RECRUIT HOLDINGS LIMITED
才庫媒體集團有限公司*
(continued in Bermuda with limited liability)
(Stock code: 550)

RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

AUDITED RESULTS

The board of directors (the "Board") of Recruit Holdings Limited (the "Company") announces the audited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2009, together with the comparative figures for the year ended 31 December 2008 as follows:

Consolidated Statement of Comprehensive Income
For the year ended 31 December 2009

	Notes	**2009**	2008
		HK$'000	HK$'000
Revenue and turnover	3	**698,119**	592,882
Direct operating costs		**(490,011)**	(405,668)
Gross profit		**208,108**	187,214
Other income	5	**20,696**	19,624
Selling and distribution costs		**(76,712)**	(82,303)
Administrative expenses		**(41,113)**	(37,473)
Other expenses		**(8,019)**	(3,078)
Finance costs	6	**(1,188)**	(1,367)
Profit before income tax	7	**101,772**	82,617
Income tax expense	8	**(8,940)**	(2,274)
Profit for the year		**92,832**	80,343
Other comprehensive loss, including reclassification adjustments			
Exchange loss on translation of financial statements of foreign operations		**(254)**	(444)
Other comprehensive loss for the year, including reclassification adjustments and net of tax		**(254)**	(444)
Total comprehensive income for the year		**92,578**	79,899

Consolidated Statement of Comprehensive Income
For the year ended 31 December 2009 (Continued)

	Notes	**2009** **HK$'000**	2008 HK$'000
Profit for the year attributable to :			
Owners of the Company		**80,490**	75,648
Minority interest		**12,342**	4,695
		92,832	80,343
Total comprehensive income attributable to :			
Owners of the Company		**80,320**	75,409
Minority interest		**12,258**	4,490
		92,578	79,899
Earnings per share for profit attributable to the owners of the Company during the year	10		
Basic		**HK25.98 cents**	HK25.28 cents
Diluted		**N/A**	N/A

Consolidated Statement of Financial Position
As at 31 December 2009

	Notes	2009 HK$'000	2008 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	11	**170,722**	137,086
Prepaid land lease payments	12	**5,769**	-
Interests in associate		**-**	-
Goodwill		**14,119**	14,119
		190,610	151,205
Current assets			
Inventories	13	**41,477**	51,304
Trade and other receivables and deposits	14	**224,267**	164,258
Financial assets at fair value through profit or loss	15	**753**	996
Advances to associates		**-**	-
Taxes recoverable		**2,495**	2,984
Cash and cash equivalents		**135,178**	85,769
		404,170	305,311
Current liabilities			
Trade and other payables	16	**138,834**	78,375
Financial liabilities at fair value through profit or loss	17	**2,360**	-
Bank borrowings	18	**18,846**	5,172
Finance lease liabilities	19	**4,358**	4,365
Provision for taxation		**1,025**	1,174
		165,423	89,086
Net current assets		**238,747**	216,225
Total assets less current liabilities		**429,357**	367,430
Non-current liabilities			
Bank borrowings	18	**35,482**	44,328
Finance lease liabilities	19	**1,104**	5,513
Deferred tax liabilities		**7,628**	2,470
		44,214	52,311
Net assets		**385,143**	315,119
EQUITY			
Share capital		**61,969**	61,969
Reserves		**280,741**	219,361
Proposed final dividend		**15,492**	15,492
Equity attributable to owners of the Company		**358,202**	296,822
Minority interest		**26,941**	18,297
Total equity		**385,143**	315,119

Consolidated Statement of Changes in Equity
For the year ended 31 December 2009

	Attributable to owners of the Company										Minority interest	Total
	Share capital HK$'000	**Share premium HK$'000**	**Employee compensation reserve HK$'000**	**Exchange reserve HK$'000**	**Merger reserve HK$'000**	**Contributed surplus HK$'000**	**Statutory reserves HK$'000**	**Proposed final dividend HK$'000**	**Retained earnings HK$'000**	**Total HK$'000**	**HK$'000**	**HK$'000**
Balance at 1 January 2008	55,543	56,144	-	(362)	(43,897)	2,371	-	13,886	125,714	209,399	22,502	231,901
Share issued at premium	6,426	28,388	-	-	-	-	-	-	-	34,814	-	34,814
Share issue expenses	-	(244)	-	-	-	-	-	-	-	(244)	-	(244)
Equity-settled share-based payment expense	-	-	625	-	-	-	-	-	-	625	-	625
Final 2007 dividend paid (Note 9)	-	-	-	-	-	-	-	(13,886)	-	(13,886)	-	(13,886)
Interim 2008 dividend paid (Note 9)	-	-	-	-	-	-	-	-	(9,295)	(9,295)	-	(9,295)
Dividend paid to minority shareholders	-	-	-	-	-	-	-	-	-	-	(1,170)	(1,170)
Acquisition of minority interests of subsidiaries	-	-	-	-	-	-	-	-	-	-	(7,525)	(7,525)
Transactions with owners	6,426	28,144	625	-	-	-	-	(13,886)	(9,295)	12,014	(8,695)	3,319
Profit for the year	-	-	-	-	-	-	-	-	75,648	75,648	4,695	80,343
Other comprehensive loss												
Currency translation	-	-	-	(239)	-	-	-	-	-	(239)	(205)	(444)
Total comprehensive income for the year	-	-	-	(239)	-	-	-	-	75,648	75,409	4,490	79,899
Proposed final 2008 dividend (Note 9)	-	-	-	-	-	-	-	15,492	(15,492)	-	-	-
Balance at 31 December 2008	**61,969**	**84,288**	**625**	**(601)**	**(43,897)**	**2,371**	**-**	**15,492**	**176,575**	**296,822**	**18,297**	**315,119**

