COSMOPOLITAN
INTERNATIONAL HOLDINGS LTD

四 海 國 際 集 團 有 限 公 司 *

COSMOPOLITAN INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 120)

2009 INTERIM RESULTS ANNOUNCEMENT

GROUP FINANCIAL RESULTS

Cosmopolitan International Holdings Limited (the "Company") together with its subsidiaries (the "Group") recorded an unaudited consolidated profit attributable to shareholders of approximately HK$33,625,000 for the six months ended 30 September 2009, as compared with a loss of HK$174,965,000 incurred in the six months ended 30 September 2008.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

The improvement in consolidated profit recorded for the period under review was attributed mainly to the following factors: -

(i) There was a write-off of HK$108,506,000 in the comparative period in 2008 in respect of the carrying value of the placement rights in relation to the convertible bonds due 2009.

(ii) There was a net gain of HK$30,355,000 on changes in fair value of the financial instruments for the six months ended 30 September 2009, marked to market closing prices as at 30 September 2009, as compared to a net loss in the six month period ended 30 September 2008 of HK$47,281,000.

(iii) There was a net fair value gain on disposal of held-for-trading investments for the period under review amounting to HK$13,793,000, as compared to HK$309,000 during the six month period ended 30 September 2008.

(iv) Other income improved substantially to HK$13,046,000 during the period under review (2008: HK$3,787,000) mainly due to the increase in dividend income received.

BUSINESS REVIEW

General

The principal activities of the Group during the period under review continue to be investments in properties and securities. The turnover of the Group for the year under review was HK$32,340,000, as compared to HK$3,243,000 in comparative period last year, mainly attributed to the increased activities in securities investments. Following the financial tsunami which struck the global economies during the second half of 2008, the general investment climate has become volatile and the Group has then adopted a more conservative approach in assessing investment proposals. However, the economic climate and overall business sentiment appeared to have improved and stabilized during the past few months and the Group is presently assessing and evaluating a number of property development projects in the People's Republic of China (the "PRC"). As at 30 September 2009, the cash and bank balances within the Group were over HK$237,000,000, which may enable the Group to take up good investment opportunities.

Property Investments and Development Projects

Chengdu Project

This development project in Xindu District, Chengdu City, Sichuan Province, the PRC is operated through a joint venture that is 50% owned by each of the Group and Regal Hotels International Holdings Limited. The project site is composed of two separate land portions, one of which is planned to be developed into a hotel and commercial complex with a maximum gross floor area of about 180,000 square meters above ground together with a maximum of about 50,000 square meters of commercial and auxilliary services and car park areas below ground. The other portion with two plots of land is planned for residential development with a maximum gross floor area of about 315,000 square meters. The Planning Permits for Construction Land for the proposed development have been obtained and detailed planning work is progressing satisfactorily. Excavation works for the basement and foundation of the hotel will be completed shortly. The project is anticipated to be completed in phases within the next few years.

Xinjiang Project

The Xinjiang project is being conducted by a PRC subsidiary (新疆麗寶生態開發有限公司) ("Xinjiang Libao") which is wholly-owned by Advanced Industry Limited ("AIL") in which the Group acquired 60% interest in May 2008. The project involves re-forestation and landscape work in Urumqi City, Xinjiang Uygur Autonomous Region, the PRC, which in return for the ecological improvement works undertaken, Xinjinag Libao would be granted land use rights for 30% of the land involved for development use, free of any payment of land premium. Due to the change in government policy, the development of the Phase 2 Land for ecological improvement and land swap would not be proceeded with and the Group will focus its resources in the Phase 1 Land. As the date stipulated in the relevant agreement for completion of the re-forestation work expired on 2 July 2009, the Group has taken a prudent view to make full provisions for the investment (including associated goodwill) in the last financial year. The Group management is actively negotiating with the Xinjiang authority for the possible renewal of the relevant agreement for completion of the required re-forestation work, with a view to restoring the viability of the project and, in pursuance thereof, is in the course of increasing the required share capital of Xinjiang Libao.

