CT HOLDINGS (INTERNATIONAL) LIMITED
詩天控股(國際)有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code:1008)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2009

FINANCIAL HIGHLIGHTS

- The unaudited consolidated turnover of the Group for the six months ended 30 June 2009 amounted to approximately HK$141.8 million (six months ended 30 June 2008: approximately HK$177.7 million), representing a decrease of approximately 20.2% as compared with the same period last year.

- Unaudited consolidated profit attributable to the equity shareholders of the Company for the six months ended 30 June 2009 amounted to approximately HK$9.3 million (six months ended 30 June 2008: approximately HK$12.2 million), representing a decrease of approximately 23.8% as compared with last corresponding period.

- For the six months ended 30 June 2009, the earnings per share amounted to approximately HK5.7 cents (six months ended 30 June 2008: approximately HK8.1 cents).

- The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2009 (six months ended 30 June 2008: Nil).

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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 June 2009

	Note	**For the six months ended 30 June 2009 (unaudited)** ***HK$'000***	2008 (unaudited) *HK$'000*
Turnover	3	**141,779**	177,720
Cost of sales		**(103,013)**	(139,082)
Gross profit		**38,766**	38,638
Other revenue and other net income		**1,061**	2,865
Selling expenses		**(11,341)**	(13,778)
Administrative expenses		**(13,919)**	(10,515)
Profit from operations		**14,567**	17,210
Listing expenses	4 (c)	**(1,569)**	—
Finance costs	4 (a)	**(2,754)**	(4,223)
Profit before taxation	4	**10,244**	12,987
Income tax charge	5	**(991)**	(837)
Profit for the period		**9,253**	12,150
Other comprehensive income:			
Change in fair value of available-for-sale financial assets		**—**	343
Gain on disposal of available-for-sale financial assets		**618**	—
Exchange differences arising on translation of foreign operations		**1**	—
Other comprehensive income for the period		**619**	343
Total comprehensive income for the period		**9,872**	12,493
Profit for the period attributable to the equity shareholders of the Company		**9,253**	12,150
Total comprehensive income attributable to the equity shareholders of the Company		**9,872**	12,493
Earnings per share			
– basic and diluted (HK cents)	6	**5.7 cents**	8.1 cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2009

	Notes	**At 30/6/2009 (unaudited)**	At 31/12/2008 (audited)
		HK$'000	*HK$'000*
Non-current assets			
Property, plant and equipment		**120,149**	126,739
Available-for-sale financial assets		**—**	16,542
		120,149	143,281
Current assets			
Inventories		**58,017**	51,123
Trade and other receivables	8	**135,291**	164,037
Pledged fixed deposits		**10,047**	15,117
Cash and cash equivalents		**67,990**	14,456
		271,345	244,733
Current liabilities			
Trade and other payables	9	**36,979**	37,921
Obligations under finance leases		**16,540**	17,923
Secured bank loans		**36,529**	76,189
Tax payable		**2,505**	2,089
		92,553	134,122
Net current assets		**178,792**	110,611
Total assets less current liabilities		**298,941**	253,892
Non-current liabilities			
Obligations under finance leases		**25,465**	38,210
Deferred taxation		**8,008**	7,433
		33,473	45,643
Net assets		**265,468**	208,249
Capital and reserves			
Share capital		**2,000**	2
Reserves		**263,468**	208,247
Total equity		**265,468**	208,249

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2009

1. COMPANY BACKGROUND

a) Corporate information

The Company was incorporated and domiciled in the Cayman Islands under Companies Law (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as an exempted company with limited liability on 11 November 2008. The Company has established a principal place of business in Hong Kong at Suites 2301-2, 23rd Floor Tower 2, Nina Tower, 8 Yeung Uk Road, Tsuen Wan, New Territories, Hong Kong and has been registered as an overseas company under Part XI of the Hong Kong Companies Ordinance on 24 December 2008. Its issued shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 30 March 2009.

b) Reorganisation

Pursuant to a reorganisation (the "Reorganisation") of the Company and its subsidiaries now comprising the Group completed on 4 March 2009 to rationalise the group structure for the public listing of the Company's shares on the Main Board of the Stock Exchange, the Company became the holding company of the Group.