Consolidated Statement of Changes in Equity
For the year ended 31 December 2009 (Continued)

	Attributable to owners of the Company										Minority interest	Total
	Share capital HK$'000	Share premium HK$'000	Employee compensation reserve HK$'000	Exchange reserve HK$'000	Merger reserve HK$'000	Contributed surplus HK$'000	Statutory reserves HK$'000	Proposed final dividend HK$'000	Retained earnings HK$'000	Total HK$'000	HK$'000	HK$'000
Balance at 1 January 2009	**61,969**	**84,288**	**625**	**(601)**	**(43,897)**	**2,371**	**-**	**15,492**	**176,575**	**296,822**	**18,297**	**315,119**
Equity-settled share-based payment expense	-	-	1,200	-	-	-	-	-	-	1,200	-	1,200
Lapsed of share option	-	-	(228)	-	-	-	-	-	228	-	-	-
Final 2008 dividend paid (Note 9)	-	-	-	-	-	-	-	(15,492)	-	(15,492)	-	(15,492)
Interim 2009 dividend paid (Note 9)	-	-	-	-	-	-	-	-	(4,648)	(4,648)	-	(4,648)
Acquisition of minority interests of subsidiaries	-	-	-	-	-	-	-	-	-	-	(3,614)	(3,614)
Transactions with owners	-	-	972	-	-	-	-	(15,492)	(4,420)	(18,940)	(3,614)	(22,554)
Profit for the year	-	-	-	-	-	-	-	-	80,490	80,490	12,342	92,832
Other comprehensive loss												
Currency translation	-	-	-	(170)	-	-	-	-	-	(170)	(84)	(254)
Total comprehensive income for the year	-	-	-	(170)	-	-	-	-	80,490	80,320	12,258	92,578
Proposed final 2009 dividend (Note 9)	-	-	-	-	-	-	-	15,492	(15,492)	-	-	-
Appropriation to statutory reserves	-	-	-	-	-	-	477	-	(477)	-	-	-
Balance at 31 December 2009	**61,969**	**84,288**	**1,597**	**(771)**	**(43,897)**	**2,371**	**477**	**15,492**	**236,676**	**358,202**	**26,941**	**385,143**

The merger reserve of the Group arose as a result of the Group's reorganisation in 2000 and represents the difference between the nominal amount of the share capital issued by the Company and the nominal amount of the issued share capital of Recruit (BVI) Limited. The contributed surplus of the Group arose as a result of the reduction in share capital in accordance with the Group's capital reorganisation in 2003.

In accordance with relevant regulations prevailing in the People's Republic of China (the "PRC"), certain Company's subsidiaries, established in the PRC, are required to appropriate no less than 10% of their net profits to the statutory reserves, until the respective balances of the fund reach 50% of the respective registered capital. Subject to certain restrictions as set out in the relevant PRC regulations, these statutory reserves may be used to offset against their respective accumulated losses, if any.

1. General information

Recruit Holdings Limited (the "Company") was incorporated in the Cayman Islands as an exempted company on 13 March 2000 and redomiciled to Bermuda by way of de-registration in the Cayman Islands and continuation as an exempted company under the laws of Bermuda, with limited liability on 29 January 2003. The address of the Company's registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business is 26/F, 625 King's Road, North Point, Hong Kong. The Company's shares are listed on The Stock Exchange of Hong Kong Limited.

As at 31 December 2009, the Company's ultimate holding company is ER2 Holdings Limited which was incorporated in Hong Kong and the Company's immediate holding company is City Apex Limited, which was incorporated in the British Virgin Islands.

The financial statements of the Company and the subsidiaries (the "Group") have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance. The financial statements also include the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

2. Adoption of new or amended HKFRSs

In the current year, the Group has applied for the first time the following new standards, amendments and interpretations (the "new HKFRSs") issued by the HKICPA, which are relevant to and effective for the Group's financial statements for the annual period beginning on 1 January 2009 :

HKAS 1 (Revised 2007) Presentation of financial statements

HKAS 23 (Revised 2007) Borrowing costs

HKAS 27 (Amendments) Cost of an investment in a subsidiary, jointly controlled entity or an associate

HKFRS 2 (Amendments) Share-based payment – vesting conditions and cancellations

HKFRS 7 (Amendments) Improving disclosures about financial instruments

HKFRS 8 Operating segments

Various – Annual improvements to HKFRSs 2008

Other than as noted below, the adoption of the new HKFRSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

2. Adoption of new or amended HKFRSs (Continued)

HKAS 1 (Revised 2007) Presentation of financial statements

The adoption of HKAS 1 (Revised 2007) makes certain changes to the format and titles of the primary financial statements and to the presentation of some items within these statements. It also gives rise to additional disclosures. The measurement and recognition of the Group's assets, liabilities, income and expenses is unchanged. However, some items that were recognised directly in equity are now recognised in other comprehensive income. HKAS 1 affects the presentation of owner changes in equity and introduces a 'Statement of comprehensive income'. Comparatives have been restated to conform with the revised standard. The Group has applied changes to its accounting polices on presentation of financial statements and segment reporting retrospectively. However, the changes to the comparatives have not affected the consolidated or parent company statement of financial position at 1 January 2008 and accordingly this statement is not presented.