Rainbow Lodge
The Group presently holds ten duplex apartment units plus fourteen carparks in Rainbow Lodge located at No. 9 Ping Shan Lane, Yuen Long, New Territories, Hong Kong. The Group is planning to relaunch the leasing of the apartment units but the Group may also consider selling part of the units if the price offered is satisfactory.

Securities Investments
The Group continues to maintain an active investment portfolio of listed and unlisted securities. Total financial assets at fair value through profit and loss stood at HK$135,617,000 as at 30 September 2009. The Group recorded a net increase of HK$30,355,000 on changes in fair value of the financial instruments during the period based on market closing prices as at 30 September 2009 as mentioned earlier under "Financial Review".

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Current assets and current liabilities of the Group as at 30 September 2009 were HK$376,100,000 and HK$256,544,000, respectively (31 March 2009: HK$296,875,000 and HK$69,226,000, respectively). Cash and bank balances stood at HK$237,862,000 as at 30 September 2009, as compared with HK$192,673,000 as at 31 March 2009.

The Group's gearing ratio as at 30 September 2009, based on net borrowings (represented by convertible bond borrowings net of cash and bank balances) as a percentage of the net assets after deducting goodwill and minority interests, was approximately 72% (31 March 2009: 112%).

During the period under review, the Group did not use any financial instruments for hedging purposes and there was no hedging instrument outstanding as at 30 September 2009.

During the period under review, there was no change to the share capital of the Company.

CONTINGENT LIABILITIES

There was no outstanding contingent liabilities of the Group as at 30 September 2009.

CAPITAL COMMITMENT

The Group has capital commitment of HK$73,672,000 outstanding as at 30 September 2009 (31 March 2009: HK$73,991,000).

OUTLOOK

The global economy which was seriously affected by the financial tsunami that started off in the second half of 2008 has generally stabilized and improved since the second quarter of 2009, after massive fiscal and monetary stimulus and credit expansion in various countries around the world. The property and stock markets, notably in the PRC and Hong Kong, have also staged substantial recovery. The economy in the PRC appears to have been least affected by the financial tsunami and has performed relatively well in comparison with other countries including the western economies. The Group remains optimistic of the medium to longer term prospects of the property sector in the PRC and continues to be committed to those projects that are being undertaken by the Group. The Group is cautiously optimistic that the current problems encountered in the Xinjiang Project would eventually be resolved satisfactorily, thereby reviving the potential and prospects of the project as originally envisaged. In the meantime, the Group is also actively reviewing other potential investments and property development projects in the PRC, with a view to achieving for the Group asset growth and profitability.

The Directors are confident that with the resources available at present, the Group will be able to progress ahead and to create long term value to the shareholders.

HUMAN RESOURCES

As at 30 September 2009, the Group had two Executive Directors, four Non-executive Directors and three Independent Non-executive Directors. There are sixteen full time employees working in Hong Kong and the PRC. The Group will ensure each employee is fairly compensated and their contribution are rewarded with a general framework of the Group's salary and bonus scheme and are compatible with market norm.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities of the Company during the six months ended 30 September 2009.

DIRECTORS' INTERESTS IN SHARE CAPITAL

According to the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance ("SFO"), as at 30 September 2009, none of the Directors nor their associates had any personal, family, corporate or other interests in the equity or debt securities of the Company or any of its associated corporation as defined in the SFO.

CORPORATE GOVERNANCE

Code of Corporate Governance Practices

The Company has complied with the Code Provisions in the Code of Corporate Governance Practices as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") during the six months ended 30 September 2009, except that:

(1) The roles of Chairman and Chief Executive Officer should be separated and should not be performed by the same individual; and

(2) The Non-executive Directors and the Independent Non-executive Directors should be appointed for specific terms.

