

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Chuang's Consortium International Limited

(莊士機構國際有限公司)

(incorporated in Bermuda with limited liability)

(Stock Code: 367)

INTERIM RESULTS

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2010

RESULTS

The Board of Directors (the "Board") of Chuang's Consortium International Limited (the "Company") is pleased to announce the interim financial information of the Company and its subsidiaries (collectively as the "Group") for the six months ended 30th September, 2010 as follows:

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

For the six months ended 30th September, 2010

	<i>Note</i>	2010 HK\$'000	2009 HK\$'000
Revenues		142,786	143,449
Cost of sales		(76,266)	(74,572)
Gross profit		66,520	68,877
Other income	6	175,116	66,892
Selling and marketing expenses		(19,609)	(18,152)
Administrative expenses		(90,034)	(82,585)
Other operating expenses		(9,708)	(8,241)
Change in fair value of investment properties		190,707	463,398
Operating profit	7	312,992	490,189
Finance costs		(22,948)	(17,282)
Share of results of associated companies	8	(14,080)	(13,737)
Share of result of a jointly controlled entity		(38)	–
Profit before taxation		275,926	459,170
Taxation	9	(19,527)	(38,839)
Profit for the period		256,399	420,331
Attributable to:			
Equity holders		253,775	415,032
Non-controlling interests		2,624	5,299
		256,399	420,331
Interim dividend	10	28,008	15,183
Earnings per share (basic and diluted)	11	HK cents 16.60	HK cents 27.47

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)*For the six months ended 30th September, 2010*

	2010 HK\$'000	2009 HK\$'000
Profit for the period	256,399	420,331
Other comprehensive income:		
Changes in exchange rates	32,049	28,356
Share of reserves of an associated company	87	–
Change in fair value of available-for-sale financial assets	1,962	17,653
Other comprehensive income for the period	34,098	46,009
Total comprehensive income for the period	290,497	466,340
Total comprehensive income attributable to:		
Equity holders	278,177	445,812
Non-controlling interests	12,320	20,528
	290,497	466,340

CONSOLIDATED BALANCE SHEET (UNAUDITED)

As at 30th September, 2010

	<i>Note</i>	30th September, 2010 HK\$'000	31st March, 2010 HK\$'000
Non-current assets			
Property, plant and equipment		84,667	82,765
Investment properties		4,623,424	4,315,360
Leasehold land and land use rights		13,465	12,979
Properties for/under development		253,842	70,521
Associated companies		234,836	241,269
Jointly controlled entity		–	–
Amount due from a jointly controlled entity		55,105	52,190
Available-for-sale financial assets		78,404	74,978
Loans and receivables		68,660	72,372
Derivative financial instruments		8,378	14,237
Deferred taxation assets		870	1,092
		5,421,651	4,937,763
Current assets			
Properties for sale		1,965,618	1,882,619
Inventories		78,514	79,017
Debtors and prepayments	12	945,682	348,742
Tax recoverable		–	260
Other investments		29,302	46,688
Cash and bank balances		1,005,213	954,772
		4,024,329	3,312,098
Investment property held for sale		–	320,000
		4,024,329	3,632,098
Current liabilities			
Creditors and accruals	13	463,153	326,668
Short-term bank borrowings		43,163	22,133
Current portion of long-term bank borrowings		192,144	198,383
Dividend payable		30,575	–
Taxation payable		88,858	85,010
		817,893	632,194
Net current assets		3,206,436	2,999,904
Total assets less current liabilities		8,628,087	7,937,667
Equity			
Share capital		382,183	382,183
Reserves		4,146,174	3,867,997
Proposed final dividend		–	30,575
Shareholders' funds		4,528,357	4,280,755
Non-controlling interests		862,582	850,262
Total equity		5,390,939	5,131,017
Non-current liabilities			
Long-term bank borrowings		2,725,022	2,309,167
Derivative financial instruments		1,442	1,442
Deferred taxation liabilities		500,538	485,903
Loans from non-controlling interests		10,146	10,138
		3,237,148	2,806,650
		8,628,087	7,937,667

NOTES TO THE INTERIM FINANCIAL INFORMATION

1. General information

Chuang's Consortium International Limited (the "Company") is a limited liability company incorporated in Bermuda and listed on the Main Board of The Stock Exchange of Hong Kong Limited. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business in Hong Kong is 25th Floor, Alexandra House, 18 Chater Road, Central.

The principal activities of the Company and its subsidiaries (collectively as the "Group") are property investment and development, manufacturing and sale of watch components, merchandise, bonded polyester fabrics and home finishing products, and securities investment and trading.

2. Basis of preparation

The interim financial information has been prepared under the historical cost convention, as modified by the revaluation of investment properties, available-for-sale financial assets, derivative financial instruments and other investments at fair values, and in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants.

Except as described below, 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 31st March, 2010.

In 2010, the Group adopted the following revised standards, amendments and interpretation that are effective for the Group's accounting periods beginning on 1st April, 2010 and relevant to the operations of the Group:

HKAS 7 (Amendment)	Statement of Cash Flows
HKAS 17 (Amendment)	Leases
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 32 (Amendment)	Classification of Rights Issues
HKAS 36 (Amendment)	Impairment of Assets
HKAS 39 (Amendment)	Financial Instruments: Recognition and Measurement – Eligible Hedged Items
HKFRSs (Amendments)	Amendment to HKFRS 5 as part of Improvements to HKFRSs 2008
HKFRSs (Amendments)	Improvements to HKFRSs 2009
HKFRS 1 (Revised)	First-time Adoption of Hong Kong Financial Reporting Standards
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions
HKFRS 3 (Revised)	Business Combinations
HKFRS 8 (Amendment)	Operating Segments
HK(IFRIC)–Int 17	Distributions of Non-cash Assets to Owners

The Group has assessed the impact of the adoption of these revised standards, amendments and interpretation and considered that there were neither significant impact on the Group's results and financial position nor any substantial changes in the Group's accounting policies except for HKAS 17 (Amendment), HKAS 27 (Revised) and HKFRS 3 (Revised).

HKAS 17 (Amendment) requires the Group to reassess the classification of leasehold land as finance or operating leases. The Group reassessed the classification of unexpired leasehold land as at 1st April, 2010 on the basis of information existing at the inception of those leases, and considered that no reclassification is necessary.

