



Manta Holdings Company Limited

敏達控股有限公司

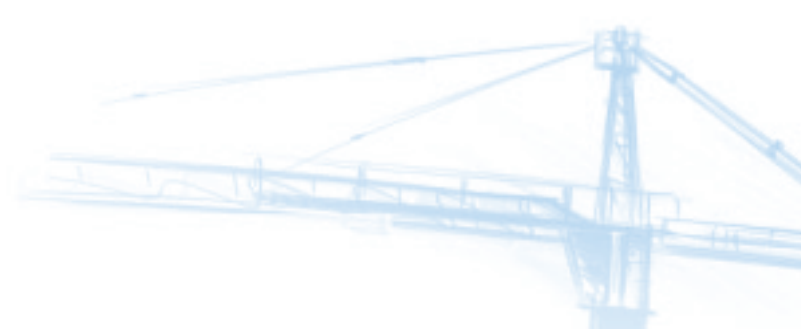
(Incorporated in the Cayman Islands with limited Liability)

Stock Code : 936



*Annual Report
2010*

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EXECUTIVE DIRECTORS

Mr Chung Tze Hien (*Chairman*)
Mr Quek Chang Yeow
Mr Lai Siu Shing

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr Cheung Chi Wai Vidy
Mr. Lau Wing Yuen
Mr Louie Chun Kit

COMPANY SECRETARY

Mr Tsui Wing Tak

AUTHORISED REPRESENTATIVES

Mr Lai Siu Shing
Mr Tsui Wing Tak

PRINCIPAL BANKERS

Hong Kong
DBS Bank (Hong Kong) Limited
Singapore
United Overseas Bank Limited
DBS Bank Limited

AUDITOR

BDO Limited

PRINCIPAL SHARE REGISTRAR

Appleby Trust (Cayman) Limited
Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman
KY1-1108, Cayman Islands

HONG KONG SHARE REGISTRAR

Tricor Investor Services Limited
26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong
Kong

AUDIT COMMITTEE

Mr Louie Chun Kit (*Chairman*)
Mr Cheung Chi Wai Vidy
Mr. Lau Wing Yuen

REMUNERATION COMMITTEE

Mr Chung Tze Hien (*Chairman*)
Mr Louie Chun Kit
Mr Cheung Chi Wai Vidy
Mr. Lau Wing Yuen

NOMINATION COMMITTEE

Mr Quek Chang Yeow (*Chairman*)
Mr Louie Chun Kit
Mr Cheung Chi Wai Vidy
Mr. Lau Wing Yuen

COMPLIANCE ADVISER

Altus Capital Limited

REGISTERED OFFICE

Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman
KY1-1108, Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit H, 9/F, Valiant Industrial Centre, 2-12 Au Pui Wan Street,
Fotan, Shatin, New Territories, Hong Kong

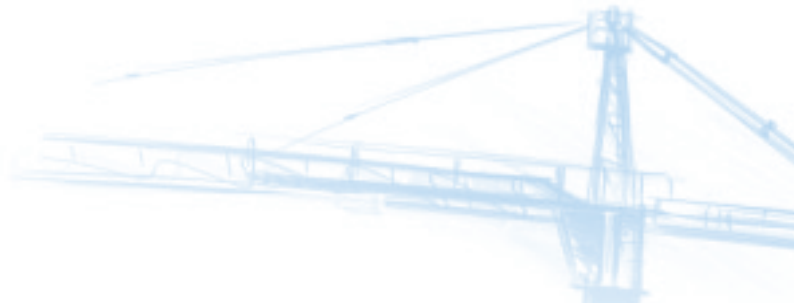
WEBSITE

www.mantagroup.com.hk

STOCK CODE

936

Chairman's Statement



Dear Shareholders,

I am pleased to present the annual results of Manta Holdings Company Limited (the "Company") and its subsidiaries (collectively, the "Group") for the year ended 31 December, 2010.

The year 2010 saw the cautious and fragile recovery of the world economy after the turmoil caused by the global financial crisis. It was during this period that the Company sought and was successfully listed on the Main Board of the Stock Exchange of Hong Kong on the 19 July 2010. The first tower crane enterprise to be listed in Hong Kong, the listing of the Company received positive response from the public and sets the foundation for the Company to access Hong Kong's capital market to fund the long term growth and development of the Group.

In 2010, the year in review and the Company's first year as a listed entity, the Group recorded sales revenue of approximately HK\$139.4 million, a decrease of 24.0% from that of HK\$183.5 million recorded in the previous year. Profit after tax also saw a reduction of 27.0% to HK\$20.8 million compared to the previous year. The dismay performance was mainly due to the much lower level of activities from all 3 sectors of the Company's business, being trading and rental of tower cranes and the provision of their maintenance services. The construction and infrastructure industries, in which the business of the Group depends, were negatively affected by the global financial crisis. Customers from these industries were cautious in committing to tower cranes purchases or rentals pending bidding outcome of projects.

The performance for 2010 has also been affected by the once-off charge of HK\$8.3 million listing expenses required to be recognised immediately in the year which the Company became listed.

In the move to enhance further efficiency from the Singapore operations, a property with larger storage facility was acquired in October 2010. The older premise was sold, yielding a gain on disposal of approximately HK\$23.8 million. To expand the Group's income base for sales & rental of construction and infrastructure equipment, new distributorship for non-cranes equipment are being negotiated. The Company will also look for investment opportunities outside its existing business of equipment sale and rental to further diversify its revenue and income potential.