The deviation in item (1) above is due to the practical necessity and effective management on account of the Group's corporate operating structure.

Although the Non-executive Directors and the Independent Non-executive Directors of the Company were not appointed for specific terms, arrangements have been put in place such that all Directors would retire and are subject to re-election, either in accordance with the articles of association of the Company or on a voluntary basis, at least once every three years.

Model 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 a code of conduct regarding securities transactions by Directors. Upon specific enquiry by the Company, all Directors have confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30 September 2009.

REVIEW OF RESULTS

The Audit Committee of the Company currently comprises Mr. Li Ka Fai, David (Chairman of the Committee), Mr. Lee Choy Sang and Ms. Ka Kit, all of them are Independent Non-executive Directors of the Company.

The Audit Committee has reviewed and discussed with the Company's management the accounting principles and practices adopted by the Group, auditing, internal control and financial reporting matters including the review of the unaudited condensed consolidated financial statements for the six months ended 30 September 2009.

REMUNERATION COMMITTEE

A remuneration committee was established by the Company on 20 December 2005. The remuneration committee presently comprises the Chairman, Mr. Bong Shu Yin, Daniel and two Independent Non-executive Directors, namely, Mr. Li Ka Fai, David and Mr. Lee Choy Sang. The remuneration committee holds at least one meeting every year. The principal responsibilities of the remuneration committee include formulation of the remuneration policy, review and recommending to the Board the annual remuneration policy, and determination of the remuneration of the Executive Directors and members of the senior management. The remuneration and the employment contracts of any newly appointed Directors and any compensation of removal and dismissal of Directors have to be reviewed and approved by the remuneration committee.

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

	NOTES	**Unaudited Six months ended 30 September 2009**	Unaudited Six months ended 30 September 2008
		HK$'000	*HK$'000*
Continuing operations			
Turnover	3	**32,340**	3,243
Net fair value gain on disposal of held-for-trading investments		**13,793**	309
Interest income		**1,144**	1,849
Other income		**13,046**	3,787
Gain (loss) on changes in fair value of financial instruments, net	4	**30,355**	(47,281)
Administrative expenses		**(6,348)**	(7,809)
Share of results of jointly controlled entities		**(422)**	(1,321)
Write-down of properties under development		**(731)**	—
Write-off of derivative financial assets		**—**	(108,506)
Finance costs		**(17,155)**	(16,025)
Profit (loss) before tax	5	**33,682**	(174,997)
Income tax expense	6	**(57)**	—
Profit (loss) for the period from continuing operations		**33,625**	(174,997)
Discontinued operation			
Loss for the period from discontinued operation		**—**	(307)
Profit (loss) for the period		**33,625**	(175,304)

CONDENSED CONSOLIDATED INCOME STATEMENT (Continued)
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

	NOTE	**Unaudited Six months ended 30 September 2009**	Unaudited Six months ended 30 September 2008
	NOTE	***HK$'000***	*HK$'000*
Attributable to:			
Owners of the Company		**33,625**	(174,965)
Non-controlling interests		**—**	(339)
		33,625	(175,304)
Earnings (loss) per share	8		
From continuing and discontinued operations			
– Basic		**1.49 HK cents**	(9.23) HK cents
– Diluted		**1.32 HK cents**	N/A
From continuing operations			
– Basic		**1.49 HK cents**	(9.21) HK cents
– Diluted		**1.32 HK cents**	N/A

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

	Unaudited Six months ended 30 September 2009	Unaudited Six months ended 30 September 2008
	HK$'000	*HK$'000*
Profit (loss) for the period	**33,625**	(175,304)
Other comprehensive income		
Exchange differences arising on translation of financial statements of foreign operations	**8**	187
Exchange differences arising on share of exchange reserve of jointly controlled entities	**180**	2,410
Other comprehensive income for the period (net of tax)	**188**	2,597
Total comprehensive income (loss) for the period	**33,813**	(172,707)
Total comprehensive income (loss) attributable to:		
Owners of the Company	**33,813**	(172,470)
Non-controlling interests	**—**	(237)
	33,813	(172,707)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2009

