SYNERGIS HOLDINGS LIMITED
新昌管理集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 02340)

UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2010

The board of directors (the "Board" or the "Directors") of Synergis Holdings Limited (the "Company" or "Synergis") announces the unaudited interim results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2010.

Financial Performance Highlights

Synergis reported consolidated revenue of HK$275.5 million for the six months ended 30 June 2010 (2009: HK$260.8 million), an increase of 5.7% when compared with the last interim reporting period. Gross profit decreased by HK$5.7 million to HK$44.0 million, being 11.5% below that recorded in the last interim reporting period.

Profit attributable to equity holders of the Company for the period was HK$6.5 million, a decrease of 54.8% when compared with the last interim reporting period. Earnings per share were 2.0 HK cents for the period under review (2009: 4.3 HK cents).

Business Segment Results

Property Management and Facility Management Services

The consolidated revenue of our core business grew by 5.9% to HK$247.6 million (2009: HK$233.8 million). Revenue was improved with the award of several new facility management contracts in Hong Kong from corporate clients, including MTR Corporation Limited, UBS and CLP Power Hong Kong Limited together with the two new contracts of Huawei Technologies Co., Ltd. ("Huawei") R&D Center and the Hong Kong Pavilion at the World Exposition 2010 in Shanghai. The increase from these new contracts was partly offset by the impact as a result of the expiration of the two shopping centres management contracts from The Link Management Limited (the "Link"), which together with the keen competition in the industry and labor cost pressure in Hong Kong have caused an overall decrease in gross profit margin.

Nevertheless, under its business development strategy to develop new markets, Synergis continued its forward-looking investment in high quality people and facilities in the fast-growing Chinese Mainland market focusing on higher value-added services of Asset Management Services ("AMS") including leasing, consulting services and mall operations in addition to property management. This has led to the increase in general and administrative expenses. The earnings from the business segment decreased by 52.9% to HK$8.0 million compared with the last interim reporting period.

Supporting Services to Property Management and Facility Management
Total revenue from supporting services increased to HK$27.9 million (2009: HK$27.0 million). Generally, the extension of various services in Hong Kong property management produced modest growth during the period under review. For example, Synergis started the Building Life Cycle Maintenance Model to provide repair and maintenance services, and professional advice on energy saving projects. Earnings from this segment amounted to HK$2.4 million (2009: HK$3.5 million).

General and Administrative Expenses
General and administrative expenses increased by 15.8% to HK$37.4 million (2009: HK$32.3 million). As a percentage of revenue, this was 13.6%, an increase of 1.2% over last year. The expected increase arose mainly from the business expansion of two offices in the Chinese Mainland and the establishment of the "Elite Services" team in Hong Kong during the second half of 2009. Both areas have potential for business growth.

Business Review

Overview
The first half of 2010 continued to be a challenging period for the Group. Although the recovery of Hong Kong's economy continues, the Group has experienced a noticeable downturn in its financial performance, and the operating profit decreased 53.7% compared with the interim result of 2009. The major factors contributing to this downturn were: (i) a decrease in gross profit from the expiration of shopping centres management contracts from the Link which were not renewed due to the Link's change in outsourcing policy; and (ii) investments made in our new AMS business team and corporate service resources to support business expansion in the Chinese Mainland, necessary expenses incurred to achieve the targeted growth in clients, business and revenues.

In view of the economic circumstances, the management has undertaken proactive strategies to expand revenue streams such as promoting one-stop-shop maintenance and renovation solutions to property owners in Hong Kong; and adopting a more aggressive business development strategy in high-growth second tier cities in the Chinese Mainland. The management firmly believes that such initiatives for the markets in Hong Kong and the Chinese Mainland will bear fruit next year.

Hong Kong
By setting up the "Elite Services" team offering premium and highly personalized total management services supported by the new brand identity, Synergis has been able to secure several up-market residential property management contracts. Given our experienced management team and strenuous business development efforts, our Facility Management team has had significant success in acquiring prestigious projects in town including a five-year facility management contract from CLP Power Hong Kong Limited to manage their three major power stations in Hong Kong, providing comprehensive facility management services to the Hong Kong Police Headquarters building and facility management services for two campuses of The Chinese University of Hong Kong – Tung Wah Group of Hospitals Community College.