The Company will continue to refine its operations in both Hong Kong and Singapore, focusing on efforts to expand market share, further strengthening market reputation for service excellence so as to maintain the long term competitiveness of the Company. For its future development, the Company will leverage on its rental business by increasing the fleet size of tower cranes and other construction equipment, thus expands revenue and broaden its income base.

The performance of the Company is contributed by the dedicated efforts of our management and staff and from the strong support from all sectors of the business community. On behalf of the Board of Directors, I would like to express our sincere appreciation to all the Company's stakeholders for your support over the years and look forward to your continued support for the future.

Chung Tze Hien

Chairman

Hong Kong

23 February, 2011



Management Discussion and Analysis

OPERATIONAL AND FINANCIAL REVIEW

OVERALL PERFORMANCE

For the year ended 31 December 2010, the Group generated revenue of approximately HK\$139.4 million (2009: approximately HK\$183.5 million) with a profit for the year of approximately HK\$20.8 million (2009: approximately HK\$28.5 million).

BUSINESS REVIEW

For the year ended 31 December 2010, the Group recorded a revenue of approximately HK\$139.4 million against HK\$183.5 million achieved in the previous year.

The decrease in revenue for the year under review was mainly attributable to a lower level of sale of machinery which recorded a revenue of approximately HK\$29.3 million against HK\$51.2 million achieved in 2009. The construction industry was generally cautious with the fragile recovery from the global financial crisis and that has resulted in lower trading volume as the Company's customers awaited for bidding results of projects before commitment to purchase tower cranes.

Meanwhile, our rental business recorded revenue of approximately HK\$91.0 million for the year ended 31 December 2010, representing a decrease of approximately 10.3% as compared to that of approximately HK\$101.5 million for 2009. Revenue from rental operations was also lower due to the more competitive rental rates that persisted during the year 2010.

The sales of spare parts and service income recorded revenue of approximately HK\$19.1 million for the year, representing a decrease of approximately 38.0% as compared to that of approximately HK\$30.8 million for the same period in 2009. The demand for service and spare parts decreased with the cautious outlook of the construction and infrastructure sectors during 2010.

DIVIDEND

The Directors do not recommend the payment of any dividends for the year ended 31 December 2010.

FINANCIAL REVIEW

Liquidity and Financial Resources

The Group maintains a stable financial position with cash and cash equivalents of approximately HK\$66.0 million (2009: approximately HK\$46.0 million) and a current ratio of 1.54 (2009: 0.98 (restated)) as at 31 December 2010. The total equity of the Group amounted to approximately HK\$193.9 million as at 2010 financial year ended (2009: approximately HK\$94.3 million).

Gearing

The Group monitors capital using a gearing ratio, which is total debt (sum of bank borrowings, finance lease payables, amounts due to fellow subsidiaries and a related company) divided by total equity. The gearing ratio was 0.3 as at 31 December 2010 (2009: 1.2).

Management Discussion and Analysis

Pledge of Assets

The Group's banking facilities are secured by the assets of the Group, including pledged bank deposits, land and building, plant and machinery, with aggregate carrying amounts of HK\$15.3 million (2009: HK\$26.0 million).

Exchange Rate Exposure

As at 31 December 2010, more than half the revenue and part of assets and liabilities of the Group are denominated in currencies other than Hong Kong dollar. In particular, the revenue generated from our rental operations in Singapore is primarily dominated in Singapore dollar. Purchases of tower cranes, spare parts and accessories from suppliers are usually denominated in Euro or US dollar. For foreign currency purchases, hedging arrangements to hedge against foreign exchange fluctuations may be entered. However, no hedging arrangement is undertaken for revenue generated from our Singapore and Vietnam operations.

Treasury Policies

The Group generally finances its ordinary operations with internally generated resources or banking facilities. The interest rates of most of the borrowings and finance lease arrangement, if applicable, are charged by reference to prevailing market rates.

Contingent Liabilities

At the end of the reporting period, the Group and the Company did not have any significant contingent liabilities.

Commitments

The Group has capital commitments, which are contracted but not provided for, in respect of purchase of property, plant and equipment amounting to HK\$43.3 million as at 31 December 2010 (2009: Nil).

Use of proceeds

The Company's shares have been listed on the Stock Exchange since 19 July 2010. Proceeds from the issuance of new shares pursuant to the Company's initial public offering amounted to approximately HK\$38.1 million (net of related issuing expenses). Such net proceeds have been utilized in the following manner:

	Amount raised	Amount used as at 31 December 2010
	(HK\$ million)	(HK\$ million)
Purchase crane for rental purpose	20.0	3.2
Purchase crane for trading purpose	11.0	5.4
General working capital	3.8	3.8
Expansion and improvement of storage facilities	3.3	—
	38.1	12.4



Management Discussion and Analysis

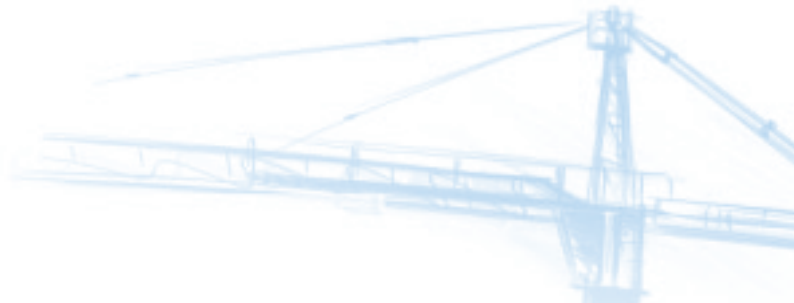
EMPLOYMENT AND REMUNERATION POLICY

As at 31 December 2010, the Group had a total of 90 (2009: 82) employees in Hong Kong, Singapore and Vietnam. The Group has not had any significant problems with its employees or disruptions due to labour disputes nor has it experienced difficulties in the recruitment and retention of experienced staff. The Group remunerates its employees based on industry practices. Its staff benefits, welfare and statutory contributions, if any, are made in accordance with individual performance and prevailing labour laws of its operating entities.