		Unaudited	Audited
		30 September	31 March
		2009	2009
	NOTE	***HK$'000***	*HK$'000*
Non-current assets			
Property and equipment		**368**	320
Investment properties		**70,000**	70,000
Club membership		**360**	360
Interests in jointly controlled entities		**175,306**	175,229
		246,034	245,909
Current assets			
Loan receivable		**—**	11,500
Prepayments, deposits and other receivables		**960**	781
Financial assets at fair value through profit or loss		**135,617**	86,880
Derivative financial assets		**1,661**	5,041
Cash and bank balances		**237,862**	192,673
		376,100	296,875
Current liabilities			
Accounts payable	9	**14,006**	—
Accrued liabilities and other payables		**7,516**	5,547
Derivative financial liabilities		**53,651**	41,414
Income tax payable		**22,322**	22,265
Convertible bonds		**159,049**	—
		256,544	69,226

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)
AS AT 30 SEPTEMBER 2009

	Unaudited 30 September 2009 *HK$'000*	Audited 31 March 2009 *HK$'000*
Net current assets	**119,556**	227,649
Total assets less current liabilities	**365,590**	473,558
Non-current liability		
Convertible bonds	**199,341**	341,256
	166,249	132,302
Capital and reserves		
Share capital	**2,253**	2,253
Reserves	**163,996**	130,049
Equity attributable to owners of the Company	**166,249**	132,302
Non-controlling interests	**—**	—
	166,249	132,302

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

1. GENERAL

The Company is an exempted limited company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are disclosed in the "Corporate information" section of the interim report for the six months ended 30 September 2009.

The unaudited condensed consolidated interim financial information for the six months ended 30 September 2009 ("Interim Financial Information") is presented in Hong Kong dollar ("HK$"), which is also the functional currency of the Company.

The principal activities of the Company and its subsidiaries (collectively referred as the "Group") are property investment, property development, investment in listed and unlisted securities and other investments.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The Interim Financial Information has been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange and the Hong Kong Accounting Standard ("HKAS") No.34 "Interim Financial Reporting" which is one of the Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The Interim Financial Information has been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values, as appropriate.

The Interim Financial Information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2009.

Except as described below, the accounting policies used in the Interim Financial Information are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2009.

In the current period, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations ("New HKFRSs") issued by the HKICPA, which are or have become effective.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

HKFRSs (Amendments)	Improvements to HKFRSs May 2008
HKFRSs (Amendments)	Improvements to HKFRSs April 2009
HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 32 and HKAS 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKFRS 1 and HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Share-based Payment - Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Financial Instruments: Disclosures - Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HK(IFRIC) - Interpretation ("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
HK(IFRIC) - Int 18	Transfers of Assets from Customers

The adoption of the New HKFRSs had no material effects on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

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.

HKFRS 8 requires disclosure of information about the Group's operating segments and replaces the requirement to determine primary (business) and secondary (geographical) reporting segments of the Group. Adoption of this standard did not have any effect on the financial position or performance of the Group. The Group determined that the operating segments were the same as the business segments previously identified under HKAS 14 Segment Reporting.

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

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

HKFRSs (Amendments)	Improvements to HKFRSs May 2008[1]
HKFRSs (Amendments)	Improvements to HKFRSs April 2009[2]
HKAS 24 (Revised)	Related Party Disclosures[7]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[3]
HKAS 32 (Amendments)	Financial Instruments: Presentation - Classification of Right Issues[6]
HKAS 39 (Amendment)	Financial Instruments: Recognition and Measurement - Eligible Hedged Items[3]
HKFRS 1 (Revised)	First-time Adoption of HKFRSs[3]
HKFRS 1 (Amendments)	First-time Adoption of HKFRSs[4]
HKFRS 2 (Amendments)	Share-based Payment - Group Cash-settled Share-based Payment Transactions[4]
HKFRS 3 (Revised)	Business Combinations[3]
HKFRS 9	Financial Instruments[8]
HK(IFRIC) - Int 9 and HKAS 39 (Amendments)	Reassessment of Embedded Derivatives[5]
HK(IFRIC) - Int 17	Distributions of Non-cash Assets to Owners[3]

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 beginning on or after 1 January 2010.