Chinese Mainland
Considering the huge potential for high quality real estate services in the Chinese Mainland markets, our staff have persistently pursued business expansion by leveraging our customer base, service offerings and geographical coverage. We are delighted that we have made solid progress in securing a variety of new contracts.

In Shanghai where Synergis has a strong track record and an experienced team, we have successfully secured contracts from both existing and new customers. We were awarded two management service contracts for luxury residential properties. The first one is Lyceum Mansion, a 52-unit luxurious residential development located in the affluent residential and retail area in Luwan District; and the second contract is Novel City Phase 3, which is a mixed development consisting of 576 high-end residential units, a retail mall, office and car park facilities with aggregate GFA of 53,300m^2.

As a recognized quality facility manager in the market, Synergis was appointed by Huawei for its new R&D Center in Jinqiao District, Pudong, Shanghai. Our on-site project team started to provide daily facility management services from February 2010.

Another achievement for the Group was the award of the prestigious operations and management contract of the Hong Kong Pavilion at the Shanghai World Exposition 2010. Our project team has been managing the Pavilion since March 2010. The team's professionalism and quality services are reflected in favorable comments from the HKSAR Government officials.

Furthermore, Synergis has continued to expand its consultancy services with other established developers in the region. We have started providing property management consultancy services for a large-scale commercial complex "Riverwalk" in Foshan. The project comprises an office building, luxury residential blocks, shopping mall and hotel with a GFA of 260,000m^2. In addition, we were also awarded a commercial consultancy contract for Dong Feng Plaza in Hunan. This is an integrated commercial development comprising high-class residential, shopping centre and hotel, with GFA of 380,000m^2. Our team will provide marketing positioning and design layout concepts for the project.

BUSINESS OUTLOOK

Hong Kong

The property management market in Hong Kong is mature and highly competitive. Synergis is actively exploring new value-added services for our clients and to expand our business lines. One of our differentiating strategies is to promote our unique "Building Life Cycle Maintenance Model" to existing and potential clients. With our project consultancy and maintenance services, Synergis is now able to provide a one-stop-shop property enhancement and maintenance service for all types of buildings, undertaking any large-scale renovation or improvement works including the government's HK$2 billion "Operation Building Bright" subsidy program and HK$450 million "Building Energy Efficiency Funding Schemes". This model helps to achieve effective planned facilities maintenance, long-term cost savings as well as maintaining and enhancing the prime property asset value for our clients.

We have achieved a very favourable customer reference in facility management in Hong Kong through Synergis' years of commitment in providing solutions to corporate clients on their non-core business operations activities. With a strong customer reference and service experience, we are able to capture the business opportunities brought about by the outsourcing activities of the HKSAR Government departments and other large corporations.

Chinese Mainland

Entering 2010, the central government of the Chinese Mainland has gradually been phasing out the stimulus programs implemented during the global financial crisis, while at the same time introducing a series of measures aimed at combating surging speculative real estate prices. It is expected that there will be a healthy correction in the property market. As the property supply continues to increase, the demand for quality real estate services will continue to provide ample business opportunities to Synergis.

We are recruiting more professional staff in order to further grow AMS business including leasing, consultancy and shopping mall operations. We are also taking aggressive initiatives to expand into some strategic second-tier markets. For example, we have recently obtained two consultancy contracts in Qingdao, for a high-class residential development at Qingdao Ocean Carnival, and also a complex development named Inzone Mall. In order to deliver better support to our clients and facilitate our business development efforts, we have also set up a branch office in Qingdao. As at the date of this announcement, several consultancy and full management contracts in Shandong, Beijing, and Shanghai are in the pipeline and management is confident that more new projects will be secured during the second half of 2010.

Our strategy is to quickly build up showcase and reference projects to reinforce the Synergis brand in the Chinese Mainland market. At the same time, we are actively recruiting talented staff to our Mainland management team to enhance our business development capability and client networks. We will especially target investment funds and developers who wish to sustain the quality and value of their property portfolios to support their own branding. The Group will adopt an aggressive approach in future business expansion in various cities with high growth potential. We believe our business model, strong management team and proven expertise will enable us to capitalize upon the strong economic and property market growth in the Mainland.

INTERIM DIVIDEND

The Board has resolved to declare the payment of an interim dividend of 1.5 HK cents per share for the six months ended 30 June 2010 (30 June 2009: 2.5 HK cents per share) payable on or around Thursday, 30 September 2010 to shareholders whose names appear on the registers of members of the Company on Tuesday, 21 September 2010.