FUTURE PROSPECTS

The Group anticipates that the next year will be no less challenging than the previous year under review but the Board of Directors will continue to seek potential investment opportunities, to diversify our business portfolios (including other construction equipment), and to improve our business performance.

Board of Directors and Senior Management



DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Mr. Chung Tze Hien, aged 60, was appointed as a Director on 11 March 2010 and is the chairman of the Board. Mr. Chung currently is the chief executive officer and an executive director of Mulpha International Bhd (the "Mulpha"). Mr. Chung is also the non-executive chairman of Mulpha Land Berhad, a subsidiary of Mulpha. He is also a non-executive director of Mudajaya Group Berhad and Rotol Singapore Ltd, two associate companies of Mulpha. Mulpha, Mulpha Land Berhad and Mudajaya Group Berhad are listed on the Bursa Malaysia Securities Berhad, while Rotol Singapore Limited is listed on the Singapore Exchange Securities Trading Limited. Mr. Chung was also a non-executive director of Greenfield Chemical Holdings Limited (Stock Code: 582) from December 2003 to November 2009.

Between May 2008 and December 2008, Mr. Chung was a non-executive director of FKP Property Group ("FKP"), a company listed in Australia Stock Exchange Limited. Mr. Chung was nominated by Mulpha as a director in FKP in the interim during the period pending Mulpha's appointment of a local Australian director who would serve its purpose better.

Mr. Chung, as the chairman of the Board, is involved in the setting of business direction and policies of our Group. Prior to joining Mulpha in 2001, Mr. Chung was an executive director of Sun Hung Kai & Co Ltd from 1996 to 2000. He also worked for and held senior managerial positions in several companies in Singapore and Malaysia involving a variety of industries and businesses. Mr. Chung holds a bachelor degree in commerce from the University of Otago, New Zealand in 1972 and later proceeded to qualify as an Associate Member of the Institute of Chartered Accountants of New Zealand in 1976 and the Institute of Chartered Secretaries and Administrators of United Kingdom in 1977.

Mr. Chung has entered into a service contract with the Company for a term of three years commencing from 19 July 2010.

Mr. Quek Chang Yeow, aged 47, was appointed as a Director on 11 March 2010 and is our Chief Executive Officer. Mr. Quek joined Manta Singapore since 1999 as operations manager. Mr. Quek was promoted to the general manager of the Group in January 2003 and was subsequently appointed to be the chief operation officer of Manta Singapore in April 2006. In January 2010, Mr. Quek was appointed to be the chief executive officer of Manta Singapore and Manta Hong Kong. He is mainly responsible for overall business strategy, development and management of our operations. He also oversees our operations in Hong Kong, Macau, Singapore and Vietnam. Mr. Quek has more than 27 years of experience in the construction equipment business. Prior to joining Manta Singapore in 1999, Mr. Quek was a service manager of a construction equipment provider in Singapore.

Mr. Quek has entered into a service contract with the Company for a term of three years commencing from 19 July 2010.

Mr. Lai Siu Shing, aged 61, was appointed as a Director on 11 March 2010 and is our General Manager. Mr. Lai joined Manta Hong Kong as a sales representative in 1976. Mr. Lai has worked on a number of positions in Manta Hong Kong and was promoted to the general manager of Manta Hong Kong in 2006. Mr. Lai is mainly responsible business development, marketing and management of Manta Hong Kong and has a primary focus on our Hong Kong and Macau operations. Mr. Lai has more than 37 years of experience in construction equipment business. Prior to joining Manta Hong Kong, Mr. Lai has worked with a construction equipment provider in Hong Kong from 1973 to 1976. Mr. Lai graduated from the Department of Business Administration in Chu Hai College, Hong Kong with a major in commercial science in 1973.

Mr. Lai has entered into a service contract with the Company for a term of one year commencing from 19 July 2010.



Board of Directors and Senior Management

Independent Non-executive Directors

Mr. Cheung Chi Wai Vidy, aged 51, was appointed as an independent non-executive Director on 25 June 2010. Mr. Cheung is currently a consultant to Coolpoint Energy Limited (Stock Code: 8032) since December 2009, providing consultancy services and assistance in contract negotiation with strategic partners and customers in Hong Kong and the PRC. Prior to joining Coolpoint Energy Limited, Mr. Cheung worked in the Department of Justice of the Government of Hong Kong as a Senior Government Counsel for over 20 years. Mr. Cheung holds a bachelor degree of laws from Ealing College of Higher Education (currently known as Thames Valley University) in 1982. Mr. Cheung was admitted as a Barrister of England in 1984 and as a Barrister of Hong Kong in 1986.

Mr. Lau Wing Yuen, aged 46, was appointed as an independent non-executive Director on 25 June 2010. Mr. Lau is a fellow member of the Association of Chartered Certified Accountants and a fellow member of the Hong Kong Institute of Certified Public Accountants. He is currently the chief financial officer of China Grand Pharmaceutical and Healthcare Holding Limited (Stock Code: 512). Prior to his present position, Mr. Lau worked for an international accounting firm and in several companies in Hong Kong as financial controller and chief financial officer. Mr. Lau has more than 20 years of experience in auditing, secretarial, accounting and corporate finance. Mr. Lau holds a bachelor degree in social sciences from the University of Hong Kong in 1987.