In addition, during the reassessment, the Group has changed its accounting policy for leasehold land and land use rights which are accounted for as properties for/under development and properties for sale. These leasehold land and land use rights meet the definition of both inventories under HKAS 2 “Inventories” and leasehold land under HKAS 17 (Amendment). Previously they were classified as prepaid operating lease and payments were amortised on a straight line basis over the period of the lease in accordance with HKAS 17. Amortisation during the development phase was capitalised as part of the development cost of the properties. Amortisation charge incurred prior to the development and following completion of the property was recognised in the income statement.

Subsequent to the change in accounting policy, the leasehold land and land use rights are classified as inventories in accordance with HKAS 2 and measured at the lower of cost and net realisable value. Management believes that the new classification as inventories results in a more relevant presentation of the financial position of the Group, and of its performance for the period. The revised treatment reflects management’s intent regarding the use of the leasehold land and land use rights, and results in a presentation consistent with industry practice.

Since development commenced almost immediately after leasehold land and land use rights were obtained, and a large majority of completed properties were sold in the same period in which the respective properties were completed, substantially all amortisation charges had been capitalised in prior years. Accordingly, the change in accounting policy has had no material effect on the income statement of the Group for the current period or comparative periods. Moreover, as the leasehold land and land use rights were already accounted for as part of properties for/under development and properties for sale in prior years, the change in accounting policy has no impact on the balance sheet.

HKAS 27 (Revised) requires the effects of all transactions with non-controlling interests that do not result in the change of control to be recorded as equity transactions and these transactions will no longer result in goodwill or gains and losses. When control is lost, any remaining interest in the entity is remeasured to fair value, the difference between its fair value and carrying amount is recognised in the income statement.

HKFRS 3 (Revised) continued to apply the acquisition method to business combinations, with some significant changes. For example, all acquisition-related costs should be expensed. The cost of acquisition includes the fair value at the acquisition date of any contingent purchase consideration. In a business combination undertaken in phases/stages, the previously held equity interest in the acquiree is remeasured at fair value and the difference between its fair value and carrying amount is recognised in the income statement. There is a choice, on the basis of each acquisition, 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.

The adoption of HKAS 27 (Revised) and HKFRS 3 (Revised) does not result in any impact on the Group’s result in the current period nor the financial position at the end of the reporting period.

The following new and revised standards, amendments and interpretations have been published which are relevant to the Group’s operation and are mandatory for the Group’s accounting periods beginning on or after 1st April, 2011, but have not yet been adopted by the Group:

HKAS 24 (Revised)	Related Party Disclosures (effective from 1st January, 2011)
HKFRSs (Amendments)	Improvements to HKFRSs 2010 (effective from 1st July, 2010 and 1st January, 2011, as appropriate)
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters (effective from 1st July, 2010)
HKFRS 9	Financial Instruments (effective from 1st January, 2013)
HK(IFRIC)-Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement (effective from 1st January, 2011)
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments (effective from 1st July, 2010)

The Group will apply the above new and revised standards, amendments and interpretations as and when they become effective. The Group has already commenced an assessment of the related impact to the Group and is not yet in a position to state whether any substantial changes to the Group's results of operations and financial position will be resulted.

3. Financial risk management

All aspects of the financial risk management objectives and policies of the Group are consistent with those disclosed in the annual financial statements for the year ended 31st March, 2010.

4. Critical accounting estimates and judgments

Estimates and judgments used are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions applied in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31st March, 2010.

5. Segment information

(a) Segment information by business lines

The chief operating decision maker has been identified as the Board of Directors (the "Board"). The Board reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Board considers the business from a business perspective, including property investment and development, sale of goods and services, and securities investment and trading. The Board assesses the performance of the operating segments based on a measure of segment result.

The segment information by business lines is as follows:

	Property investment and development <i>HK\$'000</i>	Sale of goods and services <i>HK\$'000</i>	Securities investment and trading <i>HK\$'000</i>	Corporate <i>HK\$'000</i>	Total <i>HK\$'000</i>
2010					
Revenues	105,282	30,760	6,744	–	142,786
Other income	155,494	19,126	–	496	175,116
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Operating profit/(loss)	351,909	8,085	6,744	(53,746)	312,992
Finance costs	(22,656)	(292)	–	–	(22,948)
Share of results of associated companies	161	(16,275)	–	2,034	(14,080)
Share of result of a jointly controlled entity	(38)	–	–	–	(38)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Profit/(loss) before taxation	329,376	(8,482)	6,744	(51,712)	275,926
Taxation	(19,498)	–	–	(29)	(19,527)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Profit/(loss) for the period	309,878	(8,482)	6,744	(51,741)	256,399
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
As at 30th September, 2010					
Segment assets	7,905,989	191,839	29,302	1,028,909	9,156,039
Associated companies	2,498	227,083	–	5,255	234,836
Jointly controlled entity	–	–	–	–	–
Amount due from a jointly controlled entity	55,105	–	–	–	55,105
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	7,963,592	418,922	29,302	1,034,164	9,445,980
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	3,992,955	15,760	2,869	43,457	4,055,041
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
2010					
Other segment items are as follows:					
Capital expenditure	373,058	2,459	–	140	375,657
Depreciation	2,573	1,041	–	1,518	5,132
Amortisation of leasehold land and land use rights	94	162	–	–	256
Write off of trade and other debtors	1,122	38	–	–	1,160
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

	Property investment and development <i>HK\$'000</i>	Sale of goods and services <i>HK\$'000</i>	Securities investment and trading <i>HK\$'000</i>	Corporate <i>HK\$'000</i>	Total <i>HK\$'000</i>
2009					
Revenues	102,657	35,175	5,617	–	143,449
Other income	4,375	1,851	–	60,666	66,892
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Operating profit/(loss)	482,208	(6,084)	5,617	8,448	490,189
Finance costs	(16,973)	(305)	–	(4)	(17,282)
Share of results of associated companies	4,938	(18,751)	–	76	(13,737)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Profit/(loss) before taxation	470,173	(25,140)	5,617	8,520	459,170
Taxation	(38,824)	–	–	(15)	(38,839)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Profit/(loss) for the period	431,349	(25,140)	5,617	8,505	420,331
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
As at 31st March, 2010					
Segment assets	7,142,745	205,237	46,688	881,732	8,276,402
Associated companies	2,338	235,710	–	3,221	241,269
Jointly controlled entity	–	–	–	–	–
Amount due from a jointly controlled entity	52,190	–	–	–	52,190
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	7,197,273	440,947	46,688	884,953	8,569,861
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	3,407,261	17,305	–	14,278	3,438,844
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
2009					
Other segment items are as follows:					
Capital expenditure	272,646	160	–	587	273,393
Depreciation	2,528	987	–	1,614	5,129
Amortisation of leasehold land and land use rights	86	152	–	–	238
Write off of trade and other debtors	939	–	–	–	939
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