CLOSURE OF REGISTERS OF MEMBERS

The registers of members of the Company will be closed from Thursday, 16 September 2010 to Tuesday, 21 September 2010 (both days inclusive) during which period no transfer of shares of the Company will be registered. In order to ascertain shareholders' entitlement to the interim dividend, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrars, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 15 September 2010. The principal share registrars of the Company is Butterfield Fulcrum Group (Bermuda) Limited at Rosebank Centre, 11 Bermudiana Road, Pembroke, HM08, Bermuda.

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2010

		Unaudited Six months ended 30 June	
		2010	2009
	Note	**HK$'000**	HK$'000
Revenue	3	**275,509**	260,763
Cost of sales	5	**(231,536)**	(211,077)
Gross profit		**43,973**	49,686
Other income	4	**1,868**	882
General and administrative expenses	5	**(37,364)**	(32,268)
Operating profit		**8,477**	18,300
Share of loss of an associate		**-**	(441)
Gain on liquidation of an associate		**-**	82
Profit before taxation		**8,477**	17,941
Taxation	6	**(2,019)**	(3,628)
Profit for the period		**6,458**	14,313
Profit attributable to:			
Equity holders of the Company		**6,478**	14,323
Non-controlling interests		**(20)**	(10)
		6,458	14,313
Earnings per share for profit attributable to the equity holders of the Company			
- basic	7	**2.0 cents**	4.3 cents
- diluted	7	**1.9 cents**	4.3 cents
Dividends	8	**4,980**	8,300

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2010

	Unaudited Six months ended 30 June	
	2010	2009
	HK$'000	HK$'000
Profit for the period	**6,458**	14,313
Other comprehensive income/(loss):		
Exchange differences on translating foreign operations	**68**	(5)
Exchange differences on liquidation of an associate	**-**	(162)
Other comprehensive income/(loss) for the period, net of tax	**68**	(167)
Total comprehensive income for the period	**6,526**	14,146
Total comprehensive income attributable to:		
Equity holders of the Company	**6,543**	14,157
Non-controlling interests	**(17)**	(11)
	6,526	14,146

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET
AS AT 30 JUNE 2010

	Note	**Unaudited 30 June 2010 HK$'000**	Audited 31 December 2009 HK$'000
Non-current assets			
Property, plant and equipment	9	**16,712**	18,659
Investment properties	9	**2,000**	2,000
Deferred tax assets		**219**	144
Total non-current assets		**18,931**	20,803
Current assets			
Contracting work-in-progress		**124**	22
Accounts and other receivables	10	**77,053**	79,800
Utility deposits and prepayments		**10,530**	10,223
Amounts due from fellow subsidiaries		**315**	1,190
Taxation recoverable		**45**	49
Cash and cash equivalents		**90,394**	88,737
Total current assets		**178,461**	180,021
Current liabilities			
Accounts payable and accruals	11	**52,928**	64,884
Amount due to an intermediate holding company		**3,072**	3,763
Amounts due to fellow subsidiaries		**1,184**	386
Dividends payable		**16,600**	-
Taxation payable		**4,805**	2,482
Total current liabilities		**78,589**	71,515
Net current assets		**99,872**	108,506
Total assets less current liabilities		**118,803**	129,309
Non-current liabilities			
Long service payment liabilities		**472**	1,255
Deferred tax liabilities		**2,001**	2,234
Total non-current liabilities		**2,473**	3,489
Net assets		**116,330**	125,820
Equity attributable to equity holders of the Company			
Share capital	12	**33,200**	33,200
Retained profits and other reserves		**77,743**	75,596
Proposed dividends		**4,980**	16,600
		115,923	125,396
Non-controlling interests		**407**	424
Total equity		**116,330**	125,820

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2010

	Unaudited								
	Attributable to equity holders of the Company								
	Share capital	Share premium	Merger reserve	Employee share option reserve	Exchange reserve	Retained profits	Total	Non-controlling interests	Total equity
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 1 January 2010	33,200	25,913	1,513	460	224	64,086	125,396	424	125,820
Profit/(loss) for the period	-	-	-	-	-	6,478	6,478	(20)	6,458
Other comprehensive income	-	-	-	-	65	-	65	3	68
Total comprehensive income/(loss) for the period	-	-	-	-	65	6,478	6,543	(17)	6,526
2009 final dividend	-	-	-	-	-	(16,600)	(16,600)	-	(16,600)
Share option scheme	-	-	-	584	-	-	584	-	584
	-	-	-	584	-	(16,600)	(16,016)	-	(16,016)
At 30 June 2010	33,200	25,913	1,513	1,044	289	53,964	115,923	407	116,330