Details of the Reorganisation are set out in the prospectus dated 18 March 2009 issued by the Company.

The Company and its subsidiaries now comprising the Group as set out below are principally engaged in the provision of printing services.

Particulars of the Company's subsidiaries are as follows:

Name of company	Place and date of incorporation/ establishment	Percentage of equity attributable to the Company		Issued and fully paid share capital/ registered capital at the date of this report	Principal activities
		Direct	Indirect		
CT Management Investments Limited	British Virgin Islands 24 October 2008	100%	—	US$200	Investment holding
CT Printing Limited	Hong Kong 5 January 2001	—	100%	HK$20,000	Provision of printing services
詩天紙藝製品(深圳)有限公司# ("CT Shenzhen")	The People's Republic of China ("PRC") 15 August 2008	—	100%	Paid up capital of US$860,000 out of the registered capital of US$4,280,000	Provision of the printing of packaging and decorative matters, research and development on printing technology, wholesale, import and export of the packaging products and other related services

\# Wholly foreign owned enterprise registered in the PRC

Since all entities which took part in the Reorganisation were under common control of Mr. Tsoi Tak (the "Controlling Shareholder") before and immediately after the Reorganisation and, consequently, there was a continuation of the risks and benefits to the controlling shareholder and therefore this is considered as a business combination under common control and Accounting Guideline 5 "Merger Accounting for Common Control Combinations" has been applied. These consolidated financial statements have been prepared by using the merger basis of accounting as if the Group had been in existence throughout the years presented. The net assets of the combining companies are combined using the existing book values from the Controlling Shareholders' perspective.

Accordingly, the condensed consolidated statements of comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows of the Group for the six months ended 30 June 2008 and 2009 include the results of operations of the companies comprising the Group for the six months ended 30 June 2008 and 2009 (or where the companies were established/incorporated at a date later than 1 January 2008 for the periods from the date of establishment/incorporation to 30 June 2008 and 2009) as if the companies now comprising the Group had been in existence throughout the periods presented.

The condensed consolidated statement of financial position as at 31 December 2008 is the combination of the statement of financial position of the Company and the subsidiaries now comprising the Group as at 31 December 2008.

All material intra-group transactions and balances have been eliminated on consolidation.

In the opinion of the Directors, the unaudited condensed consolidated financial statements prepared on this basis present fairly the results of operations and the state of affairs of the Group as a whole.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

The unaudited 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 (the "Listing Rules") and with Hong Kong Accounting Standard 34 "Interim Financial Reporting", issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The unaudited condensed consolidated financial statements have been prepared under the historical cost convention, except for the available-for-sale financial assets that are measured at revalued amounts or fair values, as appropriate.

A number of new or revised standards and interpretations are effective for the financial year beginning on 1 January 2009. Except as described below, the same accounting policies, presentation and methods of computation have been followed in these condensed consolidated financial statements as were applied in the preparation of the Group's audited financial statements for the year ended 31 December 2008.

HKFRS 8 Operating Segments
(effective for annual periods beginning on or after 1 January 2009)

HKFRS 8 is a disclosure standard that requires the identification of operating segments to be performed on the same basis as financial information that is reported internally for the purpose of allocating resources to the identified reportable segment and assessing segment performance. The application of HKFRS 8 has not resulted in a redesignation of the Group's reportable segments (see note 3) and has had no impact on the reported results or financial position of the Group.

HKAS 1 (revised 2007) Presentation of Financial Statements
(effective for annual periods beginning on or after 1 January 2009)

HKAS 1 (revised 2007) has introduced a number of terminology changes (including revised titles for the consolidated financial statements) and has resulted in a number of changes in presentation and disclosure. However, HKAS 1 (revised 2007) has had no impact on the reported results or financial position of the Group.