HKAS 27 (Amendments) Cost of an investment in a subsidiary, jointly controlled entity or an associate

The amendment requires the investor to recognise dividends from a subsidiary, jointly controlled entity or associate in profit or loss irrespective the distributions are out of the investee's pre-acquisition or post-acquisition reserves. In prior years, the Company recognised dividends out of pre-acquisition reserves as a recovery of its investment in the subsidiaries, jointly controlled entity or associates (i.e. a reduction of the cost of investment). Only dividends out of post-acquisition reserves were recognised as income in profit or loss.

Under the new accounting policy, if the dividend distribution is excessive, the investment would be tested for impairment according to the Company's accounting policy on impairment of non-financial assets.

The new accounting policy has been applied prospectively as required by these amendments to HKAS 27 and therefore no comparatives have been restated.

HKFRS 7 (Amendments) Improving disclosures about financial instruments

The amendments require additional disclosures for financial instruments which are measured at fair value in the statement of financial position. These fair value measurements are categorised into a three-level fair value hierachy, which reflects the extent of observable market data used in making the measurements. In addition, the maturity analysis for derivative financial liabilities is disclosed separately and should show remaining contractual maturities for those derivatives where this information is essential for an understanding of the timing of the cash flows. The Group has taken advantage of the transitional provisions in the amendments and has not provided comparative information in respect of the new requirements.

HKFRS 8 Operating segments

The adoption of HKFRS 8 has not affected the identified and reportable operating segments for the Group. However, reported segment information is now based on internal management reporting information that is regularly reviewed by the chief operating decision maker. In the previous annual financial statements, segments were identified by reference to the dominant source and nature of the Group's risks and returns. Comparatives have been restated on a basis consistent with the new standard.

2. Adoption of new or amended HKFRSs (Continued)

Annual improvements to HKFRSs 2008
In October 2008, the HKICPA issued its first *Annual improvements to HKFRSs* which set out amendments to a number of HKFRSs. There are separate transitional provisions for each standard. These amendments did not have any impact of the current period results and financial position.

At the date of authorisation of these financial statements, certain new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

The Directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning after the effective date of the pronouncement. Information on new and amended HKFRSs that are expected to have impact on the Group's accounting policies is provided below. Certain other new and amended HKFRSs have been issued but are not expected to have a material impact of the Group's financial statements.

HKFRS 3 Business combinations (Revised 2008)
The standard is applicable in reporting periods beginning on or after 1 July 2009 and will be applied prospectively. The new standard still requires the use of the purchase method (now renamed the acquisition method) but introduces material changes to the recognition and measurement of consideration transferred and the acquiree's identifiable assets and liabilities, and the measurement of non-controlling interests (previously known as minority interest) in the acquiree. The new standard is expected to have a significant effect on business combinations occurring in the reporting period beginning on or after 1 July 2009.

HKFRS 9 Financial instruments
The standard is effective for accounting periods beginning on or after 1 January 2013 and addresses the classification and measurement of financial assets. The new standard reduces the number of measurement categories of financial assets and all financial assets will be measured at either amortised cost or fair value based on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. Fair value gains and losses will be recognised in profit or loss except for those on certain equity investments which will be presented in other comprehensive income. The Directors are currently assessing the possible impact of the new standard on the Group's results and financial position in the first year of application.

HKAS 27 Consolidated and separate financial statements (Revised 2008)
The revised standard is effective for accounting periods beginning on or after 1 July 2009 and introduces changes to the accounting requirements for the loss of control of a subsidiary and for changes in the Group's interest in subsidiaries. Total comprehensive income must be attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. The directors do not expect the standard to have a material effect on the Group's financial statements.

2. Adoption of new or amended HKFRSs (Continued)

Annual improvements 2009

The HKICPA has issued *Improvements to Hong Kong Financial Reporting Standards 2009*. Most of the amendments become effective for annual periods beginning on or after 1 January 2010. The Group expects the amendment to HKAS 17 *Leases* to be relevant to the Group's accounting policies. Prior to the amendment, HKAS 17 generally require a lease of land to be classified as an operating lease. The amendment requires a lease of land to be classified as an operating or finance lease in accordance with the general principles in HKAS 17. The Group will need to reassess the classification of its unexpired leases of land at 1 January 2010 on the basis of information existing at the inception of those leases in accordance with the transitional provisions for the amendment. The amendment will apply retrospectively except where the necessary information is not available. In that situation, the leases will be assessed on the date when the amendment is adopted. The Directors are currently assessing the possible impact of the amendment on the Group's results and financial position in the first year of application.

