BUILDMORE INTERNATIONAL LIMITED
建 懋 國 際 有 限 公 司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 108)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 JULY 2007

The board of directors (the "Board") of Buildmore International Limited (the "Company") is pleased to announce the unaudited interim results of the Company and its subsidiaries (the "Group") for the six months ended 31 July 2007 (the "Period"), which have been reviewed by external auditors and the audit committee of the Company, as follows:-

CONDENSED CONSOLIDATED INCOME STATEMENT

		For the six months ended 31 July	
		2007	2006
	Notes	***HK$***	*HK$*
		(unaudited)	(unaudited)
Revenue		**2,717,862**	396,394
Cost of sales and direct operating costs		**(694,211)**	(96,938)
Gross profit		**2,023,651**	299,456
Other income		**540,668**	778,310
Administrative expenses		**(2,336,644)**	(2,549,979)
Finance costs		**–**	(179,908)
Fair value change on investment properties		**429,918**	–
Impairment loss recognised in respect of goodwill arising on acquisition of a subsidiary	6	**–**	(11,253,191)
Share of results of associate		**–**	4,378,061
Profit/(loss) before taxation		**657,593**	(8,527,251)
Taxation	5	**(438,562)**	–
Profit/(loss) for the period	6	**219,031**	(8,527,251)
Earnings/(loss) per share	7		
Basic		**0.25 HK cents**	(9.90) HK cents
Diluted	7	**N/A**	(9.90) HK cents

CONDENSED CONSOLIDATED BALANCE SHEET

	31 July 2007 HK$ (unaudited)	31 January 2007 HK$ (audited)
NON-CURRENT ASSETS		
Investment properties	**80,911,255**	73,199,281
Property, plant and equipment	**406,095**	405,453
	81,317,350	73,604,734
CURRENT ASSETS		
Trade and other receivables	**1,736,337**	1,585,524
Bank balances and cash	**25,753,196**	30,777,977
	27,489,533	32,363,501
CURRENT LIABILITIES		
Other payables, deposits received and accruals	**2,276,860**	2,394,077
Amount due to a director	**59,239**	70,209
Preference share dividend payable	**1,615,426**	1,615,426
Taxation	**1,406,172**	1,024,647
	5,357,697	5,104,359
NET CURRENT ASSETS	**22,131,836**	27,259,142
TOTAL ASSETS LESS CURRENT LIABILITIES	**103,449,186**	100,863,876
NON-CURRENT LIABILITY		
Deferred taxation	**14,724,095**	14,166,193
	88,725,091	86,697,683
CAPITAL AND RESERVES		
Share capital	**89,173,638**	89,173,638
Share premium and reserves	**(448,547)**	(2,475,955)
	88,725,091	86,697,683

Notes:

1. **Basis of preparation**

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

2. **Principal accounting policies**

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties, which are measured at fair values, as appropriate.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 January 2007.

In the current interim period, the Group has applied, for the first time, a new standard, amendment and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants, which are effective for the Group's financial year beginning 1 February 2007. The adoption of these new HKFRSs has no material effect on the results or financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been required.

3. **Potential impact arising from the Hong Kong Financial Reporting Standards issued but not effective**

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

HKAS 23 (Revised)	Borrowing costs[1]
HKFRS 8	Operating segments[1]
HK(IFRIC) – INT 11	HKFRS 2 – Group and Treasury Share Transactions[2]
HK(IFRIC) – INT 12	Service concession arrangements[3]
HK(IFRIC) – INT 13	Customer loyalty programmes[4]
HK(IFRIC) – INT 14	HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction[3]

[1] Effective for accounting periods beginning on or after 1 January 2009.
[2] Effective for accounting periods beginning on or after 1 March 2007.
[3] Effective for accounting periods beginning on or after 1 January 2008.
[4] Effective for accounting periods beginning on or after 1 July 2008.

The directors of the Company anticipate that the application of these new or revised standards or interpretations will have no material impact on the results and the financial position of the Group.

4. Segment information

The Group is mainly engaged in property investment and property management. This is the basis on which the Group reports its primary segment information.