Improvements to HKFRSs
(issued in October 2008)

The Improvements include 35 amendments across 20 different standards that largely clarify the required accounting treatment where previous practice had varied, and have resulted in a number of changes in the Group's accounting policies. No amendment included in Improvements to HKFRSs that has had a material impact on the Group's accounting policies.

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

HKFRSs (Amendments)	Amendments to HKFRS 5 as part of improvement to HKFRSs issued in 2008[1]
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009[2]
HKAS 27 (Revised)	Consolidated and separate financial statements[1]
HKAS 39 (Amendment)	Eligible hedged items[1]
HKFRS 1 (Amendment)	Additional exemptions for first-time adopters[3]
HKFRS 2 (Amendment)	Group cash-settled share-based payment transaction[3]
HKFRS 3 (Revised)	Business combinations[1]
HK(IFRIC) – Int 17	Distributions of non-cash assets to owners[1]
HK(IFRIC) – Int 18	Transfers of assets from customers[4]

1 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 January 2010
4 Effective for transfers on or after 1 July 2009

The adoption of HKFR 3 (Revised) may affect the Group's accounting for business combinations for which the acquisition dates are on or after the beginning for the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in the Group's ownership interest in a subsidiary that do not result in loss of control of the subsidiary. Changes in the Group's ownership interest that do not result in loss of control of the subsidiary will be accounted for as equity transactions.

The Directors anticipate that the application of other new and revised standards, amendments or interpretation will have no material impact on the results and the financial position of the Group.

This interim financial report contains unaudited condensed consolidated financial statements and selected condensed explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the 2008 audited financial statements. The unaudited condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards.

Items included in the unaudited condensed consolidated financial statements are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the individual entity ("functional currency"). The unaudited condensed consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. All values rounded to the nearest thousand except where otherwise indicated.

The interim financial report is unaudited, but has been reviewed by the audit committee.

b) 2008 statutory financial statements and combined financial statements

The 2008 annual report of the Company included statutory financial statements of the Company and the combined financial statements of the Company and the subsidiaries now comprising the Group for the year ended 31 December 2008. The combined financial statements did not form part of the Company's statutory financial statements for the year ended 31 December 2008. The basis of presentation of the combined financial statements for the year ended 31 December 2008 is consistent with the basis of presentation for the interim financial report as set out in note 2(a) above.

The financial information relating to the financial year ended 31 December 2008 that is included in the interim financial report as being previously reported information does not constitute the Company's statutory financial statements and the combined financial statements for that financial year but is derived from those financial statements. Statutory annual financial statements for the year ended 31 December 2008 are available from the Company's registered office. The auditors of the Company have expressed an unqualified opinion on those financial statements in their report dated 21 April 2009.

3. SEGMENT INFORMATION

The Group has adopted HKFRS 8 "Operating Segments" with effect from 1 January 2009. HKFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the executive management in order to allocate resources to the segments and to assess their performance. In the past, the Group's primary reporting format was geographical segments by location of customers and physical location of the assets and liabilities. The application of HKFRS 8 has not resulted in a redesignation of the Group's reportable segment as compared with the primary reportable segments determined with HKAS 14 "Segment Reporting", nor has the adoption of HKFRS 8 changed the basis of measurement of segment profit or loss.

The following table sets out the information about the geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the good is delivered. The geographical location of the Group's segment assets and capital expenditure is based on the physical location of the assets.