(b) *Additional information by geographical segments*

The business of the Group operates in three geographical areas of Hong Kong, the People's Republic of China (the "PRC") and other countries. Revenues are based on the country in which the customer is located. Non-current assets, total assets and capital expenditure are based on where the assets are located. The segment information by geographical area is as follows:

	Revenues		Capital expenditure	
	2010 HK\$'000	2009 HK\$'000	2010 HK\$'000	2009 HK\$'000
Hong Kong	72,795	72,864	282,391	102,760
The PRC	37,027	36,403	88,374	170,171
Other countries	32,964	34,182	4,892	462
	142,786	143,449	375,657	273,393
	Non-current assets (note)		Total assets	
	30th September, 2010 HK\$'000	31st March, 2010 HK\$'000	30th September, 2010 HK\$'000	31st March, 2010 HK\$'000
Hong Kong	4,710,706	4,262,874	6,410,017	5,818,843
The PRC	90,459	87,380	2,397,882	2,150,047
Other countries	464,174	424,830	638,081	600,971
	5,265,339	4,775,084	9,445,980	8,569,861

Note: Non-current assets in geographical segments represent non-current assets other than available-for-sale financial assets, loans and receivables, derivative financial instruments and deferred taxation assets.

6. Other income

	2010 HK\$'000	2009 HK\$'000
Interest income from		
Bank deposits	1,348	2,763
Loans and receivables	4,509	1,486
Negative goodwill arising from the purchase of additional interests in a subsidiary	–	31,137
Sale of scraped material	313	614
Net gain on disposal of property, plant and equipment	1,441	27,312
Net gain on disposal of investment property	134,412	–
Net compensation from government for the resumption of assets	28,006	–
Sundries	5,087	3,580
	175,116	66,892

7. Operating profit

	2010 HK\$'000	2009 HK\$'000
Operating profit is stated after crediting:		
Dividend income from listed investments	15	–
Net realised gains on other investments	4,435	5,617
Unrealised gains on other investments	2,294	–
and after charging:		
Cost of properties sold	30,092	29,001
Cost of inventories sold	24,677	29,328
Depreciation	5,132	5,129
Amortisation of leasehold land and land use rights	256	238
Impairment on available-for-sale financial assets*	–	2,000
Write off of trade and other debtors	1,160	939
Net exchange loss*	944	20
Net fair value loss on derivative financial instruments*	4,199	2,037
Staff costs, including Directors' emoluments		
Wages and salaries	40,401	33,990
Retirement benefit costs	1,734	1,378

* Included in other operating expenses

8. Share of results of associated companies

Share of results of associated companies included a deemed loss on dilution of interests in an associated company of HK\$4,661,000 (2009: HK\$14,438,000), and a negative goodwill of HK\$3,472,000 (2009: Nil) arising from the conversion of convertible note of the associated company.

9. Taxation

	2010 HK\$'000	2009 HK\$'000
Current		
Overseas profits tax	26	–
PRC corporate income tax	2,269	1,759
PRC land appreciation tax	2,690	2,469
Deferred	14,542	34,611
	19,527	38,839

No provision for Hong Kong profits tax has been made as the Group has no estimated assessable profit for the period (2009: Nil). Taxation on 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 Group operates. PRC land appreciation tax is levied at the progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including costs of land and development expenditures.

Share of taxation credit of associated companies for the six months ended 30th September, 2010 amounting to HK\$212,000 (2009: taxation charge of HK\$950,000) is included in the income statement as share of results of associated companies. There is no taxation charge/credit of the jointly controlled entity during the period (2009: N/A).

10. Interim dividend

	2010 HK\$'000	2009 HK\$'000
Interim scrip dividend with a cash option of 1.8 HK cents (2009: 1.0 HK cent) per share	<u>28,008</u>	<u>15,183</u>

On 26th November, 2010, the Board declares an interim scrip dividend with a cash option of 1.8 HK cents (2009: 1.0 HK cent) per share amounting to HK\$28,008,000 (2009: HK\$15,183,000). The amount of HK\$28,008,000 is calculated based on 1,556,026,873 issued shares as at 26th November, 2010. This dividend is not reflected as a dividend payable in the interim financial information, but will be reflected and accounted for as an appropriation of reserves in the year ending 31st March, 2011.

11. Earnings per share

The calculation of the earnings per share is based on the profit attributable to equity holders of HK\$253,775,000 (2009: HK\$415,032,000) and 1,528,730,106 (2009: 1,510,589,673) shares in issue during the period.

The dilutive earnings per share are equal to the basic earnings per share since there are no diluted potential shares in issue during the periods and the convertible notes issued by an associated company are anti-dilutive.

12. Debtors and prepayments

Rental income and management fees are receivable in advance. Credit terms of sales of goods mainly ranged from 30 days to 90 days. The aging analysis of the trade debtors of the Group is as follows:

	30th September, 2010 HK\$'000	31st March, 2010 HK\$'000
Below 30 days	12,063	36,848
31 to 60 days	2,526	6,190
61 to 90 days	1,155	3,464
Over 90 days	<u>4,885</u>	<u>3,018</u>
	<u>20,629</u>	<u>49,520</u>

Debtors and prepayments include deposits of HK\$429,495,000 (31st March, 2010: HK\$204,181,000) for property development projects and acquisition of leasehold land and land use rights in Hong Kong, the PRC, Vietnam and Mongolia, deposits of HK\$54,079,000 (31st March, 2010: HK\$40,429,000) for acquisition of property, plant and equipment, and receivables of HK\$360,384,000 (31st March, 2010: HK\$372,000) from mortgage loans provided to the purchasers of the Group's properties in Hong Kong at the prevailing market rates.

