FUJIAN HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 181)

ANNOUNCEMENT
INTERIM RESULTS FOR THE PERIOD ENDED 30 JUNE 2009

FINANCIAL HIGHLIGHT

	Six months ended 30 June 2009	Six months ended 30 June 2008
• Revenue	**HK$7,709,024**	HK$6,990,673
• Profit/(loss) attributable to the equity holders of the Company	**HK$680,273**	(HK$1,830,209)
• Profit/(loss) per share		
— Basic (HK cents per Share)	**0.13**	(0.34)
— Diluted (HK cents per Share)	**0.13**	N/A

RESULTS

The Board of Directors (the "Board") of Fujian Holdings Limited (the "Company") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2009 together with the unaudited comparative figures for the corresponding period in 2008 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT
For the period from 1 January 2009 to 30 June 2009 (in HK Dollars)

	Note	**30 June 2009 (Unaudited)**	30 June 2008 (Unaudited)
Revenue	*3*	**7,709,024**	6,990,673
Other income	*5*	**4,624,539**	2,080,374
Other gains	*6*	**23,240**	617,353
Staff costs		**(3,192,222)**	(2,648,089)
Depreciation		**(1,953,294)**	(2,010,396)
Amortisation of prepaid land lease payments		**(1,004,651)**	(1,004,651)
Loss on disposal of an associated company		**—**	(1,094,991)
Share of profit of associates		**164,220**	298,667
Other operating expenses		**(5,556,415)**	(5,345,930)
Profit/(loss) before tax	*7*	**814,441**	(2,116,990)
Taxation	*8*	**(134,168)**	286,781
Profit/(loss) attributable to the equity holders of the Company		**680,273**	(1,830,209)
Profit/(loss) per share	*9*		
— Basic (HK cents per Share)		**0.13**	(0.34)
— Diluted (HK cents per Share)	*9*	**0.13**	N/A

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period from 1 January 2009 to 30 June 2009 (in HK Dollars)

	30 June 2009 (Unaudited)	30 June 2008 (Unaudited)
Profit/(Loss) attributable to the equity holders of the Company	**680,273**	(1,830,209)
Other comprehensive income for the period, net of tax:		
Exchange differences on translating foreign operations	**(9,389)**	(490,303)
Total comprehensive income/(expenses) for the period	**670,884**	(2,320,512)
Total comprehensive income/(expenses) attributable to equity shareholders of the Company	**670,884**	(2,320,512)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2009 (in HK Dollars)

	Note	**30 June 2009 (Unaudited)**	31 December 2008 (Audited)
Non-current assets			
Property, plant and equipment		**45,888,401**	47,816,963
Prepaid lease payment		**32,986,047**	33,990,698
Investment properties		**18,910,000**	18,910,000
Interests in associates		**8,160,780**	7,984,808
		105,945,228	108,702,469
Current assets			
Inventories	*11*	**148,940**	105,517
Trade and other receivables	*12*	**5,912,164**	3,163,927
Bank balances and cash		**29,657,746**	29,899,372
		35,718,850	33,168,816
Current liabilities			
Trade and other payables	*13*	**5,017,937**	6,038,516
		5,017,937	6,038,516
Net current assets		**30,700,913**	27,130,300
Total assets less current liabilities		**136,646,141**	135,832,769
Non-current liabilities			
Deferred tax liabilities		**7,960,361**	7,826,194
Trade and other payables	*13*	**5,661,232**	5,652,911
		13,621,593	13,479,105
Net assets		**123,024,548**	122,353,664
Capital and reserves			
Equity attributable to the equity holders of the Company			
Share capital	*14*	**66,597,500**	66,597,500
Reserves		**56,427,048**	55,756,164
Total equity		**123,024,548**	122,353,664

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Six months ended 30 June 2009 (in HK Dollars)

