Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The adoption of these new amendments to HKFRSs and interpretations has had no significant financial effect on these financial statements and there have been no significant changes to the accounting policies applied in these financial statements.

4. IMPACT OF ISSUED BUT NOT YET EFFECTIVE HKFRSs

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

		Effective for annual periods beginning on or after
HKFRS 1 and HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2009
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations	1 January 2009
HKFRS 3 (Revised)	Business Combinations	1 July 2009
HKFRS 7 (Amendments)	Improving Disclosures about Financial Instruments	1 January 2009
HKFRS 8	Operating Segments	1 January 2009
HKAS 1 (Revised)	Presentation of Financial Statements	1 January 2009
HKAS 23 (Revised)	Borrowing Costs	1 January 2009
HKAS 27 (Revised)	Consolidated and Separate Financial Statements	1 July 2009
HKAS 32 and HKAS 1 (Amendment)	Puttable Financial Instruments and Obligations Arising on Liquidation	1 January 2009
HKAS 39 (Amendment)	Eligible Hedged Items	1 July 2009
HK(IFRIC)-Int 9 & HKAS 39 (Amendment)	Embedded Derivatives	30 June 2009
HK(IFRIC)-Int 13	Customer Loyalty Programmes	1 July 2008
HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate	1 January 2009
HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation	1 October 2008
HK(IFRIC)-Int 17	Distribution of Non-cash Assets to Owners	1 July 2009
HK(IFRIC)-Int 18	Transfer of Assets from Customers	(a)
HKFRSs (Amendments)	Improvements to HKFRSs	(b)
HKFRSs (Amendments)	Improvements to HKFRSs 2009	1 January 2010

(a) Effective for transfers on or after 1 July 2009.

(b) Effective for annual periods beginning on or after 1 January 2009, except for the amendments to HKFRS 5, which are effective for annual periods beginning on or after 1 July 2009.

The adoption of HKFRS 3 (Revised) may affect the accounting for business combination which is consummated on or after the commencement of the first financial year 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 other new and revised standards, amendments or interpretations will have no material impact on the results or financial position of the Group.

5. REVENUE AND OTHER INCOME

Revenue, which is also the Group's turnover, is presented net of value-added tax, trade discounts and returns.

	2009 <i>HK\$'000</i>	2008 <i>HK\$'000</i>
(a) Revenue		
Revenue from the supply, development and integration of message communication and passenger information management systems	<u>31,591</u>	<u>38,401</u>
(b) Other income		
Reversal of allowance for doubtful debts	176	426
Bad debts recovery	–	542
Bank interest income	208	251
Refund on value-added tax*	1,035	1,261
Sundry income	<u>48</u>	<u>1,331</u>
Total other income	<u>1,467</u>	<u>3,811</u>

* *In accordance with the notice issued on 22 September 2000 by the Ministry of Finance, State Administration of Taxation and China Customs (No. 2000 025), from 24 June 2000 to the end of 2010, certain value-added tax paid by software developing enterprises on self-developed software products will be refunded and the tax refund will be used by those enterprises for the research and development of software products. A PRC subsidiary of the Group has been recognized as a software enterprise and is entitled to this preferential treatment.*

6. FINANCE COSTS

	2009 <i>HK\$'000</i>	2008 <i>HK\$'000</i>
Bank charges	<u>6</u>	<u>21</u>

7. PROFIT BEFORE TAX

Profit before tax is stated after charging the following:

	2009 HK\$'000	2008 HK\$'000
Auditors' remuneration	200	220
Impairment loss on trade receivable	962	416
Cost of inventories sold*	20,698	23,791
Depreciation	365	439
Property, plant and equipment written off	–	1
Minimum lease payments under operating lease – land and buildings	736	646
Staff costs, including directors' emoluments:		
Salaries and wages	6,537	5,134
Contribution to retirement benefit schemes	217	132
Equity-settled share-based payments	509	509
Provision for staff welfare benefits	187	100
	<u>7,450</u>	<u>5,875</u>

* *Cost of inventories sold includes staff costs of HK\$2,612,000 (2008: HK\$1,317,000) and depreciation of HK\$209,000 (2008: HK\$347,000) expenses which are also included in the respective total amounts disclosed separately above for each of these types of expenses.*

8. SEGMENTAL INFORMATION

Primary reporting format – geographical segments

Geographical segment information is chosen as the primary reporting format because this is more relevant to the Group in making operation and financial decision. The Group's business can be subdivided into the PRC and Hong Kong markets.