3. Revenue and turnover

	2009	2008
	HK$'000	HK$'000
Advertising income	**243,768**	258,751
Printing income	**454,351**	334,131
	698,119	592,882

4. Segment information

The executive directors have identified the Group's three service lines as operating segments.

These operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results.

	Advertising		**Printing**		**Investment**		**Consolidated**	
	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	**243,768**	258,751	**454,351**	334,131	**-**	-	**698,119**	592,882
Reportable segment profit	**47,595**	68,341	**68,706**	24,954	**390**	262	**116,691**	93,557
Amortisation of prepaid land lease payments	**33**	16	**-**	-	**-**	-	**33**	16
Bank interest income	**43**	152	**24**	178	**52**	276	**119**	606
Depreciation	**1,080**	1,080	**18,634**	13,449	**-**	-	**19,714**	14,529
Gain on disposal of property, plant and equipment	**-**	832	**56**	-	**-**	-	**56**	832
(Loss)/Gain on financial assets/liabilities at fair value through profit or loss	**-**	-	**(7,330)**	458	**327**	(572)	**(7,003)**	(114)
Impairment of receivables	**1,728**	2,869	**1,917**	209	**-**	-	**3,645**	3,078
Provision for inventories written back	**-**	-	**(99)**	(463)	**-**	-	**(99)**	(463)
Reportable segment assets	**171,133**	74,267	**411,540**	340,396	**843**	10,069	**583,516**	424,732
Additions to non-current segment assets during the year	**9,452**	1,309	**50,705**	71,613	**-**	-	**60,157**	72,922
Reportable segment liabilities	**69,800**	35,672	**71,105**	42,342	**5**	5	**140,910**	78,019

4. Segment information (Continued)

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the financial statements as follows :

	2009 HK$'000	2008 HK$'000
Reportable segment revenues	**698,119**	592,882
Other revenues	**-**	-
Group revenues	**698,119**	592,882
Reportable segment profits	**116,691**	93,557
Unallocated corporate income	**823**	2,038
Equity-settled share-based payment	**(1,200)**	(625)
Unallocated corporate expenses	**(13,354)**	(10,986)
Finance costs	**(1,188)**	(1,367)
Profit before income tax	**101,772**	82,617

	2009 HK$'000	2008 HK$'000
Reportable segment assets	**583,516**	424,732
Interest in associates	**-**	-
Other corporate assets	**11,264**	31,784
Group assets	**594,780**	456,516
Reportable segment liabilities	**140,910**	78,019
Deferred tax liabilities	**7,628**	2,470
Borrowings	**54,328**	49,500
Other corporate liabilities	**6,771**	11,408
Group liabilities	**209,637**	141,397

The Group's revenues from external customers and its non-current assets are divided into the following geographical areas :

Sales by geographical markets are analysed as follows :

	Revenue from external customers		Non-current assets	
	2009 HK$'000	2008 HK$'000	2009 HK$'000	2008 HK$'000
Mainland China	**211,326**	189,096	**169,330**	133,396
Hong Kong (domicile)	**43,086**	88,267	**21,102**	17,417
Australia	**126,380**	94,598	**80**	-
United Kingdom	**95,248**	81,580	**98**	366
United States	**154,202**	102,482	**-**	26
New Zealand	**11,697**	9,226	**-**	-
Germany	**25,669**	15,897	**-**	-
Others	**30,511**	11,736	**-**	-
	698,119	592,882	**190,610**	151,205

The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the non-current assets is based on the physical location of the asset.

5. Other income

	2009 HK$'000	2008 HK$'000
Gain from sales of scrap paper and by-products	**7,068**	11,466
Net foreign exchange gain	**9,946**	-
Bad debts recovered	**1,556**	1,088
Excess of the Group's interest in the net fair value of a subsidiary's identifiable assets, liabilities and contingent liabilities over cost of investment	**207**	-
Excess of the Group's interest in the net carrying amount of a minority interests' identifiable assets and liabilities over cost of investment upon acquisition of minority interests of subsidiaries	**564**	-
Gain on disposals of leasehold land, property, plant and equipment	**56**	832
Interest income on financial assets stated at amortised costs	**119**	1,180
Sundry income	**1,180**	5,058
	20,696	19,624

6. Finance costs

	2009 HK$'000	2008 HK$'000
Imputed interest on financial liabilities stated at amortised cost	**-**	51
Interest charges on bank borrowings wholly repayable within five years	**1,005**	790
Finance lease charges	**183**	526
	1,188	1,367

7. Profit before income tax

	2009 HK$'000	2008 HK$'000
Profit before income tax is arrived at after charging/(crediting) :		
Amortisation of prepaid land lease payments	**33**	16
Auditors' remuneration		
- Audit services	**746**	803
- Other services	**500**	-
Cost of inventories recognised as an expense	**227,438**	161,982
Depreciation :		
- Owned assets	**18,254**	13,013
- Leased assets	**1,460**	1,516
Employee benefit expense	**44,137**	45,048
Net foreign exchange loss	**-**	6,490
Impairment of advances to associate	**-**	70
Impairment of receivables	**3,645**	3,078
Minimum lease payments paid under operating leases in respect of :		
- Rented premises and production facilities	**10,371**	6,731
- Internet access line	**391**	290
Loss on financial assets/liabilities at fair value through profit or loss	**7,003**	114
Provision for inventories written back	**(99)**	(463)

8. Income tax expense

Hong Kong profits tax has been provided at the rate of 16.5% (2008 : 16.5%) on the estimated assessable profits for the year. Taxation on overseas profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries in which the Group operates.