	Share capital	Share premium	Translation reserve	Share-based compensation reserve	Accumulated losses	Total
At 1 January 2008 (Audited)	66,597,500	576,304,933	(7,107,347)	268,640	(516,914,855)	119,148,871
Exchange differences arising on translation of foreign operations	—	—	(490,303)	—	—	(490,303)
Loss attributable to the equity holders of the company	—	—	—	—	(1,830,209)	(1,830,209)
Total comprehensive expenses	—	—	(490,303)	—	(1,830,209)	(2,320,512)
At 30 June 2008 and at 1 July 2008 (Unaudited)	66,597,500	576,304,933	(7,597,650)	268,640	(518,745,064)	116,828,359
Exchange differences arising on translation of foreign operations	—	—	79,461	—	—	79,461
Loss attributable to the equity holders of the company	—	—	—	—	5,445,844	5,445,844
Total comprehensive income for the period	—	—	79,461	—	5,445,844	5,525,305
At 31 December 2008 and at 1 January 2009 (Audited)	66,597,500	576,304,933	(7,518,189)	268,640	(513,299,220)	122,353,664
Exchange differences arising on translation of foreign operations	—	—	(9,389)	—	—	(9,389)
Profit attribute to the shareholders of the company	—	—	—	—	680,273	680,273
Total comprehensive income for the period	—	—	(9,389)	—	680,273	670,884
At 30 June 2009 (Unaudited)	**66,597,500**	**576,304,933**	**(7,527,578)**	**268,640**	**(512,618,947)**	**123,024,548**

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the period from 1 January 2009 to 30 June 2009 (in HK Dollars)

1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure requirements set out in Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") and with the Hong Kong Accounting Standard ("HKAS") No.34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The unaudited condensed consolidated interim financial statements have been prepared under the historical costs basis except for property, plant and equipment and financial instruments, which are measured at fair values or revalued amounts, as appropriate, and should be read in conjunction with the Group's annual financial statements as at 31 December 2008.

The accounting policies used in the unaudited condensed consolidated interim financial statements are consistent with those followed in the preparation of the annual financial statements of the Group for the year ended 31 December 2008, except as described in note 2.

2. APPLICATION OF NEW HONG KONG FINANCIAL REPORTING STANDARDS (HKFRSs) AND HKASs

In Period, the Group has applied, for the first time, the following new HKFRSs and HKASs and Interpretations ("Int") issued by HKICPA, which are effective for the Group's financial year beginning on 1 January 2009.

HKFRSs Amendments (except HKFRS 5)	Improvements to HKFRSs 2008 (expect HKFRS 5)
HKFRS 1 and HKAS 27 Amendments	Amendments to HKFRS 1 First-time Adoption of HKFRSs and HKAS 27 Consolidated and Separate Financial Statements — Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 Amendments	Amendments to HKFRS 2 Share-based Payment — Vesting Conditions and Cancellations
HKFRS 7 Amendments	Financial Instruments: Disclosures
HKFRS 8	Operating Segments
HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 32 and HKAS 1 Amendments	Amendments to HKAS 32 Financial Instruments: Presentation and HKAS 1 Presentation of Financial Statements — Puttable Financial Instruments and Obligations Arising on Liquidation
HK(IFRIC)-Int 13	Customer Loyalty Programmes
HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate
HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation

The adoption of the new HKFRSs, except for HKAS 1 (Revised) as described below, had no material effect on the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been recognised.

HKAS 1 (Revised) separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented as a single line. In addition, the standard introduces the statement of comprehensive income: it presents all items of recognised income and expense, either in one single statement, or in two linked statements. The Group has elected to present two statements: the consolidated income statement and the consolidated statement of comprehensive income.

The Group has not early applied the following new and revised standards, amendments and interpretations that have been issued but are not yet effective at 30 June 2009.

HKFRSs (Amendments)	Improvements to HKFRSs May 2008[1]
HKFRSs (Amendments)	Improvements to HKFRSs April 2009[2]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[3]
HKAS 39 (Amendment)	Eligible Hedged Items[3]
HKFRS 1 (Revised)	First-time Adoption of HKFRSs[3]
HKFRS 2 (Amendment)	Share-based payments[3]
HKFRS 3 (Revised)	Business Combinations[3]
HK(IFRIC) — Int 9 & HKAS 39 (Amendments)	Embedded Derivatives[4]
HK(IFRIC) — Int 17	Distributions of Non-cash Assets to Owners[3]
HK(IFRIC) — Int 18	Transfers of Assets from Customers[5]

1 Amendments to HKFRS 5, effective for annual periods beginning on or after 1 July 2009.
2 Effective for annual periods beginning on or after 1 July 2009 and 1 January 2010, as appropriate.
3 Effective for annual periods beginning on or after 1 July 2009.
4 Effective for annual periods ending on or after 30 June 2009.
5 Effective for transfers of assets from customers received on or after 1 July 2009.