Mr. Louie Chun Kit, aged 46, was appointed as an independent non-executive Director on 25 June 2010. Mr. Louie is currently a practising accountant. He is also a fellow member of Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Louie is currently the chief accountant of Yield Limited, a Hong Kong private company engaged in property development in the PRC. Prior to his present position in November 2006, he spent over 10 years as the chief accountant in a licensed corporation under the SFO engaging in asset management and corporate finance, and around five years in the audit practice with an international accounting firm in Hong Kong. Mr. Louie holds a diploma in accounting from Lingnan College in 1988 and a master degree in business systems from Monash University of Australia in 2005. Mr. Louie is also an independent non-executive director of SHK Hong Kong Industries Limited (stock code: 666).

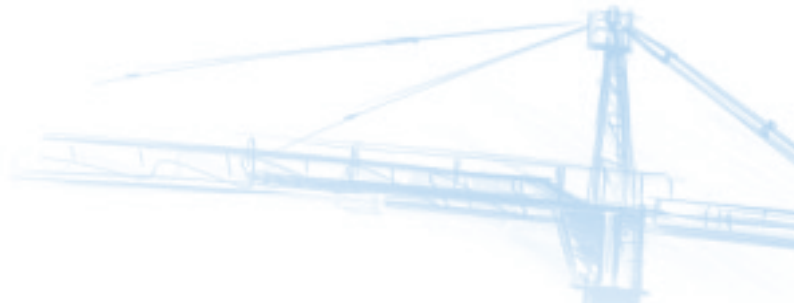
SENIOR MANAGEMENT

Hong Kong

Mr. Tsui Wing Tak, aged 42, is the chief financial officer and the company secretary of the Company. Mr. Tsui joined the Group in February 2010. Mr. Tsui is responsible for the financial reporting, financial planning, risk management, overall secretarial matters of the Company. Mr. Tsui has more than 15 years of experience in financing, accounting and auditing. Prior to joining the Group, Mr. Tsui was the company secretary of Garron International Limited (Stock Code: 1226). Mr. Tsui obtained a bachelor's degree in economics from Macquarie University, Australia in 1992. Mr. Tsui is a member of Certified Public Accountants Australia and a fellow member of Hong Kong Institute of Certified Public Accountants.

Ms. Lo Hang I, aged 42 is the financial controller of Manta Hong Kong. Ms. Lo joined Manta Hong Kong in May 2004 and is currently responsible for accounting and financial reporting matters of Manta Hong Kong and its subsidiaries. Ms. Lo is a member of the Hong Kong Institute of Certified Public Accountants. Prior to joining Manta Hong Kong, Ms. Lo spent almost 10 years as an accountant in a United State listed company which primarily engaged in automation building system. Before that, she was a senior accounting officer in an engineering firm in Hong Kong from March 2003 to May 2004. Ms. Lo graduated from the Open University of Hong Kong with a bachelor degree in business administration in 1997.

Board of Directors and Senior Management



Mr. Lin Chi Fai, aged 46 is the senior manager of services and logistics of Manta Hong Kong. Mr. Lin joined Manta Hong Kong as a shipping clerk in June 1989 and was promoted to senior manager position in October 2007. Mr. Lin is currently responsible for tower crane maintenance and services, logistics and warehousing matters of Manta Hong Kong's operation in Hong Kong and Macau.

Mr. Ku Koon Wah ("Mr. KW Ku"), aged 58 is the district manager of machine sales and rental of Manta Hong Kong. Mr. KW Ku joined Manta Hong Kong in 1977 as a parts controller and was promoted to manager position in 1985. Mr. KW Ku is currently responsible for the Group's tower crane trading and rental operations in Hong Kong and Macau with a main focus on sales and marketing. Mr. KW Ku graduated from the Hong Kong Polytechnic with a higher certificate in business studies in 1981.

Mr. Wong Ying Sin, aged 55 is the manager of spare parts department of Manta Hong Kong. Mr. Wong joined Manta Hong Kong in July 1977 as an assistant clerk and was promoted to manager position in parts department in 2001. Mr. Wong is currently responsible for the Group's sales and procurement of spare parts in Hong Kong and Macau.

Singapore

Ms. Florence Ngiam Lee Jong, aged 39, is the finance manager of the Manta Singapore. Ms. Ngiam joined Manta Singapore since December 2002 and is responsible for matters relating to human resources, financial planning, budgeting and reporting of Manta Singapore as well as overseeing daily finance and office administration for our operations in Singapore. Prior to joining Manta Singapore, she was an accountant for a software provider company in Singapore from 2000 to 2002. Ms Ngiam is a member of Institute of Certified Public Accountants of Singapore and a member of Australian Society of Certified Practising Accountants. Ms. Ngiam graduated from Victoria University of Technology in Australia with a master degree in business majoring in professional accounting in 1998.

Mr. Teo Yang Khoon, aged 55, joined Manta Singapore since August 2004 as marketing manager. Mr. Teo is responsible for sales and marketing of products for our Singapore operations. Since 2001, Mr. Teo worked as a free lance broker for tower crane until he joined Manta Singapore in 2004. Mr. Teo graduated from Singapore Vocational Institute and obtained the trade certificate in Motor Vehicle Mechanic in 1972. In 1973, Mr. Teo completed the examination at the Ministry of Education on the City and Guilds of London and obtained the Motor Vehicle Mechanic Certificate. In 1985, Mr. Teo took a private course in sales and marketing and obtained a certificate in sales and marketing from the Institute of Professional Managers in United Kingdom in 1985.