FOR THE SIX MONTHS ENDED 30 JUNE 2009

	Unaudited								
	Attributable to equity holders of the Company								
	Share capital	Share premium	Merger reserve	Employee share option reserve	Exchange reserve	Retained profits	Total	Non-controlling interests	Total equity
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 1 January 2009	33,200	25,913	1,513	-	384	54,534	115,544	292	115,836
Profit/(loss) for the period	-	-	-	-	-	14,323	14,323	(10)	14,313
Other comprehensive loss	-	-	-	-	(166)	-	(166)	(1)	(167)
Total comprehensive (loss)/income the period	-	-	-	-	(166)	14,323	14,157	(11)	14,146
2008 final dividend paid	-	-	-	-	-	(8,300)	(8,300)	-	(8,300)
At 30 June 2009	33,200	25,913	1,513	-	218	60,557	121,401	281	121,682

CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2010

	Unaudited Six months ended 30 June **2010** **HK$'000**	 2009 HK$'000
Net cash flow generated from operating activities	**2,705**	15,892
Cash flow from investing activities		
Purchase of property, plant and equipment	**(1,124)**	(4,435)
Proceeds from disposal of property, plant and equipment	**14**	-
Interest received	**18**	40
Net cash used in investing activities	**(1,092)**	(4,395)
Cash flow from financing activity		
Dividend paid	**-**	(8,300)
Net cash used in financing activity	**-**	(8,300)
Net increase in cash and cash equivalents	**1,613**	3,197
Cash and cash equivalents at the beginning of the period	**88,737**	75,369
Exchange gain/(loss) on cash and cash equivalents	**44**	(2)
Cash and cash equivalents at the end of the period	**90,394**	78,564
Analysis of balances of cash and cash equivalents:		
Bank balances and cash	**90,394**	78,564

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 General information

Synergis Holdings Limited (the "Company") was incorporated in Bermuda under the Companies Act 1981 of Bermuda as an exempted company on 4 August 2003. The address of its registered office is Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda. The Company's shares were listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 9 October 2003.

The Company and its subsidiaries (collectively, the "Group") are principally engaged in the provision of property management and facility management services and related services in Hong Kong and Chinese Mainland.

This unaudited condensed consolidated interim financial information has been approved for issue by the board of directors (the "Board") on 20 August 2010.

2 Basis of preparation and accounting policies

This unaudited condensed consolidated interim financial information has been prepared in accordance with Hong Kong Accounting Standards ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), and the disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The accounting policies and methods of computation used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2009, except that the Group has adopted the following new/revised Hong Kong Financial Reporting Standards ("HKFRS") which are mandatory for the first time for the financial year beginning 1 January 2010 and which are relevant to its operations.

New and amended standards adopted by the Group

- HKFRS 3 (revised), 'Business combinations', and consequential amendments to HKAS 27, 'Consolidated and separate financial statements', HKAS 28, 'Investments in associates', and HKAS 31, 'Interests in joint ventures', are effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009.

  The revised standard continues to apply the acquisition method to business combinations but with some significant changes compared with HKFRS 3. For example, all payments to purchase a business are recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the consolidated income statement. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs are expensed. The revised standards do not have an impact on the Group's financial results for the period.

- HKAS 27 (revised), 'Consolidated and separate financial statements' requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss. The revised standard does not have an impact on the Group's financial results for the period.

The HKICPA has issued a number of new/revised standards, interpretations and amendments which are not yet effective for accounting period beginning 1 January 2010. The Group has commenced an assessment of the impact to the Group but is not yet in a position to state whether any significant changes to the Group's accounting policies and presentation of the financial statement will result.

3 Segment information

In accordance with the Group's internal financial reporting provided to the chief operating decision-maker, who is responsible for allocating resources, assessing performance of the operating segments and making strategic decisions, the reportable operating segments are (1) property and facility management services and (2) supporting services including security services, cleaning services, laundry services, repair and maintenance services, etc. to property management and facility management.