	2009 HK$'000	2008 HK$'000
Hong Kong profits tax		
Current year	**1,313**	2,869
Over provision in prior years	**(254)**	(1,575)
	1,059	1,294
Overseas profits tax		
Current year	**2,811**	128
Over provision in prior years	**(88)**	(6)
	2,723	122
Deferred tax		
Current year	**5,158**	950
Attributable to reduction in tax rate	**-**	(92)
	5,158	858
	8,940	2,274

9. Dividends

(a) Dividends attributable to the year :

	2009 HK$'000	2008 HK$'000
Interim dividend of HK$0.015 (2008: HK$0.03) per share	**4,648**	9,295
Proposed final dividend of HK$0.05 (2008: HK$0.05) per share	**15,492**	15,492
	20,140	24,787

Final dividend proposed after the reporting date has not been recognised as a liability at the reporting date, but reflected as an appropriation of retained earnings for the years ended 31 December 2009 and 2008 and a proposed final dividend reserve has been set up.

The proposed final dividend is to be distributed subsequent to the reporting date and is subject to the approval of the Company's equity holders in the forthcoming annual general meeting.

(b) Dividends approved and paid during the year :

	2009 HK$'000	2008 HK$'000
Interim dividend of HK$0.015 (2008 : HK$0.03) per share	**4,648**	9,295
Final dividend in respect of the previous financial year	**15,492**	13,886
	20,140	23,181

10. Earnings per share

The calculation of basic and diluted earnings per share is based on the following data :

	2009	2008
	HK$'000	HK$'000
Profit attributable to owners of the Company	**80,490**	75,648

	Number of shares	
	2009	2008
	'000	'000
Weighted average number of ordinary shares for the purpose of basic earnings per share	**309,846**	299,188

Diluted earnings per share for the years ended 31 December 2009 and 2008 are not presented because the impact of the exercise of the share options was anti-dilutive.

11. Property, plant and equipment

	Buildings HK$'000	**Furniture and fixtures HK$'000**	**Office equipment HK$'000**	**Leasehold improvements HK$'000**	**Computer equipment and systems HK$'000**	**Motor vehicles HK$'000**	**Machinery HK$'000**	**Total HK$'000**
At 1 January 2008								
Cost	453	2,794	2,163	15,506	31,181	1,256	78,909	132,262
Accumulated depreciation	(18)	(1,504)	(1,353)	(7,222)	(27,681)	(520)	(12,808)	(51,106)
Net book amount	435	1,290	810	8,284	3,500	736	66,101	81,156
Year ended 31 December 2008								
Opening net book amount	435	1,290	810	8,284	3,500	736	66,101	81,156
Exchange differences	-	(28)	-	-	(9)	(115)	-	(152)
Additions	-	899	888	15,307	1,661	129	54,038	72,922
Disposals	(428)	(262)	(48)	(213)	(298)	-	(1,062)	(2,311)
Depreciation	(7)	(425)	(307)	(4,292)	(1,892)	(325)	(7,281)	(14,529)
Closing net book amount	-	1,474	1,343	19,086	2,962	425	111,796	137,086
At 31 December 2008								
Cost	-	3,089	2,835	29,415	29,304	1,211	131,517	197,371
Accumulated depreciation	-	(1,615)	(1,492)	(10,329)	(26,342)	(786)	(19,721)	(60,285)
Net book amount	-	1,474	1,343	19,086	2,962	425	111,796	137,086
Year ended 31 December 2009								
Opening net book amount	-	1,474	1,343	19,086	2,962	425	111,796	137,086
Exchange differences	26	15	-	4	9	14	-	68
Additions	2,899	242	769	6,967	4,473	601	38,455	54,406
Acquisition of subsidiary	-	27	-	79	25	-	-	131
Disposals	-	(16)	(6)	(8)	(2)	(237)	(986)	(1,255)
Depreciation	(16)	(505)	(469)	(3,389)	(2,160)	(134)	(13,041)	(19,714)
Closing net book amount	2,909	1,237	1,637	22,739	5,307	669	136,224	170,722
At 31 December 2009								
Cost	2,926	3,359	3,593	36,463	32,347	1,090	168,703	248,481
Accumulated depreciation	(17)	(2,122)	(1,956)	(13,724)	(27,040)	(421)	(32,479)	(77,759)
Net book amount	2,909	1,237	1,637	22,739	5,307	669	136,224	170,722

The net book amount of property, plant and equipment includes the net carrying amount of HK$15,654,000 (2008 : HK$17,309,000) held under finance leases.

As at 31 December 2009, the Group's buildings were situated in the PRC, which were held under medium-term lease.