5 Effective for annual periods ending on or after 30 June 2009.

6 Effective for annual periods beginning on or after 1 February 2010.

7 Effective for annual periods beginning on or after 1 January 2011.

8 Effective for annual periods beginning on or after 1 January 2013.

The adoption of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date 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 of the Company anticipate that the application of the other revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

3. TURNOVER AND OPERATING SEGMENT

Turnover represents the proceeds from disposal of equity securities listed in Hong Kong.

The Group has adopted HKFRS 8 “Operating Segments” with effect from 1 April 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 chief operating decision maker in order to allocate resources to the segments and to assess its performance. In contrast, the predecessor standard, HKAS 14 “Segment Reporting”, required an entity to identify two sets of segments (business and geographical), using a risks and rewards approach, with the entity’s “system of internal financing reporting to key management personnel” serving only as the starting point for the identification of such segments.

Under HKAS 14, the Group’s primary reporting segment format was business segment. The application of HKFRS 8 has not resulted in a redesignation of the Group’s reportable segments as compared with the primary reportable segments determined in accordance with HKAS 14. Nor has the adoption of HKFRS 8 changed the basis of measurement of segment of profit or loss.

The Group’s reportable segments under HKFRS 8 are as follows:

(a) Securities investment - invest in listed and unlisted securities;

(b) Property investment and development - invest in properties for their rental income potential and property development; and

(c) Others - provide information technology service.

On 21 January 2009, the Group disposed of its information technology business.

3. TURNOVER AND OPERATING SEGMENT *(Continued)*

The following is an analysis of the Group's revenue and results by reportable segment:

	Continuing operations				Discontinued operation			
	Securities investment		Property investment and development		Others		Total	
	Unaudited		Unaudited		Unaudited		Unaudited	
	Six months ended 30 September 2009	Six months ended 30 September 2008	**Six months ended 30 September 2009**	Six months ended 30 September 2008	**Six months ended 30 September 2009**	Six months ended 30 September 2008	**Six months ended 30 September 2009**	Six months ended 30 September 2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment turnover	**32,340**	3,243	**–**	–	**–**	33	**32,340**	3,276
Segment results	**69,361**	(43,712)	**(1,244)**	(734)	**–**	(307)	**68,117**	(44,753)
Interest income							**1,144**	1,849
Other income							**–**	47
Change in fair value of derivative financial instruments							**(12,237)**	218
Write-off of derivative financial assets							**–**	(108,506)
Unallocated expenses							**(5,765)**	(6,813)
Finance costs							**(17,155)**	(16,025)
Share of results of jointly controlled entities			**(422)**	(1,321)			**(422)**	(1,321)
Income tax expense							**(57)**	–
Profit (loss) for the period							**33,625**	(175,304)

4. GAIN (LOSS) ON CHANGES IN FAIR VALUE OF FINANCIAL INSTRUMENTS, NET

	Unaudited Six months ended 30 September 2009	Unaudited Six months ended 30 September 2008
	HK$'000	*HK$'000*
Increase (decrease) in fair value of financial assets	**42,592**	(47,805)
(Increase) decrease in fair value of financial liabilities	**(12,237)**	524
	30,355	(47,281)

5. PROFIT (LOSS) BEFORE TAX

Profit (loss) before tax is stated after charging (crediting):

	Unaudited Six months ended 30 September 2009	Unaudited Six months ended 30 September 2008
	HK$'000	*HK$'000*
Depreciation on property and equipment	**69**	301
Operating lease charges on rented premises	**415**	162
Exchange gains, net	**(1)**	(127)

6. INCOME TAX EXPENSE

Hong Kong Profits Tax has not been provided for in the Interim Financial Information as the Group has sufficient tax losses brought forward to offset the estimated assessable profits for the six months ended 30 September 2009 and all group entities did not derive any assessable profits for the six months ended 30 September 2008.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. No tax is payable for other jurisdictions as the subsidiaries did not derive any assessable profits for both periods.