The Group comprises the following main geographical segments:

	For the six months ended 30 June 2009					
	United Kingdom	**Hong Kong**	**United States**	**Europe**	**Others**	**Consolidated**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue from external customers	**81,939**	**21,178**	**8,897**	**15,698**	**14,067**	**141,779**
Segment result	**15,654**	**3,682**	**2,271**	**4,170**	**3,069**	**28,846**
Other revenue and other net income						**1,061**
Central corporate expenses						**(15,340)**
Profit form operations						**14,567**
Finance costs						**(2,754)**
Listing expenses						**(1,569)**
Income tax charge						**(991)**
Profit for the period						**9,253**

	For the six months ended 30 June 2008					
	United Kingdom	Hong Kong	United States	Europe	Others	Combined
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue from external customers	84,276	27,696	18,576	35,908	11,264	177,720
Segment result	14,092	4,044	2,787	5,098	1,049	27,070
Other revenue and other net income						2,865
Central corporate expenses						(12,725)
Profit form operations						17,210
Finance costs						(4,223)
Income tax charge						(837)
Profit for the period						12,150

The Group's assets and liabilities are physically located in the PRC including Hong Kong, and accordingly, no analysis on segment assets and liabilities and capital expenditure is provided.

4. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging :

	For the six months ended 30 June	
	2009	2008
	HK$'000	*HK$'000*
a) Finance costs		
Interest on bank loans, overdrafts and other borrowings wholly repayable within five years	**1,781**	2,665
Finance charges on obligations under finance leases	**973**	1,558
Total interest expenses on financial liabilities not at fair value through profit or loss	**2,754**	4,223
b) Other items		
Cost of inventories sold	**103,013**	139,082
Depreciation		
- owned assets	**4,076**	3,236
- assets held under finance leases	**3,555**	3,678

c) **Listing expenses**

The amount represents professional fees and other expenses related to the public listing. Pursuant to HKAS 32 "Financial Instruments: Presentation", the transaction costs of an equity transaction are accounted for as a deduction from equity to the extent they are directly attributable to the issuing of new shares. The remaining costs are recognised as an expense when incurred.

5. INCOME TAX CHARGE

	For the six months ended 30 June	
	2009	2008
	HK$'000	*HK$'000*
Current tax – Hong Kong Profits Tax	**416**	—
Deferred taxation	**575**	837
	991	837

The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (2008: 16.5%) to the six months ended 30 June 2009. Taxation for overseas subsidiaries is similarly calculated using the estimated annual effective rates of taxation that are expected to be applicable in the relevant countries.

6. EARNINGS PER SHARE

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

Earnings

	For the six months ended 30 June	
	2009	2008
	HK$'000	*HK$'000*
Earnings for the purposes of basic and diluted earnings per share (profit for the period attributable to equity shareholders of the Company)	**9,253**	12,150

Number of shares

	For the six months ended 30 June	
	2009	2008
	No. of shares	No. of shares
	'000	*'000*
Issuance of shares upon Reorganisation	**10,000**	10,000
Issuance of shares upon capitalisation issue	**140,000**	140,000
Effect of share issued upon public offering on 30 March 2009	**12,740**	—
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	**162,740**	150,000

In determining the weighted average number of ordinary shares in issue, a total of 150,000,000 ordinary shares were deemed to be in issue since 1 January 2008. Total ordinary shares outstanding as at 30 June 2009 was 200,000,000 shares.

Diluted earnings per share is equal to basic earnings per share as there were no potential dilutive ordinary shares outstanding throughout the six months ended 30 June 2008 and 2009.

7. DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2009 (six months ended 30 June 2008: Nil).

8. TRADE AND OTHER RECEIVABLES

	At 30/6/2009	At 31/12/2008
	HK$'000	*HK$'000*
Trade receivables	**125,554**	156,880
Less: Allowance for doubtful debts	**(1,358)**	(1,358)
	124,196	155,522
Other receivables	**1**	1,094
Trade and other receivables	**124,197**	156,616
Prepayments	**348**	4,005
Rental, utility and sundry deposits	**619**	1,383
Deposits paid for purchase of property, plant and equipment	**9,251**	1,755
Trade deposits paid	**510**	29
Staff advances	**270**	249
Other tax recoverable	**96**	—
	11,094	7,421
	135,291	164,037

All of the trade and other receivables are expected to be recovered or recognised as expense within one year.