In presenting information on the basis of geographical segment, segment revenue is based on the geographical location of customers. Segment assets, liabilities, capital expenditure, depreciation and other non-cash expenses are based on the geographical locations of assets.

Secondary reporting format – business segments

In presenting the information on the basis of business segments, management has evaluated and considered that the Group's business segments are structured and managed separately according to the nature of the products they provide. The Group's business segments are as follows:

- Supply, development and integration of message communication systems; and
- Supply, development and integration of passenger information management systems.

There were no sales between the business segments during the years ended 31 March 2009 and 2008.

(a) **Primary reporting format – geographical segments**

An analysis of the Group's turnover and contribution to operating results and segmental assets and liabilities by geographical areas is as follows:

	PRC		Hong Kong		Elimination		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
REVENUE								
External sales	31,423	35,383	168	3,018	-	-	31,591	38,401
Inter-segment sales*	-	-	261	-	(261)	-	-	-
	<u>31,423</u>	<u>35,383</u>	<u>429</u>	<u>3,018</u>	<u>(261)</u>	<u>-</u>	<u>31,591</u>	<u>38,401</u>
RESULT								
Segment result	<u>9,469</u>	<u>12,383</u>	<u>97</u>	<u>328</u>			<u>9,566</u>	<u>12,711</u>
Unallocated corporate expenses							(9,830)	(8,558)
Interest income							208	251
Other unallocated income							<u>1,259</u>	<u>3,560</u>
Profit before tax							1,203	7,964
Income tax							<u>(181)</u>	<u>(1,844)</u>
Profit for the year							<u>1,022</u>	<u>6,120</u>
ASSETS								
Segment assets	<u>38,725</u>	<u>32,345</u>	<u>5,404</u>	<u>8,067</u>			<u>44,129</u>	<u>40,412</u>
Unallocated assets							-	-
Total assets							<u>44,129</u>	<u>40,412</u>
LIABILITIES								
Segment liabilities	<u>11,867</u>	<u>10,712</u>	<u>391</u>	<u>541</u>			<u>12,258</u>	<u>11,253</u>
Unallocated liabilities							<u>1,516</u>	<u>1,733</u>
Total liabilities							<u>13,774</u>	<u>12,986</u>
OTHER INFORMATION								
Capital expenditure	691	129	-	-			691	129
Depreciation	362	435	3	4			365	439
Impairment on and write-off of trade receivables	<u>898</u>	<u>352</u>	<u>64</u>	<u>64</u>			<u>962</u>	<u>416</u>

* *Inter-segment sales are charged on basis mutually agreed between the segments.*

(b) Secondary reporting format – business segments

	Message communication systems		Passenger information management systems		Unallocated		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Sales to external customers	6,286	19,294	25,305	19,107	-	-	31,591	38,401
Segment assets	1,216	6,392	20,956	15,900	21,957	18,120	44,129	40,412
Capital expenditure	-	-	-	-	691	129	691	129

9. INCOME TAX

Income tax in the consolidated income statement represents:

	2009 HK\$'000	2008 HK\$'000
Current year provision:		
PRC enterprise income tax	178	1,789
Hong Kong profits tax	3	55
	<u>181</u>	<u>1,844</u>

Provision for Hong Kong profits tax is calculated at 16.5% (2008: 17.5%) of the estimated assessable profits of the Hong Kong subsidiary of the Company.

During the year, Global Link Communications (HK) Limited (“GLHK”) paid license fees to Hilltop Holdings Group Limited (“Hilltop”) for the use of a software trademark and design. According to the applicable Hong Kong tax regulation, the payments are deemed as royalties sourced from Hong Kong and subject to withholding tax at the Hong Kong profits tax rate of 16.5% (2008: 17.5%) on 30% of the payments.

On 16 March 2007, the Fifth Session of the Tenth National People’s Congress passed the PRC Enterprise Income Tax Law (the “New EIT Law”), which has become effective from 1 January 2008. According to the New EIT Law, the Company’s subsidiary, Guangzhou Global Link Communications Inc. (“Guangzhou GL”) has been subject to the unified EIT rate of 25%. However, on 16 December 2008, Guangzhou GL was approved as a high and new technology enterprise and allowed a favorable EIT rate of 15% for three years.