The application of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition dates is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary. The Directors anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

3. REVENUE

	30 June 2009 (Unaudited)	30 June 2008 (Unaudited)
Gross rental income from letting of investment properties	**682,360**	611,372
Revenue from hotel operations	**7,026,664**	6,379,301
	7,709,024	6,990,673

4. SEGMENTS INFORMATION

In accordance with the Group's internal financial reporting policy, the Group has determined that business segments are its primary reporting format and geographical segments are its secondary reporting format.

Business segments

For management purposes, the Group is currently organised into two operating divisions — property investment and hotel operations. These divisions are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

Property investment — the rental of investment properties

Hotel operations — the operation of hotel

Segment information about these businesses is presented below.

	Property investment		Hotel operations		Consolidated	
	30 June 2009 (Unaudited)	30 June 2008 (Unaudited)	**30 June 2009 (Unaudited)**	30 June 2008 (Unaudited)	**30 June 2009 (Unaudited)**	30 June 2008 (Unaudited)
REVENUE						
Revenue from external customers	**682,360**	611,372	**7,026,664**	6,379,301	**7,709,024**	6,990,673
Segment profit before depreciation and amortisation	**622,453**	565,535	**5,242,685***	4,013,371	**5,865,136**	4,578,906
Depreciation	**—**	—	**(1,942,223)**	(1,939,512)	**(1,942,223)**	(1,939,512)
Amortisation	**—**	—	**(1,004,651)**	(1,004,651)	**(1,004,651)**	(1,004,651)
Segment result	**622,453**	565,535	**2,295,811**	1,069,208	**2,918,264**	1,634,743
Other revenue, net					**132,083**	730,477
Unallocated corporate expenses					**(2,400,126)**	(3,685,886)
Share of profits of associates					**164,220**	298,667
Loss on disposal of an association					**—**	(1,094,991)
Profit/(loss) before tax					**814,441**	(2,116,990)
Income tax expense					**(134,168)**	286,781
Profit/(loss) for the year					**680,273**	(1,830,209)

* Including waiver of other payable totally HK$2,152,316.

	Property investment		Hotel operations		Consolidated	
	30 June 2009	31 December 2008	**30 June 2009**	31 December 2008	**30 June 2009**	31 December 2008
	(Unaudited)	(Audited)	**(Unaudited)**	(Audited)	**(Unaudited)**	(Audited)
BALANCE SHEET						
Assets						
Segment assets	**49,416,737**	419,140,726	**84,082,482**	84,741,072	**133,499,219**	133,881,798
Interest in associates					**8,160,780**	7,984,808
Unallocated corporate assets					**4,079**	4,679
Consolidated total assets					**141,664,078**	141,871,285
Liabilities						
Segment liabilities	**(773,729)**	(686,092)	**(9,905,440)**	(10,995,335)	**(10,679,169)**	(11,681,427)
Unallocated corporate liabilities					**(7,960,361)**	(7,836,194)
Consolidated total liabilities					**(18,639,530)**	(19,517,621)

Geographical segments

The Group's two divisions operate in two principal geographical areas — Hong Kong and the People's Republic of China (the "PRC") excluding Hong Kong, Macau and Taiwan.

The following table provides an analysis of the Group's revenue by geographical markets:

	Hong Kong		PRC		Total	
	30 June 2009	30 June 2008	**30 June 2009**	30 June 2008	**30 June 2009**	30 June 2008
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
Revenue from external customers	**682,360**	611,372	**7,026,664**	6,379,301	**7,709,024**	6,990,673

The following is an analysis of the carrying amounts of segment assets, and additions to property, plant and equipment, analysed by the geographical area in which the assets are located:

	30 June 2009 (Unaudited)	31 December 2008 (Audited)
Assets located in		
— PRC	**84,076,725**	84,184,286
— Hong Kong	**49,426,573**	49,702,191
	133,503,298	133,886,477
Interests in associates	**8,160,780**	7,984,808
	141,664,078	141,871,285

5. OTHER INCOME

	30 June 2009 (Unaudited)	30 June 2008 (Unaudited)
Income from granting the management right of the Group's hotel	**2,332,205**	1,967,250
Bank interest income	**108,844**	111,924
Waiver of other payable	**2,152,316**	—
Others	**31,174**	1,200
	4,624,539	2,080,374