13. Creditors and accruals

The aging analysis of the trade creditors of the Group is as follows:

	30th September, 2010 HK\$'000	31st March, 2010 HK\$'000
Below 30 days	6,305	2,869
31 to 60 days	1,956	1,197
Over 60 days	5,593	7,527
	<u>13,854</u>	<u>11,593</u>

Creditors and accruals include sales deposits received of HK\$231,899,000 (31st March, 2010: HK\$83,935,000) regarding the sales of properties of the Group in Hong Kong and the PRC which have not yet been recognised as revenues for the period.

14. Financial guarantees

As at 30th September, 2010, the Company has provided a guarantee of HK\$117,000,000 (31st March, 2010: HK\$117,000,000) for the banking facility granted to a jointly controlled entity, and the subsidiaries have provided guarantees amounting to HK\$191,688,000 (31st March, 2010: HK\$110,505,000) to banks for mortgage loans made by the banks to the purchasers of properties sold by the subsidiaries in the PRC.

15. Capital commitments

As at 30th September, 2010, the Group has capital expenditure commitments contracted but not provided for in respect of property development and property, plant and equipment amounting to HK\$464,453,000 (31st March, 2010: HK\$420,947,000) and available-for-sale financial assets amounting to HK\$21,190,000 (31st March, 2010: HK\$23,725,000) respectively.

16. Pledge of assets

As at 30th September, 2010, the Group has pledged the shares and assets of certain subsidiaries, including property, plant and equipment, investment properties, leasehold land and land use rights, properties for/under development, properties for sale and bank deposits, with an aggregate carrying value of HK\$5,267,704,000 (31st March, 2010: HK\$5,134,644,000), to secure general banking and financial guarantee facilities granted to those subsidiaries.

17. Subsequent event

On 15th November, 2010, a wholly-owned subsidiary of the Group entered into an agreement with an independent third party to dispose of investment properties in Hong Kong at the consideration of HK\$208.0 million. An initial deposit of HK\$9.04 million was received on the same date. The disposal is expected to be completed on 28th February, 2011 and a profit of approximately HK\$58.8 million (with reference to the book value of the properties of HK\$147.0 million as at 30th September, 2010) will be recorded by the Group upon completion of the disposal in the second half of this financial year. Details of the transaction were set out in the announcement of the Company on 15th November, 2010.

FINANCIAL REVIEW

The Group's revenues for the six months ended 30th September, 2010 amounted to HK\$142.8 million (2009: HK\$143.4 million). Revenues of the Group comprise income from property investment business of HK\$69.1 million (2009: HK\$62.5 million), income from property development business of HK\$36.2 million (2009: HK\$40.1 million), income from manufacturing and trading business of HK\$30.8 million (2009: HK\$35.2 million) and income from securities investment and trading business of HK\$6.7 million (2009: HK\$5.6 million).

Due to the slight decrease in revenues, gross profit during the period decreased slightly by 3.5% to HK\$66.5 million (2009: HK\$68.9 million). Other income increased to HK\$175.1 million (2009: HK\$66.9 million) mainly due to gain on disposal of House D, No. 37 Island Road, Deep Water Bay, Hong Kong amounting to HK\$134.4 million recorded during the period. A detailed analysis of other income is shown in note 6 on page 9 of this report. During the period under review, the Group recorded an upward revaluation surplus of HK\$190.7 million (2009: HK\$463.4 million) for its investment properties, reflecting the continuous improvement in office, retail and high-class residential property prices in Hong Kong and Malaysia.

On the costs side, selling and marketing expenses increased by 7.7% to HK\$19.6 million (2009: HK\$18.2 million) due to launching of new projects in Hong Kong and the People's Republic of China (the "PRC"). Administrative expenses increased by 9.0% to HK\$90.0 million (2009: HK\$82.6 million) due to a general increase in overhead whereas other operating expenses increased by 18.3% to HK\$9.7 million (2009: HK\$8.2 million) mainly due to the increase in fair value loss of convertible notes of Midas International Holdings Limited ("Midas"). Finance costs increased by 32.4% to HK\$22.9 million (2009: HK\$17.3 million) as a result of reduced capitalisation of interest expenses to properties under development. Share of loss of associated companies amounted to HK\$14.1 million (2009: HK\$13.7 million) mainly due to the share of loss relating to Midas. Taxation amounted to HK\$19.5 million (2009: HK\$38.8 million) mainly relating to deferred tax arising on revaluation surplus of the Group's investment properties.

Taking into account the above, profit attributable to equity holders of the Company for the six months ended 30th September, 2010 amounted to HK\$253.8 million (2009: HK\$415.0 million). Earnings per share amounted to 16.6 HK cents (2009: 27.5 HK cents).

INTERIM DIVIDEND

The Board has resolved to pay an interim dividend of 1.8 HK cents (2009: 1.0 HK cent) per share payable on or before 28th February, 2011 by allotment of new shares with a cash option to the shareholders whose names appear on the Company's register of members on 23rd December, 2010.

Subject to the Listing Committee of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") granting listing of and permission to deal in the new shares to be issued pursuant to the scrip dividend scheme, new share entitlements will be calculated by reference to the par value of the shares of the Company, being HK\$0.25, or the average of the closing prices on the Stock Exchange of the shares of the Company for the five consecutive trading days up to and including 23rd December, 2010, whichever is the higher. A circular giving full details of the scrip dividend scheme and a form of election will be sent to the shareholders as soon as practicable.

BUSINESS REVIEW

(A) Chuang's Properties Limited (100% owned)

All the Group's property activities in Hong Kong are conducted through this wholly-owned subsidiary.

(i) *Investment Properties*

The Group's major investment properties in Hong Kong comprise Chuang's London Plaza in Tsim Sha Tsui, Chuang's Hung Hom Plaza in Hunghom, portion of Chuang's Enterprises Building in Wanchai, Houses A, B and C at No. 37 Island Road in Deep Water Bay, No. 15 Gough Hill Road in The Peak and Chuang's Tower in Central (held through Chuang's China Investments Limited). The total gross floor area ("GFA") of the Group's portfolio of investment properties in Hong Kong amounted to approximately 400,000 sq. ft. comprising retail, office, high-class residential and carparking spaces. As a result of the increase in rental rates upon certain new leases and lease renewals, rental and other income from investment properties in Hong Kong during the period amounted to HK\$59.5 million, representing an increase of about 9.6% compared with that of last corresponding period.