Mr. Lee Seng Leong, aged 49, joined Manta Singapore since October 1999 as a technician and was promoted to sales and service manager position in 2006. Mr. Lee currently leads the crane servicing team in Manta Singapore and is responsible for overseeing our tower crane installation, maintenance and dismantling services operation in Singapore. Prior to joining Manta Singapore, Mr. Lee has worked in a Singapore private company engaging in crane servicing business as a service technician and has worked as a technician in the army force in Singapore. Mr. Lee studied in the Vocational and Industrial Training Board and obtained the National Trade Certificate III in 1980.



Report of the Directors

The Directors are pleased to present their report and the audited consolidated financial statements of the Group for the year ended 31 December 2010 (the “Year”).

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of its principal subsidiaries are set out in note 17 to the financial statements. There were no significant changes in the nature of the Group’s principal activities during the Year.

SEGMENT INFORMATION

Details of the segment information of the Group for the Year are set out in note 6 to the financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the Year and the state of affairs of the Group and the Company as at that date are set out in the financial statements on pages 21 to 85.

The Board does not recommend the payment of a final dividend for the Year (2009: Nil).

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group during the Year are set out in note 15 to the financial statements.

SHARE CAPITAL

Details of the movements in the Company’s share capital during the Year are set out in note 30 to the financial statements.

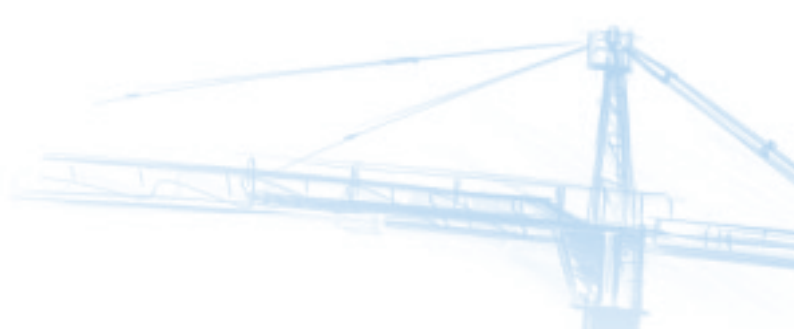
PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company’s articles of association or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro rata basis to the existing Shareholders.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the Year.

Report of the Directors



RESERVES

Details of the movements in the reserves of the Company and of the Group during the Year are set out in note 31 to the financial statements and the consolidated statement of changes in equity on pages 25 to 26.

DISTRIBUTABLE RESERVES

At 31 December 2010, the Company did not have a reserve available for distribution. Under the Companies Law, (2010 Revision) of the Cayman Islands, the share premium account of the Company of approximately HK\$70.0 million as at 31 December 2010, is distributable to the Shareholders provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business. The share premium account may also be distributed in the form of fully paid bonus shares.

MAJOR CUSTOMERS AND SUPPLIERS

For the Year, the percentage of sales attributable to the Group's five largest customers was less than 42.7% with the largest customer accounted for 12.6%.

The percentage of purchase attributable to the Group's five largest supplier was 80.5% with the largest supplier accounted for 67.4%.

Neither the Directors, any of their associates nor any Shareholders (which to the best knowledge of the Directors who owned more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers and/or five largest suppliers during the Year.

DIRECTORS

The Directors during the Year and up to the date of this report were as follows:

Executive Directors

Mr. Chung Tze Hien (<i>Chairman</i>)	(Appointed on 11 March 2010)
Mr. Quek Chang Yeow	(Appointed on 11 March 2010)
Mr. Lai Siu Shing	(Appointed on 11 March 2010)

Independent Non-executive Directors

Mr. Louie Chun Kit	(Appointed on 25 June 2010)
Ms. Cheung Chi Wai Vidy	(Appointed on 25 June 2010)
Mr. Lau Wing Yuen	(Appointed on 25 June 2010)

In accordance with article 108 of the Company's articles of association, Mr. Quek Chang Yeow and Mr. Louie Chun Kit will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

BIOGRAPHICAL DETAILS OF DIRECTORS

Biographical details of the Directors are set out on pages 7 to 8 of this report.

DIRECTORS' SERVICE AGREEMENTS

Both Mr. Chung Tze Hien and Mr. Quek Chang Yeow has entered into a service contract with the Company for a term of three years commencing from 19 July 2010, which continues thereafter until terminated by either party by giving not less than three months' notice in writing to the other party.

Mr. Lai Siu Shing has entered into a service contract with the Company for a term of one year commencing from 19 July 2010, which continues thereafter until terminated by either party by giving not less than three month's notice in writing to the other party.

As at the date of this report, each of the independent non-executive Directors has entered into a letter of appointment with the Company with a term of three years commencing from 19 July 2010, which can be terminated by either party by giving not less than one month notice in writing to the other party.

Each of the Directors is subject to the provisions for retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's articles of association.

Save as disclosed above, no Director proposed for re-election at the forthcoming annual general meeting has service agreement with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

No Director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during or at the end of the Year.

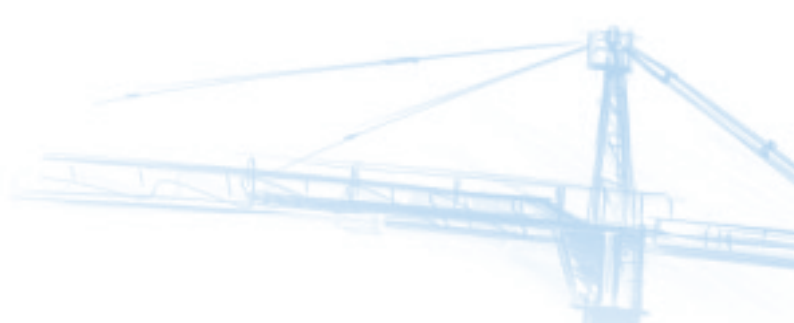
MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or in existence during the Year.