The Company and its subsidiaries incorporated in countries other than the PRC and Hong Kong are not subject to any income tax pursuant to the rules and regulations of their respective countries of incorporation.

Income tax expense on the Group's profit before tax differs from the theoretical amount that would arise using the PRC EIT rate of 25% as follows:

	2009 <i>HK\$'000</i>	2008 <i>HK\$'000</i>
Profit before tax	<u>1,203</u>	<u>7,964</u>
Theoretical tax calculated at the PRC income tax rates applicable to profits for the periods concerned	301	2,434
Effect of different tax rates in other regions	112	(267)
Effect of tax exemptions granted to a PRC subsidiary	(1,148)	(950)
Effect of income not subject to taxation	(32)	(481)
Effect of expenses not deductible for taxation purposes	609	1,063
Effect of tax losses not recognized	354	103
Others	<u>(15)</u>	<u>(58)</u>
Taxation charge for the year	<u>181</u>	<u>1,844</u>

10. DIVIDENDS

No dividend was paid or proposed during the year, nor has any dividend been proposed since the balance sheet date (2008: Nil).

11. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to the ordinary equity holders of the parent is based on the following data:

	2009 <i>HK\$'000</i>	2008 <i>HK\$'000</i>
Earnings for the purposes of basic and diluted earnings per share (profit for the year attributable to equity holders of the parent)	<u>1,022</u>	<u>6,120</u>
	Number of shares	
	2009	2008
	'000	'000
Weighted average number of ordinary shares for the purposes of basic earnings per share	769,845	761,941
Effect of dilutive potential ordinary shares: Shares issued for no consideration assuming exercise of share options	<u>20,654</u>	<u>35,430</u>
Weighted average number of ordinary shares for the purposes of diluted earnings per share	<u>790,499</u>	<u>797,371</u>

The computation of diluted earnings per shares does not assume the exercise of certain of the Company's outstanding share options if the exercise price are higher than the average market price per share for the year.

12. TRADE AND OTHER RECEIVABLES

	2009 <i>HK\$'000</i>	2008 <i>HK\$'000</i>
Trade receivables	23,554	22,860
Less: Allowance for doubtful debts	<u>(1,382)</u>	<u>(568)</u>
	22,172	22,292
Other receivables	1,666	1,236
Bills receivable	<u>556</u>	<u>—</u>
	<u>24,394</u>	<u>23,528</u>

The ageing analysis of trade receivables, net of allowance, is as follows:

	2009 <i>HK\$'000</i>	2008 <i>HK\$'000</i>
Not yet due	4,445	3,868
Between 0 and 90 days	6,818	8,914
Between 91 and 180 days	3,898	5,883
Between 181 and 365 days	6,113	3,418
Between 1 and 2 years	<u>898</u>	<u>209</u>
	<u>22,172</u>	<u>22,292</u>

Customers are generally granted with credit terms of 30 to 90 days. Generally, the Group does not hold any collaterals from customers.

Included in trade receivables are retention monies receivable of approximately HK\$4,445,000 (2008: HK\$3,868,000), which are withheld and will be released upon the expiry of maintenance periods.

13. TRADE AND OTHER PAYABLES

	2009 <i>HK\$'000</i>	2008 <i>HK\$'000</i>
Trade payables	6,861	7,311
Other payables	5,175	3,731
Deposits received from customers	222	211
	<u>12,258</u>	<u>11,253</u>

Details of the ageing analysis of the Group's trade payables are as follows:

	2009 <i>HK\$'000</i>	2008 <i>HK\$'000</i>
Between 0 and 90 days	525	2,780
Between 91 and 180 days	-	152
Between 181 and 365 days	1,804	1,438
Between 1 and 2 years	1,466	800
Over 2 years	3,066	2,141
	<u>6,861</u>	<u>7,311</u>

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

During the year, global economy were affected by the financial crisis and all enterprises facing the same problem "how to deal with". The Group integrated its resources with the country's marco strategy, continued to take "fidelity, professional, creative" as its core competitive edge. The Group's consolidated strength was highly enhanced through proper organisation and implementation of operation management. For the year ended 31 March 2009, the Group turnover was approximately HK\$31,591,000, representing a 18% decrease as compared to last year. Gross profit was approximately HK\$10,893,000, net asset value increased by approximately 11%.

The PRC government has planned to invest 4,000 billion RMB to ensure a stable development in domestic economy, out of which, 2,000 billion will be invested in construction of railway transportation. The Group timely adjust its operation strategy, increased investment in market development and product research and development, which in certain degree, affected current year's operating results.