12. Prepaid land lease payments

	2009 HK$'000	2008 HK$'000
At 1 January		
Cost	-	1,055
Accumulated amortisation	-	(42)
Net book amount	-	1,013
Opening net book amount	-	1,013
Exchange difference	51	-
Addition	5,751	-
Disposals	-	(997)
Amortisation	(33)	(16)
Closing net book amount	5,769	-
At 31 December		
Cost	5,802	-
Accumulated amortisation	(33)	-
Net book amount	5,769	-

The Group's prepaid land lease payments represented up-front payments to acquire an interest in the usage of land situated in PRC, which were held under medium-term lease.

13. Inventories

	2009 HK$'000	2008 HK$'000
Raw materials	30,373	40,266
Work-in-progress	11,514	11,243
Finished goods	572	876
	42,459	52,385
Less : Provision for net realisable value	(982)	(1,081)
	41,477	51,304

14. Trade and other receivables and deposits

Ageing analysis of trade receivables, as at 31 December 2009, based on sales invoice date and net of provisions, is as follows :

	2009 HK$'000	2008 HK$'000
0 - 30 days	60,947	39,526
31 - 60 days	37,087	21,724
61 - 90 days	26,564	12,650
91 - 120 days	27,357	17,676
121 - 150 days	30,256	19,115
Over 150 days	11,913	8,203
Total trade receivables	194,124	118,894
Other receivables and deposits	30,143	45,364
	224,267	164,258

The Group allows a credit period from 7 to 150 days (2008 : 7 to 150 days) to its customers. As at 31 December 2009, trade receivables of AUD1,467,000 (2008 : Nil) were pledged to a bank to secure the bank borrowings.

15. Financial assets at fair value through profit or loss

	2009 HK$'000	2008 HK$'000
Held for trading		
Equity securities, listed in Hong Kong	**753**	426
Forward foreign exchange contracts	**-**	570
Fair value	**753**	996

16. Trade and other payables

As at 31 December 2009, ageing analysis of trade payables based on invoice date is as follows :

	2009 HK$'000	2008 HK$'000
0 – 30 days	**30,629**	11,956
31 – 60 days	**25,035**	8,157
61 – 90 days	**14,018**	10,222
91 – 120 days	**9,894**	4,733
Over 120 days	**10,694**	10,157
Total trade payables	**90,270**	45,225
Other payables	**48,564**	33,150
	138,834	**78,375**

Credit terms granted by suppliers are 30 days to 90 days save for the net balance payable to a major business partner of the Group that will be settled on a half yearly (2008: half yearly) basis according to the terms of an agreement signed with this business partner.

17. Financial liabilities at fair value through profit or loss

This relates to the forward foreign exchange contracts which are intended to be held for trading in nature.

18. Bank borrowings

	2009 HK$'000	2008 HK$'000
Non-current portion	**35,482**	44,328
Current portion	**18,846**	5,172
Total bank borrowings	**54,328**	49,500

At 31 December 2009, the Group's bank borrowings were repayable as follows :

	2009 HK$'000	2008 HK$'000
Within one year	**18,846**	5,172
In the second year	**13,790**	8,846
In the third to fifth year	**21,692**	35,482
Wholly repayable within 5 years	**54,328**	49,500

19. Finance lease liabilities

The analysis of the Group's obligations under finance leases is as follows :

	2009 HK$'000	2008 HK$'000
Total minimum lease payments :		
Due within one year	**4,434**	4,555
Due in the second to fifth years	**1,103**	5,597
	5,537	10,152
Future finance charges on finance leases	**(75)**	(274)
Present value of finance lease liabilities	**5,462**	9,878

	2009 HK$'000	2008 HK$'000
Present value of minimum lease payments :		
Due within one year	**4,358**	4,365
Due in the second to fifth years	**1,104**	5,513
	5,462	9,878
Less : Portion due within one year included under current liabilities	**(4,358)**	(4,365)
Non-current portion included under non-current liabilities	**1,104**	5,513

The Group entered into finance leases for various items of machineries and motor vehicle. The lease runs for initial periods of three to five years. These leases do not have options to renew or any contingent rental provisions.

Finance lease liabilities are effectively secured by the underlying assets as the rights to the leased asset would be reverted to the lessor in the event of default by repayment by the Group.

CHAIRMAN'S STATEMENT

Dear shareholders,

We are pleased to report that our Group achieved record sales turnover and record profits in 2009 when the business environment was most challenging.

Advertising Business

Inflight Magazine

2009 was an eventful year for our in-flight magazine business, operating under our 100% owned subsidiary Cinmedia, it had a weak first half but sales started to take off in the third quarter and the momentum gathered full force in the fourth quarter. The division ended the year with record sales turnover. In October, the Group secured additional contracts to sell inflight magazine advertising for Beijing based Air China Holdings and Taipei based China Airlines commencing January 2010. We now hold exclusive advertising sales rights for the top three airlines in China and the top airline in Taiwan operating in the world's fastest growing inflight magazine market. This will generate tremendous possibilities for cross selling products currently handled by Cinmedia to our multinational clients.

Recruit Magazine

Our Recruit magazine and internet advertising business suffered a sharp decline of sales revenue in excess of 50% even though it slightly outperformed our major competitors. The depressing state of the local recruitment advertising market continued throughout the year despite strong rebound in the property and capital markets in the second half of the year. We are seeing some signs of uptake in the recruitment market but have yet to feel a significant momentum.