The Group normally grants credit terms of up to 90 - 120 days to its customers. The directors may from time to time approve extended credit periods for extra 30 to 60 days to certain wholesale customers during the period.

The ageing analysis of trade receivables is as follows:

	At 30/6/2009	At 31/12/2008
	HK$'000	*HK$'000*
Within 1 month	**30,734**	31,515
More than 1 month but within 3 months	**42,078**	55,555
More than 3 months but within 6 months	**30,581**	62,615
More than 6 months but within 1 year	**19,707**	5,389
Over 1 year	**2,454**	1,806
	125,554	156,880
Less: Allowance for doubtful debts	**(1,358)**	(1,358)
	124,196	155,522

The Directors consider the carrying amounts of the trade receivables approximate to their values.

9. TRADE AND OTHER PAYABLES

	At 30/6/2009	At 31/12/2008
	HK$'000	*HK$'000*
Trade payables	**26,829**	19,573
Bills payable	**2,621**	—
Accrued salaries and bonuses	**2,788**	6,069
Trade deposits received	**1,598**	974
Accruals and other payables	**2,365**	5,987
Accruals and other payables to related parties	**743**	5,014
Financial liabilities measured at amortised cost	**36,944**	37,617
Other tax payable	**35**	304
	36,979	37,921

The ageing analysis of trade payables is as follows:

	At 30/6/2009	At 31/12/2008
	HK$'000	*HK$'000*
Within 1 month	**16,933**	7,693
More than 1 month but within 2 months	**5,732**	6,600
More than 2 months but within 3 months	**3,306**	4,045
More than 3 months but within 1 year	**858**	1,235
	26,829	19,573

The Directors consider the carrying amounts of the trade payables approximate to their fair values.

BUSINESS REVIEW

The six months ended 30 June 2009 (the "Review Period") was difficult and challenging for the printing industry. With the uncertain outlook of consumer demand as a result of the global financial crisis, publishers took a cautious approach by lowering inventory level, reducing order quantity and shortening the order lead time. Competition intensified as the waning demand worked its way through to printers. However, the economic downturn has kept the costs of raw materials and freight costs in check thereby mitigating the impact of slower sales.

During the period, the Group has implemented various cost control measures in purchasing raw materials, accommodating customers' demands for small quantity per order and shorter lead time and adopted a more flexible pricing strategy to help customers weather the unfavorable market conditions. The Group also required its processing partner to contain production costs by adjusting the number of workers according to the production load and implementing stringent quality management. In view of the uncertain market conditions and general tightening of credit by banks in Europe and the USA, the Group exercised strict credit control measures on all its customers and accepted new customers only with proven credit history or good credit reference.

CT Shenzhen, the Company's wholly-owned subsidiary and a wholly foreign owned enterprise established in Shenzhen, the PRC, has commenced trial production smoothly during the Review Period.

OUTLOOK

The Review Period presented the Group's new challenges. The governments of the USA and the United Kingdom (the "UK") respectively have flushed the market with liquidity in fear of worsening recession and other considerations. The PRC government has also taken proactive measures to uphold its economic growth target. The impact of these government measures remains to be seen. It appears that the remaining months of 2009 will follow the same trail of the first half of 2009.

In view of the foregoing, the Group will continue to implement tight cost control measures, stringent quality management and competitive pricing strategy. The Group will also continue to explore new markets for books in new overseas markets, such as Brazil, and in particular printed packaging and decorative product in the PRC laying the seeds for growth.

The processing partner of the Group will be relocated to a new production facility of twice the gross floor area by the end of 2009. The new facility will allow improvement in production flow thereby reducing time costs and wastage and can house more production equipment. This will enhance the competitiveness of the Group and reserve ample room for expansion in future.