CONNECTED TRANSACTIONS

There was no transaction which should be disclosed in this report as connected transaction in accordance with the requirements of the Listing Rules.

Report of the Directors



DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the financial year was the Company or any of its holding companies, subsidiaries a party to any arrangement to enable the Directors of the Company or chief executive or any of their spouse or children under the age of 18 to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2010, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Name of substantial shareholders	Nature of interest	Number of ordinary shares of the Company held	
		Direct interest	Percentage of shareholding
		(note 1)	
Jumbo Hill Group Limited	Beneficial Interest	150,000,000(L)	75%
Mulpha Strategic Limited (note 2)	Interest in a controlled corporation	150,000,000(L)	75%
Mulpha Trading Sdn Bhd (note 3)	Interest in a controlled corporation	150,000,000(L)	75%
Mulpha International Bhd (note 4)	Interest in a controlled corporation	150,000,000(L)	75%
Ms. Yong Pit Chin (note 4)	Interest in a controlled corporation	150,000,000(L)	75%
China Spirit Limited (note 5)	Interest in a controlled corporation	12,315,000(L)	6.16%
Chong Sok Un	Beneficial Interest	12,315,000(L)	6.16%
COL Capital Limited (note 6)	Interest in a controlled corporation	12,315,000(L)	6.16%
Vigor Online Offshore Limited (note 7)	Interest in a controlled corporation	12,315,000(L)	6.16%
Classic Fortune Limited (note 8)	Interest in a controlled corporation	10,090,000(L)	5.05%
Sparkling Summer Limited (note 9)	Interest in a controlled corporation	10,090,000(L)	5.05%

Notes:

- (1) The letter "L" denotes the entity/person's long position in the Shares.
- (2) Mulpha Strategic Limited is the holding company of Jumbo Hill Group Limited holding 100% interest in it.
- (3) Mulpha Trading Sdn Bhd is the holding company of Mulpha Strategic Limited holding 100% interest in it.
- (4) Mulpha International Bhd is the holding company of Mulpha Trading Sdn Bhd holding 100% interest in it. Mulpha International Bhd is listed on the Main Market of Bursa Malaysia Securities Berhad. Madam Yong Pit Chin is, directly and indirectly, interested in approximately 34.80% of the issued share capital of Mulpha International Bhd.
- (5) Chong Sok Un is holding 100% interest in China Spirit Limited.
- (6) Vigor Online Offshore Limited is holding 70.11% interest on COL Capital Limited.
- (7) China Spirit Limited is holding 100% interest in Vigor Online Offshore Limited.
- (8) COL Capital Limited is holding 100% interest in Classic Fortune Limited.
- (9) Class Fortune Limited is holding 100% interest in Sparkling Summer Limited.



Report of the Directors

Save as disclosed above, as at 31 December 2010, none of the Directors and chief executives of the Company or their respective associates had any interest or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or as recorded in the register of interests required to be maintained pursuant to Section 352 of the SFO, or as otherwise to be notified to the Company or the Stock Exchange pursuant to the Model Code in the Listing Rules.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the Year, no Directors or their respective associates (as defined in the Listing Rules) are considered to have an interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, at least 25% of the Company's issued share capital were held by members of the public as at the date of this report as required under the Listing Rules.

AUDITOR

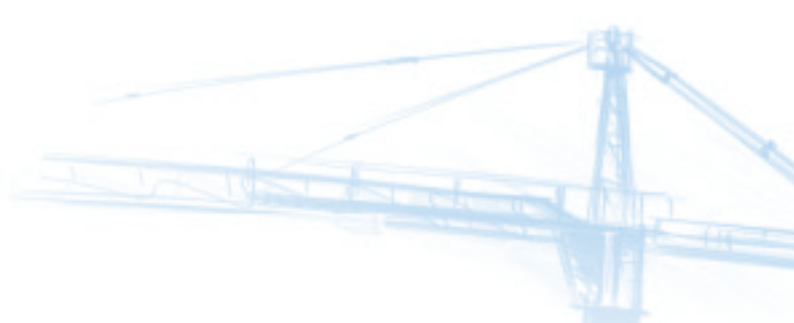
During the year, Grant Thornton Hong Kong resigned and BDO Limited was appointed auditor of the Company. A resolution will be proposed at the forthcoming annual general meeting of the Company to re-appoint BDO Limited as auditor of the Company.

ON BEHALF OF THE BOARD

Chung Tze Hien
Chairman

Hong Kong, 23 February 2011

Corporate Governance Report



CORPORATE GOVERNANCE PRACTICES

The Company believes that good corporate governance will not only improve management accountability and investor confidence, but also will lay a good foundation for the long-term development of the Company. Therefore the Company will strive to develop and implement effective corporate governance practices and procedures. The Company and the Board have adopted the code provisions of the Code on Corporate Governance Practices (the “Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”). Throughout the period since our listing on the Main Board of the Stock Exchange on 19 July 2010, the Company has complied with the Code.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions of Directors of Listing Companies (the “Model Code”) set out in Appendix 10 to the Listing Rules as its code of conduct for securities transactions by Directors. The Company has made specific enquiries of all the Directors and all the Directors confirmed that they have complied with the required standards set out in the Model Code and its code of conduct regarding Directors’ securities transactions since the listing of the Company on the Stock Exchange on 19 July 2010.