	Unaudited Six months ended 30 September 2009	Unaudited Six months ended 30 September 2008
	HK$'000	*HK$'000*
Current income tax:		
– Underprovision in previous years	**57**	—

7. DIVIDENDS

The directors of the Company did not recommend the payment of an interim dividend for the six months ended 30 September 2009 (2008: Nil).

8. EARNINGS (LOSS) PER SHARE

From continuing and discontinued operations

The calculation of the basic and diluted earnings (loss) per share attributable to owners of the Company is based on the following data:

	Unaudited Six months ended 30 September 2009	Unaudited Six months ended 30 September 2008
	HK$'000	*HK$'000*
Earnings (loss)		
Earnings (loss) for the purpose of basic earnings (loss) per share (profit (loss) for the period attributable to owners of the Company)	**33,625**	(174,965)
Effect of dilutive potential ordinary shares: Interest on convertible bonds with dilutive effect (net of tax)	**5,644**	7,369
Earnings (loss) for the purpose of diluted earnings (loss) per share	**39,269**	(167,596)

	2009	2008
	'000	*'000*
Numbers of shares		
Weighted average number of ordinary shares for the purpose of basic earnings (loss) per share	**2,253,443**	1,896,300
Effect of dilutive potential ordinary shares: Convertible bonds	**717,500**	1,500,000
Weighted average number of ordinary shares for the purpose of dilutive earnings (loss) per share	**2,970,943**	3,396,300

8. EARNINGS (LOSS) PER SHARE *(Continued)*

From continuing operations

The calculation of the basic and diluted earnings (loss) per share from continuing operations attributable to owners of the Company for the period is based on the following data:

	Unaudited Six months ended 30 September 2009	Unaudited Six months ended 30 September 2008
	HK$'000	*HK$'000*
Profit (loss) for the period attributable to owners of the Company	**33,625**	(174,965)
Less:		
Loss for the period from discontinued operation	**—**	(307)
Earnings (loss) for the purpose of basic earnings (loss) per share from continuing operations	**33,625**	(174,658)
Effect of dilutive potential ordinary shares:		
Interest on convertible bonds with dilutive effect (net of tax)	**5,644**	7,369
Earnings (loss) for the purpose of diluted earnings (loss) per share from continuing operations	**39,269**	(167,289)

The denominators used are same as those detailed above for each basic and diluted earnings (loss) per share.

The diluted loss per share for the six months ended 30 September 2008 is not presented as it is not applicable and has the effect of reducing the loss per share.

9. ACCOUNTS PAYABLE

The Group's accounts payable at the balance sheet date has aged within 30 days.

By Order of the Board
Cosmopolitan International Holdings Limited
Bong Shu Yin, Daniel
Chairman and Executive Director

Hong Kong, 17 December 2009

As at the date of this announcement, the Board comprises nine Directors, namely Messrs. Bong Shu Yin, Daniel (Chairman) and Cheng Sui Sang, who are the Executive Directors, and Mr. Wang Baoning (Vice-Chairman), Mr. Bong Shu Ying, Francis, Mr. Ng Kwai Kai, Kenneth and Mr. Leung So Po, Kelvin who are the Non-executive Directors, and Mr. Li Ka Fai, David, Mr. Lee Choy Sang and Ms. Ka Kit, who are the Independent Non-executive Directors.

* *for identification purpose only*