BUSINESS REVIEW

During the year, under the direction of the PRC government's revitalization plan, the Group have thoroughly analyse the economic environment in whole, cope with its resources, continuously carry out "fidelity, professional, creative" as its are business value, have generated competitive edge in the industry. Through scientific analysis of external environment and internal factor, the Group has focused its operation on train information system's product development and creative technology as well as market development. The economic environment in whole still affected by the financial crisis, and in the railway transportation industry which the Group has focused on, the PRC government will invest unprecedented amount in it. The Group catches the opportunity in time and based on thoroughly planning, had increased investment in market development and product research and development. This is an opportunity for long term development. However, earnings will be affected in the short term. Carrying through this guideline, the Group was fully recognised by underground railway construction companies and train manufacturers. The "Global Link" brand name has been enhanced, market share and nearly signed contract reached the history high level.

The Group's turnover for the year under review was HK\$31,591,000.

The Group believes, through continuously taking "fidelity, professional, creative" as its core business value, can enhance its advantages in market, product and customers, and will create a broad operation prospect. With the accumulated resources, the competitive edge will be higher. Results for the year mainly realized in the following aspects:

1. Based on the past foundation, the Group has been newly awarded several excellent qualifications. The Group's core subsidiary, Guangzhou Global Link Communications Inc. has been awarded:
 - 2008's first batch "Guangdong Hi-tech Enterprise" by Guangdong Science and Technology Department
 - "Year 2008 AAA+ Grade Quality Credit Enterprise" by the China Quality Credit Appraise Centre
 - "Year 2008 Guangzhou Keeping Credit of Contract Enterprise" by Guangzhou Administration For Industry and Commence and Guangzhou Contract Administration Association
2. Increase in resources investment, with competitive edge product: In this year, the Group mainly invested in recruiting talents from marketing and technology field; testing platform, equipment and fixture for product research and development to cope with future multiple increase in turnover. And has got the return in market development.

The Group's railway CCTV surveillance system has the highest market share in the PRC's railway transportation industry. The product has been not only implemented in operation management for several new lines in few cities, but also installed in used trains that already in operation and adopted by Hong Kong MTR, a company with most strict requirements, in its trains in the PRC and Hong Kong. Global Link's railway CCTV surveillance system has been recognised by the industry as a high-grade brand. In view of the environmental requirement, railway information system has high entry barrier and past operation record is the most important barrier. With the Group's brand impact and supported by the great operation record and stable product quality, underground railway companies from several cities, China South Locomotive and Rolling Stock Corporation Limited and the China Northern Locomotive and Rolling Stock Industry (Group) Corporation have classified Global Link as railway equipment supplier. Following the successful launch of railway broadcast system and passenger media broadcast system as well as the first batch's examine and acceptance of the product for several new lines, the Group has entered into the supply contract with several cities, where the number of contract signed is a multiple of current year's. Turnover for the following year will has multiple increase and more new supply contracts will be entered into.

3. Continuously utilize owned resources, actively acted in development and creative: The Group has focused on the development of information software for years, and has accumulated a rich and stable technology base. The Group's value-added telecommunication solution software was a recognised brand by both overseas and the country's telecommunication operators. Intergrating the reform of telecommunication industry, business development and changes in services, the Group aiming at the development of practical solution software and will create new revenue together with telecommunication operators.

Electricity is one of the major area in the PRC's revitalization plan. The Group has classified safety monitor, control and safeguard of electricity operation as one of the major market development area for the coming year. The product is under trial run by several electricity department and will contribute new turnover for the Group in near future.

BUSINESS OUTLOOK

The Group have increased investment in human resources and nearly employed several decade staff. The Group have caught the opportunity resulted from the increased investment in railway transportation industry by the PRC government and our brand and product were well recognised by customers. Total number of contracts signed in current year was a multiple of last year's, which will bring a higher turnover for the coming year.

When the local governments carried out their information based constructions and strengthened the promotion of modern service industry, Global link continuously enhanced the co-operation with the company which grasps the RF-SIM patent right, until now the group had done a lot of work in merchandising the RF-SIM product. The Group believes that several new product's market development were in progress and Global Link will has big development.

MATERIAL ACQUISITIONS, DISPOSALS AND SIGNIFICANT INVESTMENTS

The Group did not have any material acquisitions, disposals and significant investments during the year under review.