(a) Segment results

	Property and facility management services HK$'000	**Supporting services HK$'000**	**Corporate and others* HK$'000**	**Total HK$'000**
Unaudited six months ended 30 June 2010				
Segment revenue	**250,170**	**35,251**	**-**	**285,421**
Inter-segment revenue	**(2,567)**	**(7,345)**	**-**	**(9,912)**
Net segment revenue	**247,603**	**27,906**	**-**	**275,509**
Segment result	**10,865**	**2,587**	**(1,918)**	**11,534**
Depreciation	**(2,930)**	**(145)**	**-**	**(3,075)**
Finance income	**18**	**-**	**-**	**18**
Segment profit before taxation	**7,953**	**2,442**	**(1,918)**	**8,477**
Taxation	**(1,563)**	**(456)**	**-**	**(2,019)**
Segment profit for the period	**6,390**	**1,986**	**(1,918)**	**6,458**
Unaudited six months ended 30 June 2009				
Segment revenue	233,788	34,263	-	268,051
Inter-segment revenue	-	(7,288)	-	(7,288)
Net segment revenue	233,788	26,975	-	260,763
Segment result	19,111	3,514	(2,418)	20,207
Depreciation	(1,867)	(80)	-	(1,947)
Finance income	18	22	-	40
Share of loss of an associate	(441)	-	-	(441)
Gain on liquidation of an associate	82	-	-	82
Segment profit before taxation	16,903	3,456	(2,418)	17,941
Taxation	(3,041)	(612)	25	(3,628)
Segment profit for the period	13,862	2,844	(2,393)	14,313

* Corporate and others mainly represent corporate level administrative activities.

(b) Segment assets

	Property and facility management services HK$'000	Supporting services HK$'000	Corporate and others* HK$'000	Total HK$'000
Unaudited				
At 30 June 2010				
Segment assets	**169,191**	**27,423**	**559**	**197,173**
Deferred tax assets	**-**	**219**	**-**	**219**
Total segment assets	**169,191**	**27,642**	**559**	**197,392**
Audited				
At 31 December 2009				
Segment assets	173,384	25,727	1,566	200,677
Taxation recoverable	-	3	-	3
Deferred tax assets	-	144	-	144
Total segment assets	173,384	25,874	1,566	200,824

* Corporate and others mainly represent corporate level administrative activities.

(c) Geographical information

The Group is mainly domiciled in Hong Kong. Over 90% of the activities of the Group during the period were carried out in Hong Kong. As at 30 June 2010, the total non-current assets, other than deferred tax assets, located in Hong Kong were HK$16,735,000 (31 December 2009: HK$18,475,000); and the total non-current assets located in other countries were HK$1,977,000 (31 December 2009: HK$2,184,000).

(d) Customers information

For the six months ended 30 June 2010, revenue of approximately HK$105,289,000 (for the six months ended 30 June 2009: HK$107,919,000) is derived from two single external customers. This revenue was attributable to the property management and facility management services.

4 Other income

	Unaudited Six months ended 30 June **2010** HK$'000	2009 HK$'000
Copying services	**416**	300
Rental income	**100**	85
Interest income on bank deposits	**18**	40
Miscellaneous income	**1,334**	457
	1,868	882

5 Expenses by nature

	Unaudited Six months ended 30 June	
	2010	2009
	HK$'000	HK$'000
Staff costs, including directors' emoluments	**206,250**	183,409
Depreciation	**3,075**	1,947
Loss on disposal of property, plant and equipment	**7**	2
Operating lease rental on land and buildings	**1,813**	2,107
Operating lease rental on office equipments	**182**	-
Other expenses	**57,573**	55,880
Total cost of sales and general and administrative expenses	**268,900**	243,345

6 Taxation

Hong Kong profits tax has been provided for at the rate of 16.5% (2009: 16.5%) on the estimated assessable profits for the period. Taxation on other overseas profits has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries in which the subsidiaries of the Group operate.

The amount of tax charged/(credited) to the condensed consolidated interim income statement represents:

	Unaudited Six months ended 30 June	
	2010	2009
	HK$'000	HK$'000
Current taxation		
Hong Kong profits tax		
- provision for the period	**2,335**	3,356
- under provision in prior years	**-**	364
Overseas tax		
- over provision in prior year	**(8)**	-
Deferred taxation	**(308)**	(92)
	2,019	3,628

7 Earnings per share

Basic earnings per share is calculated by dividing the Group's profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share is calculated by dividing the Group's profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding after adjusting for the potential dilutive effect in respect of outstanding employee share options during the period.