FINANCIAL REVIEW

TURNOVER

For the Review Period, the turnover of the Group was approximately HK$141.8 million, representing a decrease of approximately HK$35.9 million or 20.2% when compared with the same period in 2008. The decrease in turnover for the period was mainly due to the reduction in printing orders quantity from publishers in the USA and European countries other than the UK as a result of the highly uncertain outlook of consumer demand under the recession experienced by the world economy.

GROSS PROFIT

Despite the drop in turnover by approximately 20.2%, the Group still recorded a gross profit of approximately HK$38.8 million for the Review Period, representing an increase of approximately 0.3% when compared with the corresponding period in the previous financial year. Besides, the gross profit margin improved from approximately 21.7% for the same period in 2008 to approximately 27.3% for the Review Period. Such enhancement was mainly the result of eliminating the use of sub-contractors during the non-peak season.

OTHER REVENUE AND OTHER NET INCOME

For the Review Period, other revenue and other net income recorded a decrease of approximately 63.0% when compared with the same period in 2008 and the amount mainly represented the sale of scrap materials and bank interest income.

SELLING EXPENSES

The selling expenses of approximately HK$11.3 million for the Review Period had decreased by approximately 17.7% as compared with the same period in 2008, and such reduction is in line with the drop in turnover. Freight and transportation costs amounted to approximately HK$5.9 million, being the largest selling expenses item, also experienced a decrease of approximately 31.4% from previous period.

ADMINISTRATIVE EXPENSES

Administrative expenses, on the other hand, increased by approximately HK$3.4 million (approximately 32.4%) to approximately HK$13.9 million during the Review Period. The increase was essentially due to increase of approximately HK$1.9 million in payroll resulting from expanding the sales team and remunerating additional directors of the Company after listing. Besides, the Hong Kong head office of the Group moved to the existing Class-A office premises at Tsuen Wan with doubled floor spaces during the Review Period, an additional rental expenses of about HK$1.0 million were incurred during the Review Period as a result. The trial production of CT Shenzhen and increase in government levy relating processing fee contributed to lift the administrative expenses by approximately HK$0.4 million and approximately HK$0.7 million respectively.

FINANCE COSTS

The Group recorded a decrease in finance costs of about 34.8% during the Review Period when compared with the same period in 2008. The decrease was due to an overall decrease in interest bearing liabilities of the Group.

PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE EQUITY SHAREHOLDERS OF THE COMPNAY

For the Review Period, profit attributable to the equity shareholders of the Company dropped by approximately HK$2.9 million when compared with the corresponding period in 2008. The shrinking of the profit was owing to the net increase in operating expenses of the Group, as well as the listing expenses which amounted to approximately HK$1.6 million.

FINANCIAL POSITION AND LIQUIDITY

As at 30 June 2009, the Group had cash and cash equivalent amounted to approximately HK$68.0 million. Net current assets of the Group increased substantially from last year's approximately HK$110.6 million to approximately HK$178.8 million at period end date.

Normal operations of the Group were well supported by credit facilities granted by financial institutions which amounted to approximately HK$341.4 million at period end date. As at 30 June 2009, the Group had interest bearing obligations under finance leases of approximately HK$42.0 million (of which approximately HK$16.5 million were repayable within one year), and outstanding secured interest bearing bank loans of approximately HK$36.5 million which were repayable within one year. Net book value of fixed assets and fixed deposits pledged for securing these credit facilities amounted to about HK$80 million.

As at 30 June 2009, the Group's net gearing ratio was approximately 0.2% which was calculated on the basis of the amount of borrowings less cash and cash equivalents and pledged bank deposits divided by shareholders' equity. The significant improvement in the net gearing ratio from approximately 49.3% as at 31 December 2008 was mainly due to the receiving of the net listing proceed, which amounted to approximately HK$46.8 million, and the lower in level of the bank loan. As at 30 June 2009, the Group had capital commitment for purchase of property, plant and equipment of approximately HK$9.6 million.