CAPITAL STRUCTURE

There has been no material change in the capital structure of the Group since last accounting year.

The Group carried out prudent financial policy, surplus cash is deposited in bank to finance operation and investments. Management will review the financial forecast on a regular basis to ensure the use of proceeds strictly follows those stated in the prospectus of the Company dated 31 October 2002 or identified by the Directors during the normal course of business. As at 31 March 2009, the Group had a total cash and bank balances, amounted to approximately HK\$16,307,000.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2009, the Group had net current assets of approximately HK\$29,390,000 (2008: approximately HK\$26,820,000), of which approximately HK\$16,307,000 (2008: approximately HK\$12,580,000) were cash and bank balances. The Directors are confident that the Group's existing financial resources will be sufficient to satisfy its commitments and working capital requirements.

GEARING RATIO

The Group did not have any interest bearing bank loan and other borrowings for the year under review.

FOREIGN EXCHANGE EXPOSURE

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in Hong Kong dollars and Renminbi. Accordingly, the Directors do not consider that the Group is significantly exposed to foreign exchange risk and therefore it is not necessary to implement any hedging policy for the Group.

SEGMENT REVENUE

The Group's segment revenue is based on the geographical locations of customers. However, for those customers who are located in areas where the Group do not have assets or liabilities were treated as revenue arising in Hong Kong for presentation purpose.

EMPLOYEE AND SALARIES POLICY

As at 31 March 2009, the Group has 89 staff (2008: 67 staff), with 81 and 8 staff employed in the PRC and Hong Kong respectively.

	At 31 March 2009	At 31 March 2008
	<i>Number of staff</i>	<i>Number of staff</i>
Management, finance and administration	15	17
Research and development	58	36
Marketing and sales	16	14
Total	<u>89</u>	<u>67</u>

The total staff costs, including Directors' emoluments, amounted to approximately HK\$7,450,000 (2008: approximately HK\$5,875,000) for the year under review. Staff remuneration, including the emolument payable to the Directors, is reviewed by the Group from time to time depending on length of service and performance of the staff.

The Group provides various employee benefits, including share option scheme, Mandatory Provident Fund Scheme, social insurance and accident insurance for frequent travel staff.

CONTINGENT LIABILITIES

At the balance sheet date, contingent liabilities not provided for in the financial statements were as follows:

	2009	2008
	<i>HK\$'000</i>	<i>HK\$'000</i>
Guarantees in respect of performance bonds in favour of contract customers	<u>889</u>	<u>842</u>

At 31 March 2009, banking facilities of HK\$889,000 (2008: HK\$842,000) were granted by a bank to a wholly owned subsidiary of the Company. Those facilities were secured by pledged bank deposit and balance in the aggregate sum of approximately HK\$889,000 (2008: HK\$842,000).

PURCHASE, SALE OR REDEMPTION OF SHARES

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

POST BALANCE SHEET EVENT

On 23 April 2009, the Group together with an unrelated party established a new subsidiary named “廣州國聯電力科技發展有限公司” with a registered capital of RMB1,800,000 of which 51% is attributable to the Group. This new subsidiary will engage in research and development of electronic technology and provision of electronic hardware and software.

CORPORATE GOVERNANCE

The Company has established a formal and transparent procedure to protect the interests of the shareholders of the Company. The Company applied the principles and complied with all the code provisions as set out in the Code on Corporate Governance Practices in Appendix 15 to the GEM Listing Rules throughout the period under review.

AUDIT COMMITTEE

The Company established an audit committee with written terms of reference in compliance with the GEM Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal controls system of the Group. The audit committee comprises three members, Mr. Hu Tiejun, Mr. Lu Ting Jie and Mr. Leung Kwok Keung. All of them are independent non-executive Directors. The chairman of the audit committee is Mr. Hu Tiejun.

The Group's annual audited results during the year ended 31 March 2009 have been reviewed by the audit committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosure have been made.

On behalf of the Board
Ma Yuanguang
Chairman

Hong Kong, 23 June 2009

As at the date of this announcement, the executive directors of the Company are Mr. Ma Yuanguang, Mr. Hu Zhi Jian and Mr. Lo Kam Hon, Gary; the non-executive director of the Company is Mr. Wing Kee Eng, Lee; and the independent non-executive directors of the Company are Mr. Hu Tiejun, Mr. Lu Ting Jie and Mr. Leung Kwok Keung.