6. OTHER GAINS

	30 June 2009 (Unaudited)	30 June 2008 (Unaudited)
Net foreign exchange gains	**23,240**	617,353

7. PROFIT/(LOSS) BEFORE TAX

	30 June 2009 (Unaudited)	30 June 2008 (Unaudited)
Profit/(loss) for the period has been arrived at after charging/(crediting):		
Gross rental income from investment properties	**(682,360)**	(611,372)
Less: Direct operating expenses that generated rental income during the period	**59,907**	45,837
	(622,453)	(565,535)
Depreciation of hotel property	**1,321,586**	1,321,586
Depreciation of other property, plant and equipment	**631,708**	688,810
	1,953,294	2,010,396
Amortisation of prepaid lease payment	**1,004,651**	1,004,651
Total depreciation and amortisation	**2,957,945**	3,015,047
Salaries and other benefits (including directors' remunerations)	**3,178,122**	2,633,989
Retirement benefit scheme contributions	**14,100**	14,100
Staff costs	**3,192,222**	2,648,089

8. TAXATION

	30 June 2009 (Unaudited)	30 June 2008 (Unaudited)
Deferred tax	**(134,168)**	286,781

9. Profit/(Loss) per share

The calculation of basic profit/(loss) per share attributable to the equity holders of the Company is based on the unaudited consolidated profit attributable to the equity holders of the Company of approximately HK$0.68 million (30 June 2008: loss HK$1.83 million) and the weighted average number of 532,780,000 (30 June 2008: 532,780,000) ordinary shares in issue during the period.

The calculation of the diluted earnings per share attributable to the ordinary equity holders of the Company for the period ended 30 June 2009 is based on the following data:

	30 June 2009 (Unaudited)
Earnings	
Earnings for the purpose of basic earnings per share (profit for the period attributable to equity holders of the Company)	**680,273**
Effect of dilutive potential ordinary shares	**—**
Earnings for the purpose of diluted earnings per share	**680,273**

	30 June 2009 (Unaudited)
Number of shares	
Weighted average number of ordinary shares for the purpose of basic earnings per share	**532,780,000**
Effect of dilutive potential ordinary shares:	
Share options issued by the Company	**923,614**
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**533,703,614**

Diluted loss per share for the period ended 30 June 2008 have not been disclosed, as the share options outstanding during these periods had an anti-dilutive effect on the basic loss per share for these periods.

10. INTERIM DIVIDEND

The Board has resolved not to recommend the payment of an interim dividend for the Period (30 June 2008: Nil).

11. INVENTORIES

	30 June 2009 (Unaudited)	31 December 2008 (Audited)
Raw material and consumables	**148,940**	105,517

12. TRADE AND OTHER RECEIVABLES

	30 June 2009 (Unaudited)	31 December 2008 (Audited)
Trade receivables	**2,044,606**	2,226,667
Less: Allowance for doubtful debts	**(1,025,453)**	(1,025,453)
	1,019,153	1,201,214
Other receivables, utility deposits and prepayments	**16,648,749**	13,718,451
Less: Allowance for doubtful debts	**(11,755,738)**	(11,755,738)
	4,893,011	1,962,713
Total trade and other receivables	**5,912,164**	3,163,927

An aged analysis of trade receivables net of allowance for doubtful debts at the balance sheet date is as follows:

	30 June 2009 (Unaudited)	31 December 2008 (Audited)
Current to six months	**996,583**	1,198,478
Over six months and within one year	**20,412**	2,736
Over one year	**2,158**	—
	1,019,153	1,201,214

The various Group companies have different credit policies, depending on the requirements of their markets and the businesses which they operate. Aged analyses of debtors are prepared and closely monitored in order to manage credit risk associated with receivables.

13. TRADE AND OTHER PAYABLES

	30 June 2009 (Unaudited)	31 December 2008 (Audited)
Trade payables	**1,061,994**	648,483
Other payables	**9,617,175**	11,042,944
	10,679,169	11,691,427
Less: Other payables classified as non-current liabilities	**(5,661,232)**	(5,652,911)
Total trade and other payables	**5,017,937**	6,038,516

An aged analysis of trade payables at the balance sheet date is as follows:

	30 June 2009 (Unaudited)	31 December 2008 (Audited)
Current to six months	**1,043,649**	630,865
Over six months and within one year	**1,326**	8,542
Over one year	**17,019**	9,076
	1,061,994	648,483

The average credit period is 45 days.