	Unaudited Six months ended 30 June	
	2010	2009
Profit attributable to equity holders (HK$'000)	**6,478**	14,323
Weighted average number of ordinary shares issued ('000)	**332,000**	332,000
Adjustments for share options ('000)	**1,895**	-
Weighted average number of ordinary shares for diluted earnings per share ('000)	**333,895**	332,000
Basic earnings per share (HK cents per share)	**2.0**	4.3
Diluted earnings per share (HK cents per share)	**1.9**	4.3

8 Dividends

At a meeting held on 20 August 2010, the Board resolved to declare the payment of an interim dividend of 1.5 HK cents per ordinary share (30 June 2009: 2.5 HK cents). This interim dividend is not reflected as a dividend payable in this condensed consolidation financial information, but will be reflected as an appropriation of retained profits for the year ending 31 December 2010.

9 Property, plant and equipment and investment properties

	Unaudited Six months ended 30 June			
	2010		2009	
	Investment properties HK$'000	**Property, plant and equipment HK$'000**	Investment properties HK$'000	Property, plant and equipment HK$'000
Net book value at 1 January	**2,000**	**18,659**	2,000	11,813
Additions	**-**	**1,124**	-	4,435
Disposals	**-**	**(21)**	-	(2)
Depreciation	**-**	**(3,075)**	-	(1,947)
Exchange differences	**-**	**25**	-	(2)
Net book value at 30 June	**2,000**	**16,712**	2,000	14,297

Note:
Investment properties were revalued at 30 June 2010 on the basis of their open market value by an independent professional property valuer, Knight Frank Petty Limited.

10 Accounts and other receivables

	Unaudited 30 June 2010 HK$'000	Audited 31 December 2009 HK$'000
Accounts receivable	**59,315**	66,384
Retention receivables	**2,794**	2,328
Other receivables	**14,944**	11,088
	77,053	79,800

The credit period of the Group's accounts receivable generally ranges from 30 to 60 days. (31 December 2009: 30 to 60 days). The ageing analysis of accounts receivable by invoice date is as follows:

	Unaudited 30 June 2010 HK$'000	Audited 31 December 2009 HK$'000
0 to 30 days	**37,087**	34,390
31 to 60 days	**16,445**	23,527
61 to 90 days	**2,608**	5,966
Over 90 days	**3,175**	2,501
	59,315	66,384

11 Accounts payable and accruals

	Unaudited 30 June 2010 HK$'000	Audited 31 December 2009 HK$'000
Accounts payable	**26,145**	31,600
Retention payables	**786**	701
Other payables and accruals	**25,997**	32,583
	52,928	64,884

The credit period of the Group's accounts payable generally ranges from 30 to 60 days. (31 December 2009: 30 to 60 days). The ageing analysis of accounts payable by due date is as follows:

	Unaudited 30 June 2010 HK$'000	Audited 31 December 2009 HK$'000
0 to 30 days	**17,583**	19,333
31 to 60 days	**3,120**	6,168
61 to 90 days	**1,306**	1,239
Over 90 days	**4,136**	4,860
	26,145	31,600

12 Share capital

	Unaudited 30 June 2010 HK$'000	Audited 31 December 2009 HK$'000
Authorised:		
10,000,000,000 ordinary shares of HK$0.10 each	**1,000,000**	1,000,000
Issued and fully paid:		
332,000,000 ordinary shares of HK$0.10 each	**33,200**	33,200

FINANCIAL & CAPITAL RESOURCES

Treasury Management

The Group's treasury management adopts a conservative approach in the management of its financial risks and resources, under the ongoing supervision of the Executive Directors.

Due to its strong financial position and liquidity, the Group has not had any debt and hence no interest rate risk.

The Group's business has been conducted primarily in Hong Kong and a majority of its assets and liabilities are denominated in Hong Kong Dollars, and hence it has been very limited foreign currency exposure.

It is the Group's policy not to enter into derivative transactions for speculative purposes. It is also the Group's policy not to invest liquidity in financial products, including hedge funds or similar vehicles, with significant underlying leverage or derivative exposure.