THE BOARD OF DIRECTORS

The Board takes full responsibility of supervising and overseeing all major matters of the Company, including the formulation and approval of overall management and operation strategies, reviewing the internal control and risk management systems, reviewing financial performance, considering dividend policies and monitoring the performance of the senior management, while the management is responsible for the daily management and operations of the Group.

The Board comprises six Directors, including three Executive Directors, namely Mr. Chung Tze Hien, Mr. Quek Chang Yeow and Mr. Lai Siu Shing, and three Independent Non-executive Directors, namely Mr. Louie Chun Kit, Mr. Cheung Chi Wai Vidy and Mr. Lau Wing Yuen. There is no relationship, including financial, business, family or other material/relevant relationships among Board members.

During the year under review, the Board meets regularly. In addition to regular meetings, it meets as and when warranted by particular circumstances. For 2010 and up to the date of this report, the Board held a total of five meetings of which two meetings were held after the listing of the Company on Main Board of Stock Exchange on 19 July 2010. All Board members attended the two meetings held after listing either in person or through electronic means of communication.

The attendance of each Director is contained in the following table:

	Number of attendance/Total
Mr. Chung Tze Hien	4/5
Mr. Quek Chang Yeow	5/5
Mr. Lai Siu Shing	5/5
Mr. Louie Chun Kit	2/2
Mr. Cheung Chi Wai Vidy	2/2
Mr. Lau Wing Yuen	2/2

INDEPENDENT NON-EXECUTIVE DIRECTORS

All of the Independent Non-executive Directors of the Company was appointed on 25 June 2010 with a term of three years commencing from 19 July 2010, which can be terminated by either party giving not less than one month notice in writing to the other party.

Each of the Independent Non-executive Directors has confirmed by written confirmation that he has complied with the independence requirements set out in Rule 3.13 of the Listing Rules. The Board considers that all Independent Non-executive Directors are independent under these independence requirements.

REMUNERATION COMMITTEE

The Company established the Remuneration Committee on 25 June 2010 in compliance with Appendix 14 to the Listing Rules. The Remuneration Committee is chaired by Mr. Chung Tze Hien and other members are , Mr. Louie Chun Kit, Mr. Cheung Chi Wai Vidy and Mr. Lau Wing Yuen.

The primary duties of the Remuneration Committee are to make recommendations to the Board on the Company's structure for remuneration of Directors and senior management and on the establishment of formal and transparent procedures for developing such remuneration policy. In determining the remuneration of the Directors, the Remuneration Committee would consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors, performance and contributions of the Directors and the change in market conditions.

The Remuneration committee on 23 February 2011 review and fixing the remuneration package of directors.

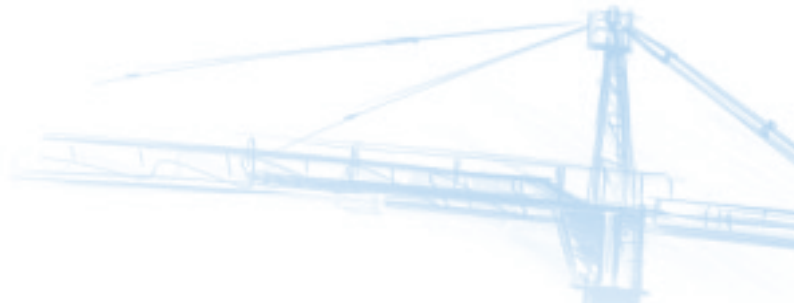
NOMINATION COMMITTEE

The Company established the Nomination Committee on 25 June 2010 in compliance with Appendix 14 to the Listing Rules. The Nomination Committee is chaired by Mr. Quek Chang Yeow and other members are Mr. Louie Chun Kit, Mr. Cheung Chi Wai Vidy and Mr. Lau Wing Yuen.

The primary duties of the Nomination Committee are to review the structure, size and composition of the Board on a regular basis, to make recommendations to the Board on matters relating to the appointment or re-appointment of Directors and succession planning for Directors, and to assess the independence of the Independent Non-executive Directors.

In accordance with the memorandum and articles of association, the Nomination Committee on 15 February 2011 recommended the retirement and re-election of Mr. Quek Chang Yeow and Mr. Louie Chun Kit at the forthcoming Annual General Meeting.

Corporate Governance Report



AUDIT COMMITTEE

The Company established the Audit Committee on 25 June 2010 in compliance with Rule 3.21 of the Listing Rules. The Audit Committee comprises three Independent Non-executive Directors, with Mr. Louie Chun Kit as the chairman and other two members are Mr. Cheung Chi Wai Vidy and Mr. Lau Wing Yuen. Mr. Louie Chun Kit, the chairman of the Company's Audit Committee, has considerable experience in accounting and financial management, which is in line with the requirement of Rule 3.10(2) of the Listing Rules.

The Audit Committee reports to the Board and is authorised by the Board to assess matters relating to the accounts of financial statements. The Audit Committee oversees all financial reporting procedures and the effectiveness of the Company's internal controls, to advise the Board on the appointment and re-appointment of external auditor, and to review and oversee the independence and objectivity of external auditor.

The Audit Committee is responsible to recommend to the Board on matters related to the appointment, re-appointment and removal of the external auditor, which is subject to the approval from the Board and the shareholder at the general meetings of the Company.

The Audit Committee has reviewed with the management the annual results of the Group for the year ended 31 December 2010.