14. SHARE CAPITAL

	30 June 2009 (Unaudited)		31 December 2008 (Audited)	
	Number of shares	***HK$***	*Number of shares*	*HK$*
Authorised:				
Ordinary shares of HK$0.125 each	**3,040,000,000**	**380,000,000**	3,040,000,000	380,000,000
Issued and fully paid:				
At beginning and at end of period/year	**532,780,000**	**66,597,500**	532,780,000	66,597,500

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The turnover of the Group for the six months ended 30 June 2009 amounted to approximately HK$7.71 million, representing an increase of approximately 10.3% as compared to approximately HK$6.99 million in the corresponding period last year. The increase is mainly attributed to the increase in rental income through rental reversion as the leasing cycle reverts and the acquisition of investment properties in year 2008 and our hotel operator operate their own Chinese restaurant through the Group's hotel for the period under review.

Despite the turbulent economic environment in the period under review, the Group still continued to deliver positive results. For the six months ended 30 June 2009, the gearing ratio (dividend total liability by total equity multiple by 100 which results in percentage) of the Group was 15% (31 December 2008: 16%). For the six months ended 30 June 2009, the net profit attributable to shareholders was approximately HK$0.68 million (30 June 2008: loss 1.83 million). Basic earnings per share were approximately 0.13 HK cent for the six months ended 30 June 2009. The increase in net profit and earnings per share is attributed to the waiver of other payables amounting to approximately HK$2.15 million for the period under review.

During the period under review, the Group did not have substantial losses attributable to the impairment of receivables.

OPERATIONAL REVIEW

a. Star-rated Hotel Operation

Star-rated hotel operation is the main source of revenue for the Group. For the period ended 30 June 2009, turnover of the hotel was approximately HK$7.02 million (30 June 2008: HK$6.38 million), representing an increase of approximately 10% from the corresponding financial period.

The following table sets out the amount and percentage of contributions from different businesses of the star-rated hotel operation for the six months ended 30 June 2009, together with comparative figures of 2008:

	30 June 2009		30 June 2008	
	HK$ in thousand	***% of turnover***	*HK$ in thousand*	*% of turnover*
Accommodation revenue	**4,882**	**69%**	4,969	78%
Catering revenue	**1,347**	**19%**	476	7%
Rental revenue	**761**	**11%**	911	14%
Others	**37**	**1%**	23	1%
	7,027	**100%**	6,379	100%

Accommodation revenue

The global recession in the first half of 2009 created an extremely challenging business environment for China's tourism and hotel industries. Nevertheless, the Group achieved stable income in its star-rated hotel operation during the period under review. The accommodation revenue amounted to approximately 4.9 million, representing a slight decrease by approximately 1.8% or a reduction of 4.4% when the appreciation of Renminbi excluded.

Catering and rental revenue

During the period under review, the hotel operator repossessed the Chinese restaurant in the Group's Hotel. On the one hand, this contributed to approximately HK$0.70 million in catering revenue during the Period for the Group. On the other hand, there is no longer a corresponding rental income and the total rental revenue of the Group's Hotel dropped accordingly.

b. Hong Kong properties held by the Group

The occupancy rate for the properties of the Group nearly full during the period under review. It brought steady rental income to the Group.

For the period ended 30 June 2009, the rental income of the properties in Hong Kong was approximately HK$0.68 million, while last period's was approximately HK$0.61 million. The increase was mainly resulted from the increase in rental income through rental reversion as the leasing cycle reverts and the acquisition of investment properties in the second half of 2008.

c. Piano Manufacturing

In 2005, the Group diversified its business into piano manufacturing by acquiring a 25% equity interest in Harmony Piano. This business interest is expected to contribute a reasonable profit to the Group for the coming years.

FUTURE DEVELOPMENT

Looking forward, the Group's management will seize challenges by upholding a standardized and market-oriented operation model and strive to achieve continual growth in the Group's profits and higher returns for shareholders.