Cash Management

The Group operates a central cash management for all of its subsidiaries. The Group's cash position is mainly placed in deposits with a diversified portfolio of licensed banks in Hong Kong.

HUMAN RESOURCES

At 30 June 2010, the Group employed a total of 5,444 full-time staff (30 June 2009: 4,728) with 4,913 in Hong Kong and 531 in Chinese Mainland.

In view of the business nature of the Group, competent and stable workforce is essential for meeting the operational needs. The Group has developed the Talent Management HR Module, unique for Synergis, which is applied for recruiting the right people, developing a happy team and retaining high caliber staff for sustaining the Group's current business and future growth.

The Group sets its remuneration policy by reference to the prevailing market conditions and to formulate a performance-based reward system with a view to sustaining market competitiveness for attracting and retaining high caliber staff. The remuneration packages of Hong Kong staff include basic salary, discretionary bonus, share options and other benefits such as medical scheme and contributions to retirement funds. Staff in the Chinese Mainland is remunerated in line with the domestic market terms and welfare policies.

Incentive bonus scheme and share options scheme are set up for senior management staff in order to align their performance with the overall profitability and development of the Group. Such management bonus is calculated on a pre-approved formula tied in with the Group's profitability.

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.

REVIEW BY AUDITOR AND AUDIT COMMITTEE

The unaudited condensed consolidated interim financial information of the Company for the six months ended 30 June 2010 has been reviewed by the Company's external auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

The audit committee of the Company comprises three members, namely, Mr. David Yu Hon To (chairman of the audit committee), Mr. Tenniel Chu and Mr. Wong Tsan Kwong. The audit committee, together with the management and the Company's auditor, PricewaterhouseCoopers, has reviewed the unaudited condensed consolidated interim financial information of the Company for the six months ended 30 June 2010.

MODEL CODE ON SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES

The Board has adopted the Model Code set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by directors of the Company. Having made specific enquiry of all the directors of the Company, the Company confirmed that all the directors have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2010.

The Board has further adopted the Model Code as the written guidelines for securities transactions by the senior management and certain employees of the Group (collectively, the "Relevant Employees") who by virtue of their positions may likely be in possession of unpublished price sensitive information of the Group. Having made specific enquiry of all the Relevant Employees, the Company was advised that all of them have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2010.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles in, and complied with the code provisions and certain recommended best practices, set out in the Code on Corporate Governance Practices (the "CG Code") in Appendix 14 of the Listing Rules throughout the six months ended 30 June 2010, except for the deviation described below.

The first part of code provision E.1.2 of the CG Code provides that the chairman of the Board should attend the annual general meeting and arrange for the chairman of such committees, another committee member or failing this his duly appointed delegate, to be available to answer questions at annual general meeting. The non-executive chairman of the Board was not able to attend the annual general meeting of the Company held on 28 June 2010 due to other business engagement. However, in his absence, the executive deputy chairman of the Board took the chair of the said annual general meeting where the chairmen of the audit committee and the remuneration committee were also present at the meeting. The Board considers that the presence of the executive deputy chairman, the chairmen of the audit committee and remuneration committee together with other board members at the said annual general meeting was of sufficient caliber and number to address shareholders' questions at the meeting.

Save as disclosed, the corporate governance practices adopted by the Company during the six months ended 30 June 2010 were in line with those set out in the corporate governance report as contained in the Company's 2009 annual report.

PUBLICATION OF THIS INTERIM RESULTS ANNOUNCEMENT

This interim results announcement is published on the Company's website at http://www.synergis.com.hk and the website of Hong Kong Exchanges and Clearing Limited at http://www.hkexnews.hk.

By order of the board of
Synergis Holdings Limited
Fan Cheuk Hung
Managing Director

Hong Kong, 20 August 2010

Website : http://www.synergis.com.hk

As at the date of this announcement, the Board comprises Dr. David Chu Shu Ho as the non-executive chairman; Mr. Wilfred Wong Ying Wai (executive deputy chairman), Dr. Fan Cheuk Hung (managing director) and Dr. Catherine Chu as executive directors; Mr. Tenniel Chu and Mr. Barry John Buttifant as non-executive directors; and Mr. Stephen Ip Shu Kwan, Mr. Kan Fook Yee, Mr. Wong Tsan Kwong and Mr. David Yu Hon To as independent non-executive directors.

* *For identification purpose only*