On 6th August, 2010, the Group had completed the disposal of House D, No. 37 Island Road, Deep Water Bay for a consideration of HK\$462.8 million. The disposal had resulted in a surplus (after deducting expenses in relation to the disposal) of approximately HK\$134.4 million over the book value of the property as at 31st March, 2010 and such gain was recorded as other income of the Group for the six months ended 30th September, 2010.

On 15th November, 2010, the Group had entered into an agreement to dispose of 5th floor, 15th to 23rd floors and penthouse of Chuang's Enterprises Building, Wanchai for a consideration of HK\$208.0 million. Deposit of HK\$9.04 million was received and a further deposit of HK\$11.76 million will be received on 6th December, 2010. The disposal is expected to be completed on 28th February, 2011 and a profit of approximately HK\$58.8 million (with reference to the book value of the properties of HK\$147.0 million as at 30th September, 2010) will be recorded by the Group upon completion of the disposal in the second half of this financial year.

During the period, the Group has paid the premium for certain lease modifications regarding relaxation of height restriction and granting of additional access via the main road in relation to No. 15 Gough Hill Road, The Peak. The Group believes that such lease modifications have enhanced the value of the property. Currently, the property is being leased and the Group is considering to redevelop the property into a house with unique architectural design. Building plans for the redevelopment have been approved by the relevant authorities.

(ii) *Properties Under Development/For Sale*

A summary of the progress of the Group's existing projects and newly acquired projects is as follows:

(a) Wuhu Residence, No. 111 Wuhu Street, Hunghom, Kowloon

The property is located adjacent to Chuang's Hung Hom Plaza and is being developed into a 24-storey building with modern architectural design of 101 apartments (of which 98 are studio apartments) with clubhouse facilities and shopping spaces at the podium levels (G/F and 1/F). Superstructure works are in progress and have been completed up to the third level. The project is expected to be completed in the fourth quarter of 2011. Presales of the project had been commenced in the first quarter of 2010. Due to the limited supply of studio apartments in that area, the project was well received by the market. Up to the date of this report, a total of 98 apartments were presold with aggregate sales value of HK\$273.0 million and sales deposits of HK\$35.8 million have been received.

(b) No. 30 Po Shan Road, Hong Kong

The Group formed a joint venture with K. Wah International Holdings Limited on a 50%:50% basis to redevelop the property. The property is located in a prestigious residential mid-level area that enjoys a glamorous sea-view and has a site area of about 10,000 sq. ft.. Since the completion of the acquisition of the project in March 2010, the Group managed to increase the approved GFA of the project from 36,000 sq. ft. to about 40,200 sq. ft. thereby reducing the land cost per sq. ft. of developable area from about HK\$9,000 to about HK\$8,100. The Group is still conducting feasibility studies with our joint venture partner and consultants on various proposals to further enhance the value of the project.

(c) Parkes Residence, Nos. 93-105 Parkes Street, Jordan, Kowloon

On 31st August, 2010, the Group completed the acquisition of the property for a consideration of HK\$158 million. The property is located close to the Jordan station of the mass transit railway and is nearby Chuang's London Plaza. The property has a site area of 4,620 sq. ft. and it is intended that a commercial/residential building comprising mainly of studio apartments will be developed. Building plans for the redevelopment have been approved by the relevant authorities and it is expected that demolition works will commence in December 2010.

(B) Chuang's Properties International Limited (100% owned)

All the Group's properties activities in Malaysia, Vietnam, Taiwan and Mongolia are conducted through this wholly-owned subsidiary.

(i) Malaysia

Central Plaza, Jalan Sultan Ismail, Kuala Lumpur

Central Plaza, which is located in the heart of the central business district of Kuala Lumpur, is owned by the Group for investment purpose. The property has a total GFA of 380,000 sq. ft. of retail, office and carparking spaces. During the period, rental and other income from this property amounted to HK\$8.8 million, representing an increase of about 14.3% compared with that of last corresponding period.

(ii) Vietnam

(a) Greenview Garden, Thu Duc District, Ho Chi Minh City

The Group had entered into an agreement to acquire a 70% interest in the project which covers a site area of about 20,300 sq. m.. It is intended that a residential/commercial complex with apartments, villas and clubhouse facilities will be developed on the site. Application for investment licence to form project company and submission of concept design have been made to the relevant authorities in Vietnam and are pending approval. The site is vacant and construction of the initial phase of the development will commence once all government approvals have been obtained.

(b) Saigon Beverly Hills, Duc Hoa District, Long An Province

The Group had participated in a 70% interest in the project and is still in the process of negotiating with the relevant government authorities and the joint venture partner on the possibility for the formation of project company and the granting of land use rights.

(iii) Taiwan

Xinyi District, Taipei City

The project, located nearby the city centre of Taipei City, is a residential development comprising a villa and apartments with a total building area of about 19,700 sq. ft.. Site formation and foundation works are in progress and the project is expected to be completed in the first quarter of 2012.

(iv) *Mongolia*

(a) The Edelweiss, Sukhbaatar District, Ulaanbaatar

In November 2010, the Group entered into an agreement with a local partner to participate in a 53% interest in this residential project. Pursuant to the terms of the agreement, the Group will contribute US\$5 million in stages to the project company to finance the construction costs and the local partner will contribute the land title to the project company. The project is located nearby the city centre within the embassy district, having a site area of about 5,600 sq. m.. It is planned that two towers of apartments with a total GFA of about 23,800 sq. m. will be built. Initial phase of the development comprising about 15,000 sq. m. of GFA will commence soon.

(b) Chuang's Tower, Chinggis Avenue, Sukhbaatar District, Ulaanbaatar

In September 2010, the Group entered into an agreement to acquire a piece of land located within the central business district of Ulaanbaatar for US\$3.8 million. The agreement is subject to a number of conditions and the Group aims to complete the acquisition of the property in the second quarter of 2011. The property has a site area of about 3,272 sq. m. and it is planned that an office building with GFA of not less than 16,360 sq. m. will be developed.