FINANCIAL REVIEW

Liquidity and Financial Resources

As at the balance sheet date, the Group had a net cash balance of approximately HK$29.66 million (31 December 2008: HK$29.90 million). The Group's net asset value (assets less liabilities) was approximately HK$123.02 million (31 December 2008: HK$122.35 million), with a liquidity ratio (ratio of current assets to current liabilities) of 7.12 (31 December 2008: 5.49). This high level of liquidity and available funding will enable the Group to meet its expected future working capital requirements and to take advantage of growth opportunities for the business. During the period under review, there was no material change in the Group's funding and treasury policy. The Directors do not expect the Company to experience any problem with liquidity and financial resources in foreseeable future.

CHARGE ON ASSETS

As at 30 June 2009, the Group has not charged any of its assets.

CAPITAL STRUCTURE OF THE GROUP

The Group's monetary assets, liabilities and transactions are principally denominated in Hong Kong dollars and Renminbi. Operating outgoings incurred by the Group's subsidiary in the PRC are mainly denominated in RMB as well as its revenue. The management is of the opinion that the Group's exposure to foreign exchange rate risks is not significant and hedging through the use of derivative instruments is considered unnecessary. Any material fluctuation in the exchange rates of Hong Kong dollar or Renminbi may have an impact on the operating results of the Group.

The funding and treasury policies of existing subsidiaries of the Group are centrally managed and controlled by the Group's senior management in Hong Kong.

CONTINGENT LIABILITY

During the Period, the Group did not have any significant contingent liability.

HUMAN RESOURCES

As at 30 June 2009, the Group had approximately 160 employees in Hong Kong and Xiamen. The remuneration package was determined with reference to performance and the prevailing market rate. The Group also provides employees with training, the opportunity to join its mandatory provident fund scheme and medical insurance cover.

CORPORATE GOVERNANCE REPORT

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Directors consider that throughout the six months ended 30 June 2009, the Company has complied with the Code on Corporate Governance Practices ("Code on Corporate Governance") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock of Hong Kong Limited (the "Listing Rules"). The Company had received a verbal confirmation of independence from each of the Independent Non-executive Directors.

AUDIT COMMITTEE

The Audit Committee of the Company has in conjunction with management reviewed the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the unaudited interim report for the Period. The existing Audit Committee comprises three members, all of whom are Independent Non-executive Directors, namely Mr. Leung Hok Lim who possesses professional accounting qualification, Mr. Lam Kwong Siu and Mr. Cheung Wah Fung, Christopher. Mr. Leung Hok Lim is the Chairman of the Audit Committee.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Group has adopted Appendix 10 of the Listing Rules, the Model Code, as its own code of conduct regarding Directors' securities transactions. Specific enquiry has been made with all Directors and the Directors have complied with the requirements set out in the Model Code for the six months ended 30 June 2009.

DIRECTORS' REPORT

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

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

INTERESTS IN COMPETING BUSINESSES

During the Period, none of the Directors nor their respective associates had any business which competes or is likely to compete, either directly or indirectly, with any business of the Group.

DIRECTORS' INTERESTS IN CONTRACTS

None of the Directors was materially interested in any contract or arrangement subsisting during the Period which is significant in relation to the business of the Group.

SUFFICIENCY OF PUBLIC FLOAT

Based on information available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the Public as of the date of this report.

PUBLICATION OF INFORMATION ON THE STOCK EXCHANGE WEBSITE

This announcement is published on the websites of the Company (www.fujianholdings.com) and the Stock Exchange (www.hkexnews.hk). The Interim report of the Company for the period ended 30 June 2009 will be dispatched to shareholders of the Company and available on the above websites in due course.

ACKNOWLEDGEMENTS

I would like to take this opportunity to extend my sincere gratitude to all shareholders, business partners and customers for their support, and to all our colleagues for their efforts, hard work and dedication. Their hardwork forms the foundation for the Group's future business development.

By Order of the Board
Fujian Holdings Limited
Wang Xiaowu
Chairman

Hong Kong, 18 September 2009

As at the date of this announcement, the existing board of Directors comprises eight Directors, including three executive Directors, namely Mr. Wang Xiaowu, Mr. Wang Ruilian and Mr. Liu Xiaoting, two non-executive Directors, namely Mr. Feng Qiang and Mr. Ye Tao and three independent non-executive Directors, namely Mr. Lam Kwong Siu, Mr. Cheung Wah Fung, Christopher and Mr. Leung Hok Lim.