As the Audit Committee was set up on 25 June 2010, the Audit Committee held two meetings on 23 August 2010 and 23 February 2011. The attendance of each member of the Audit Committee is contained in the following table:

Number of attendance/Total

Mr. Louie Chun Kit	2/2
Mr. Chueng Chi Wai Vidy	2/2
Mr. Lau Wing Yuen	2/2

AUDITOR'S REMUNERATION

For the year ended 31 December 2010, the total fee paid/payable to the external auditor of the Company in respect of audit and non-audit services is set as below:

	For the year ended 31 December 2010 HK\$'000
Annual audit services - BDO Limited	550
Interim review services - Grant Thornton Hong Kong	150
Reporting accountants in relation to the listing - Grant Thornton Hong Kong	1,500

DIRECTORS' RESPONSIBILITY ON THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements for the year ended 31 December 2010, and confirm that the financial statements give a true and fair view of the results of the Company and the Group for the year then ended, and are prepared in accordance with the applicable statutory requirements and accounting standards. The statement of the external auditors of the Company, BDO Limited, about their responsibilities on the financial statements of the Group is set out in the independent auditor's report on page 19 to 20.



Corporate Governance Report

INTERNAL CONTROLS

The Board acknowledges its responsibility to ensure that sound and effective internal control systems are maintained so as to safeguard the Group's assets and the interests of the shareholders. The Board has developed its systems of internal control and risk management and is also responsible for reviewing and maintaining an adequate internal control system to safeguard the interests of the shareholders and the assets of the Company.

During the year, the Board has conducted reviews of the internal control system of the Company and considered the internal control system of the Company has implemented effectively. External consultants were hired to assist the Board to perform high-level review of internal control systems for selected business operations and processes. Such review covered financial, compliance and operational controls as well as risk management mechanisms.

DIRECTORS' AND AUDITOR'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

All Directors acknowledge their responsibility for preparing the financial statements for the year ended 31 December 2010. The auditor of the Company acknowledges its reporting responsibilities in the independent auditor's report on the financial statements for the year ended 31 December 2010. The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern, therefore the Directors continue to adopt the going concern approach in preparing the financial statements.

CORPORATE GOVERNANCE ENHANCEMENT

Enhancing corporate governance is not simply a matter of applying and complying with the Code on Corporate Governance Practices of the Stock Exchange but about promoting and developing an ethical and healthy corporate culture. The Company will continue to review and, where appropriate, improve the current practices on the basis of the experience, regulatory changes and developments. Any views and suggestions from the shareholders to promote and improve the transparency are also welcome.

Independent auditor's report



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TO THE SHAREHOLDERS OF MANTA HOLDINGS COMPANY LIMITED 敏達控股有限公司

(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Manta Holdings Company Limited ("the Company") and its subsidiaries (together "the Group") set out on pages 21 to 85, which comprise the consolidated and company statements of financial position as at 31 December 2010, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. This report is made solely to you, as a body, in accordance with the terms of our engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Independent auditor's report

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2010, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

BDO Limited
Certified Public Accountants
Joanne Y.M. Hung
Practising Certificate no. P05419

Hong Kong, 23 February 2011

Consolidated statement of comprehensive income

for the year ended 31 December 2010

	Notes	2010 HK\$'000	2009 HK\$'000
Revenue	7	139,376	183,509
Cost of sales and services		(71,266)	(92,720)
Gross profit		68,110	90,789
Other income	8	27,896	2,288
Selling and distribution expenses		(3,626)	(2,085)
Administrative expenses		(43,291)	(26,200)
Other operating expenses		(24,961)	(21,360)
Finance costs	9	(5,188)	(6,527)
Profit before income tax expense	10	18,940	36,905
Income tax credit/(expense)	11	1,907	(8,414)
Profit for the year		20,847	28,491
Other comprehensive income			
– Exchange differences on translating foreign operations		6,789	4,454
– Gain on revaluation of property held for own use	15	1,038	1,618
Other comprehensive income for the year		7,827	6,072
Total comprehensive income for the year		28,674	34,563
Profit for the year attributable to:			
– Owners of the Company		20,971	28,517
– Non-controlling interests		(124)	(26)
		20,847	28,491
Total comprehensive income attributable to:			
– Owners of the Company		28,798	34,589
– Non-controlling interests		(124)	(26)
		28,674	34,563
Earnings per share for profit attributable to the owners of the Company during the year			
– Basic (HK cents)	13	13	24

Consolidated statement of financial position

as at 31 December 2010

	Notes	2010 HK\$'000	2009 HK\$'000 (restated) (Note 3(a))
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	15	177,007	145,883
Available-for-sale investment	16	580	580
Deposit paid	20	4,814	—
		182,401	146,463
Current assets			
Inventories and consumables	18	31,090	36,865
Trade receivables	19	35,286	31,274
Prepayments, deposits and other receivables	20	12,609	10,128
Pledged bank deposits	21	3,697	9,838
Cash and cash equivalents	21	66,002	45,970
		148,684	134,075
Current liabilities			
Trade payables	22	46,391	31,587
Receipt in advance, accruals and other payables	23	23,355	30,132
Derivative financial instrument	24	—	159
Amounts due to fellow subsidiaries	25	—	36,768
Amount due to a related company	25	—	167
Bank borrowings	26	6,769	8,399
Finance lease payables	27	18,917	27,468
Provision	28	—	767
Provision for tax		1,169	1,087
		96,601	136,534
Net current assets/(liabilities)		52,083	(2,459)
Total assets less current liabilities		234,484	144,004