CONTINGENT LIABILITIES AND GUARANTEES

As at 30 June 2009, the Group did not provide any guarantees for any third party and had no significant contingent liabilities.

MATERIAL ACQUISITIONS AND DISPOSALS

Save for the Reorganisation for the puropes of listing of the Company's shares on the Main Broad of the Stock Exchange, there was no acquisitions or disposals of subsidiaries or associated companies by the Group during the Review Period.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the Review Period.

CAPITAL STRUCTURE

During the Review Period, the Group's operation was mainly financed by funds generated from its operation and borrowings. As at 30 June 2009, the borrowings were mainly denominated in Hong Kong dollars and United States dollars ("US dollars"), while the cash and cash equivalents held by the Group were mainly denominated in Hong Kong dollars and Renminbi. All of the Group's borrowings were variable rate borrowings and no hedging has been employed by the Group during Review Period.

The Group's turnover is mainly denominated in US dollars, Pounds Sterling, Euros and Hong Kong dollars, while its costs and expenses are mainly denominated in US dollars, Hong Kong dollars and Renminbi. As majority portion of the Group's assets, liabilities, revenues and payments during Review Period were denominated in either Hong Kong dollars or US dollars, the Board considers that the risk exposure to foreign exchange rate fluctuations is not significant. The Group does not have a formal hedging policy and has not entered into any material foreign currency exchange contracts or derivative transactions to hedge against its currency risks.

USE OF PROCEEDS

Pursuant to the plan on use of proceeds, as at 30 June 2009, a total of approximately HK$9.7 million had been utilized, of which approximately HK$9.4 million had been used in purchasing new machinery and equipment, while approximately HK$0.3 million had been used in expansion of the Group's sales network by participating in international book fairs and trade shows. The rest of the proceeds has been placed in short term deposits in banks in Hong Kong. The Company will utilize the rest of the proceeds in accordance with the specific plan of use of proceeds as stated in the prospectus of the Company dated 18 March 2009.

HUMAN RESOURCES

As at 30 June 2009, the Group had a total of 48 full-time staff based in Hong Kong and the PRC. The Group's remuneration packages are generally structured with reference to market terms and individual merits. The Group operates a defined contribution retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries. The Group also made contributions to provident funds, elderly insurance, medical insurance, unemployment insurance and work-related injury insurance in accordance with appropriate laws and regulations in the PRC. The Group has also adopted a share option scheme to provide incentive or reward to eligible high-calibre employees and attract human resources that are valuable to the Group.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company did not redeem any of its shares during the Review Period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the Review Period.

CORPORATE GOVERNANCE

The Company had met the relevant code provisions set out in the Code on Corporate Governance Practices based on the principles set out in Appendix 14 to the Listing Rules since the listing of its shares on the Stock Exchange on 30 March 2009 and up to 30 June 2009 except for the provision E.1.2 of the Code on Corporate Governance Practices that the chairman of the Board was absent from the annual general meeting of the Company held on 5 June 2009 due to business matters.

AUDIT COMMITTEE

The audit committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of this interim results announcement and the unaudited condensed consolidated financial statements for the Review Period with the Directors. In addition, the unaudited condensed consolidated financial statements of the Group for the Review Period have also been reviewed by the joint auditors of the Company, CCIF CPA Limited and World Link CPA Limited. The audit committee comprises the three independent non-executive Directors.

By Order of the Board
CT Holdings (International) Limited
Ms. Wu Sin Wah, Eva
Executive Director

Hong Kong, 22 September 2009

As at the date of this announcement, the Board comprises the Chairman, Mr. Tsoi Tak (who is a non-executive Director), four executive Directors, namely, Ms. Wu Sin Wah, Eva, Mr. Cai Xiao Ming, David, Mr. Cai Xiao Xing and Mr. Kiong Chung Yin, Yttox, and three independent non-executive Directors, namely, Mr. Lui Tin Nang, Mr. Lam Ying Hung, Andy and Mr. Siu Man Ho, Simon.