An analysis of turnover and segment results of the Group for the six months ended 31 July 2007 and 2006 is as follows:

(a) Business segments

Six months ended 31 July 2007

	Property investment	**Property management**	**Consolidated**
	HK$	*HK$*	*HK$*
Revenue	1,989,329	736,533	2,717,862
Segment results	2,387,643	65,926	2,453,569
Unallocated corporate income			540,668
Unallocated corporate expenses			(2,336,644)
Taxation			(438,562)
Profit for the period			219,031

Six months ended 31 July 2006

	Property investment	**Property management**	**Consolidated**
	HK$	*HK$*	*HK$*
Revenue	293,113	103,281	396,394
Segment results	286,952	12,504	299,456
Unallocated corporate income			778,310
Unallocated corporate expenses			(2,549,979)
Finance costs			(179,908)
Impairment loss recognised in respect of goodwill arising on acquisition of a subsidiary	(11,253,191)	–	(11,253,191)
Share of results of associate			4,378,061
Loss for the period			(8,527,251)

5. Taxation

	For the six months ended 31 July	
	2007	2006
	HK$	*HK$*
	(unaudited)	(unaudited)
The taxation comprises:		
Current tax charge:		
People's Republic of China ("PRC")	**309,678**	–
Deferred taxation	**128,884**	–
	438,562	–

No provision for Hong Kong Profits Tax has been made in the condensed consolidated financial statements as the Group has no assessable profits for both periods. Taxation arising in the PRC is calculated at the rate prevailing in the relevant jurisdiction.

6. Profit (loss) for the period

	For the six months ended 31 July	
	2007	2006
	HK$	*HK$*
	(unaudited)	(unaudited)
Profit (loss) for the period has been arrived at after charging (crediting):		
Bank interest income	**(489,350)**	(142,073)
Depreciation of property, plant and equipment	**19,522**	653
Share of tax of an associate (included in share of results of associate)	**–**	89,798
Impairment loss recognised in respect of goodwill arising on acquisition of a subsidiary (note)	**–**	11,253,191

Note: As the recoverable amount of the cash generating unit acquired on the acquisition of a subsidiary is less than the total consideration paid at the acquisition, an impairment loss of goodwill of HK$11,253,191 have been recognised for the six months ended 31 July 2006.

7. **Earnings (loss) per share**

The calculation of the basic earnings (loss) per share is based on the Group's profit for the period attributable to equity holders of the parent of HK$219,031 (six months ended 31 July 2006: loss of HK$8,527,251) and the number of ordinary shares of 89,173,638 (six months ended 31 July 2006: 86,141,399).

No computation of diluted earning per share for the six months ended 31 July 2007 is presented as there is no potential ordinary shares for the period.

The computation on diluted loss per share for the six months ended 31 July 2006 was based on the above financial information and did not assume the conversion of convertible preference shares as their conversion would result in reduction in loss per share.

AGREEMENT BY THE EXTERNAL AUDITORS WITH THE ACCOUNTING TREATMENT ADOPTED

An extract of the Independent Review Report issued by the external auditors of the Company in respect of their review of the interim financial report of the Group for the Period (the "Independent Review Report") is set out below:–

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

The full text of the Independent Review Report will be published in the Interim Report 2007 of the Company.

INTERIM DIVIDEND

No interim dividend has been declared by the Board for the Period (2006: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview

The Company has leased out properties held in the People's Republic of China ("PRC") to independent tenants through Victorfield (Fujian) Property Development Co., Ltd. ("Victorfield Fujian") and Faith Stand (China) Limited, two wholly-owned subsidiaries of the Company, to receive stable and reasonable rental revenue.

The transaction in relation to the acquisition of 5 street-front shops at Commercial Podium of Gentlefolk, No.53 Wenquan Park Road, Gulou District, Fuzhou, Fujian Province, the PRC from 福州凱華房地產開發有限公司, an independent third party, by Victorfield Fujian at a aggregate consideration of HK$4,961,573 (RMB4,912,950) had been completed on 31 March 2007. The lease contracts of the above 5 street-front shops were entered with two independent third parties respectively on 31 March 2007.

While the Group's results benefit from the constant flourishing Chinese property market and the increase in national income, the Group has adopted cautious approach and has been actively seeking potential development opportunities on properties investment for the Group, so as to strengthen its property investment portfolio.

Save as disclosed above, there has been no material change to information disclosed in the Company's annual report for the year ended 31 January 2007 which necessitates additional disclosure to be made in this section.

Financial Resources and Current Capitals

The major financial resources of the Group are derived from the sale and renting of properties in PRC.