(C) Chuang's China Investments Limited ("Chuang's China") (Stock code: 298 and 57.0% owned)

All the Group's property activities in the PRC are conducted through this listed subsidiary.

(i) *Property Development*

During the period under review, the PRC government has further introduced a series of macro control policies including tightening of mortgage policies and restricting home purchases to one property per household. With the impacts of these factors, the Group has timely adjusted its development strategy of the projects in response to the cautious market sentiments. In addition, the Group plans to realign its PRC property projects and focus on major cities including Guangzhou, Chengdu, Xiamen and the Yangtze River Delta region. A brief summary of the Group's major projects is as follows:

(a) Chuang's Le Papillon, Guangzhou, Guangdong (100% owned by Chuang's China)

The development has a total GFA of 450,000 sq. m. and is being developed in three phases. The first phase of the project comprising GFA of 60,000 sq. m. residential and 3,400 sq. m. commercial and clubhouse facilities is completed. Phase I provides a total of 11 residential blocks with over 350 apartment units. Block 1 to Block 3 of about 15,000 sq. m. GFA are virtually

all sold out at an average selling price of RMB5,200 per sq. m.. The Group holds the commercial and clubhouse properties for investment purpose, and the majority of the commercial complex has been leased to an operator for supermarket.

Block 8 to Block 11 have a total GFA of about 22,000 sq. m. providing apartment size of 175 sq. m.. Presales for Block 8 to Block 11 are in progress, and up to now, about 40% of these 124 apartments are sold at an average selling price of about RMB7,100 per sq. m.. These sold units will be delivered to buyers before the end of December 2010 and the sales will be accounted as the Group's revenue in the financial year ending 31st March, 2011. Block 4 to Block 7 have a total GFA of about 23,000 sq. m. providing 4 bed-room apartments of 202 sq. m. and duplex apartments of over 400 sq. m.. Marketing of these four blocks will commence before the end of December 2010 together with the launch of the prestigious VIP clubhouse designated for Block 4 to Block 7.

The revised master layout plan for phase II and phase III development of Chuang's Le Papillon with a total GFA of approximately 386,600 sq. m. has been approved. Construction works of phase II have commenced, and superstructure works for Block 12 to Block 17 with a GFA of approximately 50,000 sq. m. are underway. Marketing of these six blocks of flat sizes ranging from 90 sq. m. to 120 sq. m. have received encouraging responses. Presale of these six blocks with estimated sales value of about RMB370 million will be launched in the fourth quarter of 2010.

Construction works for another 146,600 sq. m. of phase II will commence before the end of the financial year ending 31st March, 2011. In addition, the Group will keep close monitoring of the local market condition and will embark on phase III with developable GFA of 190,000 sq. m.. The Group expects that these two remaining phases of Chuang's Le Papillon will be completed in three years with estimated sales value of about RMB4.3 billion.

- (b) Imperial Garden, Chuang's New City, Dongguan, Guangdong (100% owned by Chuang's China)

Imperial Garden, phase III of Chuang's New City, has a total GFA of 530,000 sq. m.. Construction of 8 residential towers with an aggregate GFA of approximately 88,000 sq. m. in Imperial Garden has been completed. It provides over 600 residential units with flat sizes ranging from 80 sq. m. to 160 sq. m., executive duplex units of 280 sq. m. and unique simplex units of 445 sq. m.. Sales of these 8 residential towers with a total GFA of about 88,000 sq. m. have been launched, of which 46% have been sold at an average selling price of RMB4,740 per sq. m.. On top of the residential development, the Group holds the commercial portion of Imperial Garden and Gold Coast (phase II of Chuang's New City) with aggregate GFA of about 12,400 sq. m. for investment purpose.

Infrastructure under construction such as the Guangzhou-Shenzhen-Hong Kong Express Rail Link (廣深港高速鐵路) and the Dongguan Light Rail (東莞市軌道) is anticipated to expedite local development and real estate transaction along the transportation network. The Group believes that when the newly developed express rail connecting Guangzhou via Dongguan to Shenzhen is in service in mid 2011 and the link to West Kowloon of Hong Kong in 2015, Imperial Garden will attract property buyers from Shenzhen and Hong Kong as it is located close to the Dongguan Humen Station (東莞虎門站). The development potential of Imperial Garden will be enhanced, and the Group will embark on the remaining phases accordingly.

- (c) Chuang's New Town, Huizhou, Guangdong (100% owned by Chuang's China)

In January 2008, the Group entered into an agreement with Daya Bay Economic & Technological Development Group (大亞灣經濟技術開發集團公司), a state-owned enterprise, to dispose of the Group's interest in a site with total developable area of about 190,000 sq. m. and the disposal consideration is about RMB192 million. Up to the date of this report, the Group has received total deposits of RMB136 million. It is expected that a further RMB40 million will be paid to the Group upon delivery of the sites and the disposal is expected to be completed in the financial year ending 31st March, 2011, whereas the balance of RMB16 million will be paid to the Group on the first anniversary of delivery of the sites.

In May 2010, the Group agreed with the local authority of Huizhou for the resumption of the Group's remaining site in Huizhou to facilitate the construction of Shenzhen Xiamen Railway (廈深鐵路). As a result of the land resumption, net cash compensation of RMB18.5 million has been received by the Group and a net gain of about RMB10.5 million has been recorded as other income in the period under review.

- (d) Beverly Hills, Changsha, Hunan (54% owned by Chuang's China)

Phase I of Beverly Hills has a total GFA of 80,600 sq. m. based on a plot ratio of 0.8. Phase I of the project comprises of 172 units of detached houses, semi-detached houses, townhouses, and 144 units of high-rise apartments. All residential units were completed, of which 71% have been sold. The associated clubhouse and a boutique hotel with a total GFA of approximately 10,600 sq. m. are now under renovation and will be completed in the fourth quarter of 2010.

The Group is planning to develop phase II of the project and is in discussion with local government on granting of land.