Printing Business

Our printing business delivered exceptional results and outperformed the market. While worldwide exports of printed books declined by over 10%, 1010 Printing, our 78% owned subsidiary increased sales by 36% and profits by almost 2.7 times. Our prediction for a shrinking market, where major buyers would reduce the number of suppliers to maintain their bargaining clout, came true. As a leading supplier to our many customers, 1010 Printing was able to increase our share of their print budgets.

We achieved record profits despite fierce competition in an industry which has excess production capacity of over 20%. The foundation that we have laid down since the formation of 1010 Printing in 2005 is bearing fruit. We have one of the most solid balance sheets for a printer of our size and our cash surplus had enabled us to acquire substantial volume of paper for stock in the first quarter of 2009 when paper price was at a 36-month low. Skillful management of foreign exchange exposure was another reason for net profits increases.

The strategic expansion of production and warehouse facilities provided us ample space for stocking paper and process large print-run orders. Our in-house designed computer program, Mercury, one of the industry's most advanced, has proved to be an extremely powerful tool in enhancing our scheduling capabilities. Moreover, the joining of Mr. Peter Yang as Chairman of 1010 Printing in February 2009, has made us one of the most solid book printers for the export market.

Lau Chuk Kin
Chairman
Hong Kong, 23 February 2010

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Turnover for the year ended 31 December 2009 increased by 17.8% to approximately HK$698.1 million from HK$592.9 million of last year. The growth in turnover was mainly due to the 36.0% increase in printing business. The printing business contributed 65.1% (2008: 56.4%) to the Group's turnover. The turnover for advertising business decreased by 6%. The relatively small decrease in advertising business turnover is the net effect of increase in inflight magazine advertising business turnover and decrease in recruitment advertising business turnover.

The increase in administrative expenses was due to the recognition of financial liabilities at fair value of the foreign currencies forward contracts. The foreign currencies forward contracts were used to hedge the foreign currencies trade receivables. Despite there was loss of HK$7.0 million on fair value of foreign currencies forward contracts recorded during the year, the Group had exchange gain of HK$9.9 million which was included in the other income.

The Group's total comprehensive income attributable to owners was approximately HK$80.3 million, representing a 6.5% increase as compared with HK$75.4 million reported in 2008.

BUSINESS REVIEW

Advertising Business

Inflight Magazine
This division had a slow start in the first quarter when clients were cautious in placing their orders in the midst of the financial tsunami. The demand for property, automobile and high quality consumer products started to rebound in the third quarter and flourish to become our best fourth quarter in history. The year also marked our being awarded the exclusive rights to sell advertising space for the inflight magazines of Beijing based Air China and Taipei based China Airlines. These two contracts will provide tremendous synergy to our existing sales network representing Shanghai based China Eastern Airlines and Guangzhou based China Southern Airlines. The new contracts were won though an open tender process and against leading players in the industry.

Recruit Magazine
In an industry that suffered a 40% drop in revenue, and with many players operating in the red, the Recruit division suffered its first trading loss since 2002. We saw in early 2009 a bleak recruitment market : very few new jobs were created and the replacement market shrank when employees were reluctant to change jobs due to the fear of "last-in-first-out". We managed to control costs without compromising staff morale or service quality. We came up with a new format of our magazine and revamped the process for delivery that resulted in significant cost savings.
Looking ahead, we are seeing a strong rebound in the recruitment of sales, engineering and retail professionals. Other sectors such as merchandising or manufacturing have yet to show signs of recovery.

Printing Business
2009 was an exceptional year for this division that enjoyed record sales turnover and profits.

Our reputation as a reliable book printer with competitive pricing has enabled us to gain share in a declining market. Our sales grew by over 36% in an industry that declined by over 10%.

The year also saw returns of investment that we have made over the past four years in human resources, production facilities, IT systems and other capital outlay. Our factory layout is consistently rated as one of the best in the industry in China. This has enabled us to recruit and retain skilled and manual workers in a market facing increasingly acute labour shortage.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2009, the Group had net current assets of approximately HK$238.7 million (2008: HK$216.2 million). The financial position of the Group was healthy with total cash and bank deposits were approximately HK$135.2 million (2008: HK$85.8 million).

During the year, the Group had acquired a leasehold land and building located at Shanghai as office premises and machinery for printing division at approximately HK$60.2 million. The purchase is financed by internal resources.

The Group's gearing ratio as at 31 December 2009 was 15.5% (2008: 18.8%), which is calculated on the basis of the Group's total interest-bearing debts over the total equity interest. Total bank borrowings and finance lease liabilities were approximately HK$59.8 million (2008: HK$59.4 million). The bank borrowings and finance leases are denominated in Hong Kong dollars, at floating rates and repayable within five years. The net book amount of property, plant and equipment includes net carrying amount of HK$15.7 million (2008: HK$17.3 million) in respect of assets held under finance leases. The amount of AUD 1,467,000 (2008: Nil) of trade receivables was pledged to a bank to secure a short-term bank borrowing.