The Group's unaudited consolidated revenue for the six month ended 31 July 2007 (the "Period") was HK$2,717,862 (2006: HK$396,394), and the Group recorded a profit for the Period of HK$657,593 (2006: loss of HK$8,527,251). Basic earings per share for the Period was 0.25 HK cents (2006: basic loss per share of 9.90 HK cents).

As at 31 July 2007, the Group had available bank balances and cash of HK$23,562,507 and RMB2,104,787 (31 January 2007: HK$29,481,736 and RMB1,296,241).

Foreign Exchange Risk

The Group mainly settled its transactions in HK dollar and Renminbi. Although the Group did not entered into any hedge contracts, it only faced minimal foreign exchange risk. As Renminbi appreciated during the Period, the Group will closely monitor the situation and exercise appropriate hedging measures when there is any adverse changes.

Capital Structure

No change in the capital structure of the Group has been noticed during the Period.

Pledges of Assets

As at 31 July 2007, the Group did not pledge any of its assets for bank credits, and the Group is not subject to any responsibilities in accordance to any bank credits documents.

Capital Committments and Contingent Liabilities

As at 31 July 2007, the Group had no material capital committments and contingent liabilities.

Employee and Remuneration Policy

As at 31 July 2007, the total number of Chinese and Hong Kong employees of the Group amounted to 102. Most of them worked in Mainland China, while others worked in Hong Kong. During the Period, costs of employees was HK$1,294,851 (2006: HK$196,000). Note: This amount only includes remuneration for three independent non-executive directors and qualified accountant of the Company.

Share Options

No share option scheme has been adopted by the Group.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Period.

CORPORATE GOVERNANCE PRACTICES

Save as disclosed below, the Company had complied with the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 to the Listing Rules during the Period.

The Company does not fully comply with the code provision A.4.1 and A.4.2 of the CG Code. Under code provision A.4.1, non-executive directors should be appointed for a specific term, and are eligible for re-election. The non-executive directors of the Company are not appointed for a specific term, but are subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association of the Company (the "Articles"). Under code provision A.4.2, all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment and every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. According to the Articles, any director of the Company appointed to fill a casual vacancy shall hold office until the next following annual general meeting of the Company and shall then be eligible for reelection. At each annual general meeting of the Company, one-third of the directors of the Company for the time being shall retire from office by rotation. In exceptional circumstances, a director may hold office for more than 3 years before retirement.

COMPLIANCE WITH CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Having made specific enquiry to all directors of the Company, the directors of the Company confirmed that they had complied with the required standard set out in the Model Code throughout the Period.

POST BALANCE SHEET EVENT

On 10 September 2007, Taiwan Securities (Hong Kong) Company Limited (the "Placing Agent") and the Company entered into a placing agreement (the "Placing Agreement"). Pursuant to the Placing Agreement, the Company agreed to place 17,800,000 new Shares (the "Placing Shares") at a placing price of HK$1.1 per share to independent investor through the Placing Agent. The Placing Shares representing 19.96% of the issued share capital of the Company on that date. Such transaction had been passed and approved unanimously by the Shareholders at the extraordinary general meeting held on 15 October 2007 and the Stock Exchange has conditionally granted and premited the listing of and dealing in the Placing Shares on 24 October 2007. It is expected that the share placing will be completed on or before 31 October 2007. It is also passed and approved at the abovesaid extraordinary general meeting that the authorized capital of the Company to be increased from HK$200,000,000 to HK$5,000,000,000.

AUDIT COMMITTEE

At 17 October, 2007, the audit committee of the Company (members include Mr. See Tak Wah, Mr. David Gregory Jeaffreson, CBE, JP and Mr. Wong Cheong) has reviewed with the management the accounting principles and practices adopted by the Group and discussed on the internal controls and financial reporting matters, including reviewing the unaudited interim financial statements for the Period.

By order of the Board
Buildmore International Limited
Lo Cheung Kin
Chairman

Hong Kong, 26 October 2007

As at the date of this announcement, the executive directors of the Company are Mr. Lo Cheung Kin, Ms. Huang Haiping and Mr. Li Jianbo; and the independent non-executive directors of the Company are Mr. David Gregory Jeaffreson, CBE, JP, Mr. See Tak Wah and Mr. Wong Cheong.