- (e) Chuang's Palazzo Caesar, Changsha, Hunan (100% owned by Chuang's China)

Chuang's Palazzo Caesar has a total developable GFA of 535,000 sq. m., based on a plot ratio of 1.8. The master layout plan has been approved comprising 135,000 sq. m. GFA of low-rise villas, 390,000 sq. m. GFA of high-rise residential towers and commercial facilities of about 10,000 sq. m..

The Group is holding preliminary discussions with independent third parties for possible disposal of interests in this project.

- (f) Xiamen Mingjia Binhai, Xiamen, Fujian (59.5% owned by Chuang's China)

The site is located along the coastline of Siming Qu (思明區), abutting the well-known scenic route of Xiamen Ring Road (環島路) with land area of 27,562 sq. m.. In November 2010, the Group obtained the land use rights certificate for the site.

The development has a total GFA of 18,000 sq. m. with a plot ratio of 0.65. The project includes 30 private pool villas and an exclusive boutique hotel of about 90 keys providing exceptional hospitality experience in Xiamen. Upon completion, the Group intends to hold this property for investment purpose. The resort will be managed by an international acclaimed resort/spa hotel management operator. The development offers the highest international standard of luxury with elegant architectural design, tropical landscaping and water feature.

Submission for approval of master layout plan is in progress and detailed floor plans are being developed.

- (g) Chuang's Mid-town, Anshan, Liaoning (100% owned by Chuang's China)

In April 2010, the Group participated in government land auction and successfully bid for the development site in Anshan, Liaoning province. Chuang's Mid-town is located in the prime city centre of Tie Dong Qu (鐵東區) of Anshan, right next to the Anshan rail station and the nearby popular outdoor walking mall. It will be developed into a comprehensive complex for residential and commercial purpose and with a plot ratio of 10, residential GFA will be 90,000 sq. m. and commercial GFA will be 20,000 sq. m..

Land cost for the site in the sum of RMB44.5 million has been fully paid. According to the terms of the land auction, the site should be delivered to the Group before 30th July, 2010. However, up to the date of this report, the local government has not yet fulfilled its obligation to handover the site. The Group is finalising the master layout plan for the project and will commence on ground investigation works once the site is delivered by the local government.

- (h) Chuang's Plaza, Anshan, Liaoning (100% owned by Chuang's China)

During the government land auction in April 2010, the Group had successfully bid for the second development site in Anshan. Situated within 1 km from the first site, the second site acquired by the Group is located in the prime city centre of Tie Dong Qu (鐵東區) and is within walking distance to the Anshan rail station and the popular local marketplace as well as the local government offices. This site will be developed into comprehensive complex for residential and commercial purpose with developable GFA of 390,000 sq. m. based on a plot ratio of 10.

Land cost for the site in the sum of RMB157.8 million has been fully paid. According to the terms of the land auction, the site should be delivered to the Group before 30th July, 2010. However, up to the date of this report, the local government has not yet fulfilled its obligation to handover the site. The Group has commenced on the master layout plan for the project and will commence on ground investigation works once the site is delivered by the local government.

- (i) Chuang's Le Printemps, Chengdu, Sichuan (51% owned by Chuang's China)

The 30,000 sq. m. site is located in the prominent district within the second-ring road, Wu Hou Qu (武侯區) of Chengdu. In order to expand the development size, the Group is in discussions with the local government for resettlement and redevelopment of the adjacent site. Once such redevelopment is approved, the master layout plan will be revised from the existing plot ratio of 4 to a plot ratio of 6.

(ii) *Property Sales*

For the six months ended 30th September, 2010, property sales of the Group in the PRC which were recognised as revenues were about HK\$36.2 million, mainly related to sales of Imperial Garden in Dongguan and Beverly Hills in Changsha.

As at the date of this report, the Group has contracted sales of about HK\$328.1 million which have not yet been recorded as revenues, including sale of the development sites in Huizhou as mentioned hereinabove, as well as property sales related to Chuang's Le Papillon in Guangzhou, Imperial Garden in Dongguan and Beverly Hills in Changsha. It is expected that handover of these properties will be in the second half of the financial year ending 2011.

In the financial year ending 2011, the Group targets to market an aggregate of about 153,100 sq. m. of GFA, including 86,600 sq. m. of phases I and II of Chuang's Le Papillon in Guangzhou, 47,500 sq. m. of Imperial Garden in Dongguan and 19,000 sq. m. of Beverly Hills in Changsha, the total value of which, based on estimated current market prices of the properties, amounts to about RMB1.1 billion (equivalent to HK\$1.28 billion).

(D) Midas (Stock code: 1172 and 44.6% owned)

Midas is principally engaged in the printing business and the operation of cemetery in the PRC. The European financial crisis occurred in the first half of 2010 affected the business of Midas. Despite turnover increased by 5.7% to HK\$138.3 million, net loss attributable to equity holders of Midas amounted to HK\$33.6 million for the six months ended 30th June, 2010.

In view of the economic uncertainty in the global market, the trading environment for the printing business will continue to be difficult. Increase in material cost, labour shortage and appreciation of Renminbi will undoubtedly impose pressure on Midas. In order to alleviate these adverse trading environment, Midas will continue to take steps to strengthen sales, improve profit margins and enhance costs controls.

As for the cemetery business, Midas will continue to strengthen its sales and marketing team and boost the publicity of the cemetery by implementing a series of promotion campaigns. The new highway linking Guangzhou and Hezhou that passes through Sihui is now near completion and it is expected that this improvement in infrastructure will enhance the accessibility and demand for the graveyards, in particular, from the Guangzhou region. The Group believes that cemetery business in the PRC, in the long run, has ample growth opportunities due to the rapid growth of aged population and based on the sales network and reputation of the cemetery established by Midas in the past years, this investment is expected to provide steady contribution to Midas in the coming years.

In June 2010, the Group converted HK\$8.75 million convertible note due 2014 into 35 million new shares of Midas. As a result, the Group's shareholding interest in Midas has been slightly increased from 44.2% as at 31st March, 2010 to 44.6% as at 30th September, 2010 after taking into account the issue of new shares by Midas during the period to a third party noteholder pursuant to the conversion of its convertible note.