The Group adopts centralized financing and treasury policies in order to ensure the group funding is utilized efficiently. Conservative approach is adopted on monitoring foreign exchange exposure and interest rate risk. Forward contracts were used to hedge the foreign currency exposure in trading and capital expenditures when it was considered appropriate.

PROSPECTS

We are optimistic of the Group's prospects in 2010.

Our inflight magazine business is well positioned to benefit from the buoyant local consumer market in China and specifically The World Expo to be held in Shanghai in May and the Asian Game to be held in Guangzhou in November.

We forecast another strong year for 1010 Printing. We take pride in thriving in a difficult operating environment in 2009 by taking critical measures :

- practicing "no-lay off" policy to keep our bench strength;
- paying our suppliers on-time to ease their credit situations;
- investing in new machinery for long term development; and
- expending on employee relations activities for morale boosting.

The momentum that we have built in 2009 should continue to drive 1010 Printing and Cinmedia from strength to strength. Our Recruit business should pick up as more business sectors recover this year. We are going through a comprehensive business review to align our strategy to the rapidly evolving environment.

As a group, we face challenges in the following areas :

1) staffing of middle management
2) foreign currency exposure
3) business diversification

The immediate management attention is on augmenting bench strength of mid-level managers. The unique Recruit DNA emphasizing integrity, ethical code of conduct, team work and quantitative skills have made us a difficult place for new hires to adapt and we had moderate success in hiring and keeping middle/senior level managers recruited from the outside. We will utilize significant resources to improve our senior manager recruitment and development programs.

Our Group has significant exposure to the Renminbi which, after two years of relative stability, is under pressure to revalue. Over 95% of the sales income of Cinmedia is denominated in Renminbi, while 45% of the expenditure of 1010 Printing is in Renminbi (against Nil income in Renminbi). Our Group could be adversely affected by the revaluation of Renminbi, though not by a significant margin. We will closely monitor our exposure to this currency revaluation.

Diversification of business
Of the three businesses that we operate in, Recruit is the one in which we operate our own brand. 1010 Printing is an OEM business and with Cinmedia, our contracts are subject to renewal. We are developing strategies to ensure that the Group will migrate to a balanced and sustainable portfolio of branded, OEM and agency business.

EMPLOYEES AND EMOLUMENT POLICY

As at 31 December 2009, the Group had around 132 employees (2008: 128). The pay scale of the Group's employees is maintained at a competitive level and employees are rewarded on a performance-related basis within the general framework of the Group's salary and bonus system. Other employees benefits include provident fund, insurance and medical cover.

FINAL DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board has resolved to recommend the payment of a final dividend of HK$0.05 (2008: HK$0.05) per share (the "Final Dividend") for the year ended 31 December 2009 to holders of ordinary shares whose names appear on the register of holders of ordinary shares of the Company as at the close of business on 13 April 2010. The register of shareholders will be closed from 9 April 2010 to 13 April 2010, both days inclusive, during which period no transfer of shares will be registered. To qualify for the Final Dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, whose share registration public offices are located at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 8 April 2010. The relevant dividend warrants will be dispatched to shareholders on or around 23 April 2010.

PURCHASE, SALE OR REDEMPTION OF SHARES

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

CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the Board, the Company has complied with the code on corporate governance practices (the "Code") as set out in Appendix 14 of the Listing Rules for the year subject to the deviations disclosed hereof.

Under the code provision A.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Lau Chuk Kin assumes the role of both the chairman and the chief executive officer of the Company. The Board is of the view that this has not compromised accountability and independent decision making for the following reasons:

- the non-executive directors form the majority of the Board of which three out of six are independent;
- the Audit Committee composes exclusively of independent non-executive directors; and
- the independent directors have free and direct access to the Company's external auditors and independent professional advice when considered necessary.

Mr. Lau, the executive chairman, is a substantial shareholder of the Group and has considerable industry experience. He is motivated to contribute to the growth and profitability of the Group. The Board is of the view that it is in the best interests of the Group to have an executive chairman so that the Board can have the benefit of a chairman who is knowledgeable about the business of the Group and is most capable to guide discussions and brief the Board in a timely manner on pertinent issues and developments to facilitate open dialogue between the Board and the management.

AUDIT COMMITTEE

The audit committee has three members comprising the three independent non-executive directors, namely, Mrs. Ling Lee Ching Man, Eleanor, Mr. Cheng Ping Kuen, Franco and Mr. Ho David with terms of reference in compliance with the Listing Rules. The audit committee has reviewed the audited financial results of the Group for the year ended 31 December 2009.

On behalf of the Board
Lau Chuk Kin
Chairman

Hong Kong, 23 February 2010

As at the date of this announcement, the Board comprises Lau Chuk Kin, Lam Mei Lan and Chow So Chu as executive directors, Wan Siu Kau, Lee Ching Ming, Adrian and Peter Stavros Patapios Christofis as non-executive directors and Ling Lee Ching Man, Eleanor, Cheng Ping Kuen, Franco and Ho David as independent non-executive directors.

This final results announcement is published on the website of Hong Kong Stock Exchange at www.hkex.com.hk and on the Company's website at www.recruitonline.com. The annual report 2009 of the Company will also be published on the aforesaid websites in due course.

** For identification purpose only*