(E) Other Businesses

The Group's other businesses include investments in Sintex Nylon and Cotton Products (Pte) Limited, a company incorporated in Singapore and engaged in the manufacturing and sales of home finishing products under its own brand names, and Yuen Sang Hardware Company (1988) Limited ("Yuen Sang"), a company owned by Chuang's China engaged in the manufacturing and sales of metalware for export. During the period, the weak consumer demand has adversely affected these businesses. As a result, revenues generated from the manufacturing and trading business of the Group during the period decreased by 12.5% to HK\$30.8 million. However, taking into account the compensation of RMB14.5 million received by Yuen Sang from the local government authorities in the PRC on relocation of factory premise, the operating profit contribution from the manufacturing and trading business during the period amounted to HK\$8.1 million.

During the period, the securities investment and trading business of the Group recorded a profit of HK\$6.7 million. As at 30th September, 2010, quoted investments of the Group amounted to HK\$29.3 million and the Group did not have any investment in derivative financial instrument.

FINANCIAL POSITIONS

As at 30th September, 2010, net assets attributable to equity holders of the Company was HK\$4,528.4 million. Net asset value per share was approximately HK\$2.96, which is calculated based on the book costs of the Group's properties for/under development and properties for sale before taking into account their appreciated values.

As at 30th September, 2010, the Group's cash and bank balances and other investments amounted to HK\$1,034.5 million. Bank borrowings as at the same date amounted to HK\$2,960.3 million. The Group's net debt to equity ratio, expressed as a percentage of bank borrowings net of cash and bank balances and other investments over net assets attributable to equity holders of the Company, was 42.5%.

Approximately 92.6% of the Group's cash and bank balances and other investments were denominated in Hong Kong dollar, United States dollar and Malaysian Ringgit, with the balance of 7.4% denominated in Renminbi. Approximately 85.3% of the Group's bank borrowings were denominated in Hong Kong dollar, 7.8% in Renminbi, 6.8% in Malaysian Ringgit and the balance of 0.1% in Singapore dollar.

Approximately 7.9% of the Group's bank borrowings were repayable within one year, 29.1% repayable within the second year, 24.8% repayable within the third to fifth years and the balance of 38.2% repayable after five years.

On 6th August, 2010, the Group provided financing to Rise Swank Investments Limited, the purchaser of House D, No. 37 Island Road, Deep Water Bay, in the amount of HK\$360 million. The loan bears interest at 3% over one month Hong Kong Dollar interest settlement rates and interest is payable monthly in arrear. The loan is repayable in full on 6th May, 2011. As a security to the financing, the Group owns the all monies first legal charge over the property. Details of the transaction were included in a circular to shareholders dated 24th August, 2010.

In order to finance the acquisition of development sites in Anshan, the PRC by Chuang's China, the Company has granted unsecured short-term facilities to Chuang's China which bear interests at prevailing market rates. As at 30th September, 2010, the amount of facilities outstanding was HK\$120 million.

The Group believes that upon the repayments of the loans as mentioned above and the receipts of the purchase considerations on disposals of Chuang's Enterprises Building in Wanchai and Wuhu Residence in Hunghom, the financial positions of the Group will be greatly enhanced.

PROSPECTS

With the continued sustainable growth of the economy, the rapid urbanisation trend, the increase in household income and the strong demand for better standard of housing and living in the PRC, and Hong Kong being an important gateway to the PRC and an international financial and trade centre, the Group is confident on the long term prospects of the property markets in Hong Kong and the PRC.

In the coming financial years, the Group will continue to focus on improving the rental yield of its investment properties and will expedite the development and sales of the Group's major development projects in Hong Kong, the PRC and elsewhere in the region. Furthermore, the Group will also continuously seek for new real estate business opportunities in the areas that the Group operates in order to replenish its land bank.

STAFF

As at 30th September, 2010, the Group employed 831 staff. The Group provides its staff with other benefits including discretionary bonus, contributory provident fund, share options and medical insurance. Staff training is also provided as and when required.

DEALING IN THE COMPANY'S SECURITIES

The Company has not redeemed any of its shares during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed shares during the period.

CLOSING OF REGISTER

The register of members of the Company will be closed from Friday, 17th December, 2010 to Thursday, 23rd December, 2010, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend, all transfers, accompanied by the relevant share certificates, must be lodged for registration with the Company's share registrars in Hong Kong, Tricor Standard Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, by no later than 4:30 p.m. on Thursday, 16th December, 2010.

CORPORATE GOVERNANCE

In the annual general meeting (the “AGM”) of the Company held on 30th August, 2010, the Chairman of the Company, due to his personal commitment, had not attended the AGM in accordance with Rule E.1.2. of the Appendix 14 – Code on Corporate Governance Practices (the “CG Code”) of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). However, the Managing Director of the Company attended the AGM to answer questions raised by shareholders. Except as mentioned above, the Company has complied throughout the six months ended 30th September, 2010 with the code provisions set out in the CG Code of the Listing Rules.

An audit committee has been established by the Company to review and supervise the Company’s financial reporting process and internal controls and review the relationship with the auditor. The audit committee has held meetings in accordance with the relevant requirements and reviewed the interim report of the Group for the six months ended 30th September, 2010. The current members of the audit committee are Dr. Peter Po Fun Chan, Mr. Abraham Shek Lai Him and Mr. Fong Shing Kwong, the Independent Non-Executive Directors of the Company.

The Company has also adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix 10 of the Listing Rules. Having made specific enquiries of all Directors of the Company, the Company received confirmations from all Directors that they have complied with the required standard as set out in the Model Code.

PUBLICATION OF RESULTS ON THE STOCK EXCHANGE’S WEBSITE

The interim report of the Company for the six months ended 30th September, 2010 containing all applicable information required by Paragraph 46 of Appendix 16 of the Listing Rules will be published on the Stock Exchange’s website in due course.

GENERAL

As at the date of this announcement, Mr. Alan Chuang Shaw Swee, Mrs. Alice Siu Chuang Siu Suen, Mr. Ko Sheung Chi, Mr. Albert Chuang Ka Pun, Mr. Lui Lop Kay and Mr. Wong Chung Wai are the Executive Directors, and Dr. Peter Po Fun Chan, Mr. Abraham Shek Lai Him and Mr. Fong Shing Kwong are the Independent Non-Executive Directors of the Company.

By Order of the Board of
Chuang’s Consortium International Limited
Alan Chuang Shaw Swee
Chairman

Hong Kong, 26th November, 2010