LUKS GROUP (VIETNAM HOLDINGS) COMPANY LIMITED

陸氏集團(越南控股)有限公司*

(incorporated in Bermuda with limited liability)

(Stock code: 366)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2011

The board of directors (the "Board") of Luks Group (Vietnam Holdings) Company Limited (the "Company") is pleased to announce the unaudited interim condensed consolidated financial statements of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2011, together with the comparative figures for the corresponding period in 2010. These interim condensed consolidated financial statements have not been audited, but have been reviewed by the Company's audit committee.

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2011

	Notes	**For the six months ended 30 June 2011 (Unaudited) HK$'000**	For the six months ended 30 June 2010 (Unaudited) HK$'000 (Restated)
REVENUE	*3*	**401,916**	412,560
Cost of sales		**(268,303)**	(267,641)
Gross profit		**133,613**	144,919
Other income and gains	*3*	**2,866**	8,799
Selling and distribution costs		**(21,484)**	(28,426)
Administrative expenses		**(32,209)**	(50,751)
Other expenses		**(14,048)**	(17,833)
Finance costs		**(21,794)**	(17,517)
Share of profits and losses of a jointly-controlled entity		**37**	140
Share of profits and losses of associates		**162**	(1,557)
PROFIT BEFORE TAX	*4*	**47,143**	37,774
Income tax expense	*5*	**(18,898)**	(19,091)
PROFIT FOR THE PERIOD		**28,245**	18,683
ATTRIBUTABLE TO:			
Owners of the parent		**28,595**	19,857
Non-controlling interests		**(350)**	(1,174)
		28,245	18,683
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*6*		
Basic		**HK 5.6 cents**	HK 3.9 cents
Diluted		**HK 5.6 cents**	HK 3.9 cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2011

	For the six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
PROFIT FOR THE PERIOD	**28,245**	18,683
OTHER COMPREHENSIVE LOSS:		
Exchange differences on translation of foreign operations	**(86,459)**	(38,211)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD	**(86,459)**	(38,211)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**(58,214)**	(19,528)
Attributable to:		
Owners of the parent	**(57,619)**	(20,822)
Non-controlling interests	**(595)**	1,294
	(58,214)	(19,528)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2011

	Notes	**30 June 2011 (Unaudited) HK$'000**	31 December 2010 (Audited) HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**929,326**	1,010,914
Investment properties		**1,241,032**	1,286,704
Prepaid land lease payments		**15,441**	17,741
Goodwill		**183**	183
Investment in a jointly-controlled entity		**4,411**	3,828
Investments in associates		**95,044**	113,424
Deposits		**131,612**	138,331
Total non-current assets		**2,417,049**	2,571,125
CURRENT ASSETS			
Property for development		**34,770**	36,552
Inventories		**101,204**	93,206
Trade receivables	*8*	**93,197**	68,673
Prepayments, deposits and other receivables		**34,828**	36,256
Debt investments at fair value through profit or loss		**1,094**	1,094
Cash and cash equivalents		**174,842**	179,802
Total current assets		**439,935**	415,583
CURRENT LIABILITIES			
Trade payables	*9*	**52,668**	53,694
Other payables and accruals		**105,601**	121,850
Due to directors		**75**	75
Due to a related company		**4,344**	4,344
Interest-bearing bank and other borrowings		**271,042**	293,666
Tax payable		**38,764**	35,792
Total current liabilities		**472,494**	509,421
NET CURRENT LIABILITIES		**(32,559)**	(93,838)
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,384,490**	2,477,287
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		**85,862**	110,602
Rental deposits		**20,079**	23,051
Provisions		**5,100**	5,170
Deferred tax liabilities		**215,299**	212,586
Total non-current liabilities		**326,340**	351,409
Net assets		**2,058,150**	2,125,878
EQUITY			
Equity attributable to owners of the parent			
Issued capital		**5,120**	5,114
Reserves		**2,057,762**	2,114,673
Proposed final dividend		**-**	10,228
		2,062,882	2,130,015
Non-controlling interests		**(4,732)**	(4,137)
Total equity		**2,058,150**	2,125,878

Notes:

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

These unaudited interim condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") No. 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of Appendix 16 of the Rules Governing the Listing Securities on the Stock Exchange (the “Listing Rules”). These unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements for the year ended 31 December 2010.

The accounting policies and basis of preparation adopted in the preparation of these unaudited interim condensed consolidated financial statements are consistent with those used in the preparation of the Group's annual financial statements for the year ended 31 December 2010 and in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by HKICPA, except that the Group has in the current period applied, for the first time the following new and revised HKFRSs:

HKFRS 1 Amendment	Amendments to HKFRS 1 First-time Adoption of Hong Kong Financial Reporting Standards – Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters
HKAS 24 (Revised)	Related Party Disclosures
HKAS 32 Amendment	Amendment to HKAS 32 Financial Instruments: Presentation – Classification of Rights Issues
HK(IFRIC)-Int 14 Amendments	Amendments to HK(IFRIC)-Int 14 Prepayments of a Minimum Funding Requirement
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments

Apart from the above, the Group has also adopted Improvements to HKFRSs 2010* which set out amendments to a number of HKFRSs primarily with a view to removing inconsistencies and clarifying wording.

* Improvements to HKFRSs 2010 contain amendments to HKFRS 1, HKFRS 7, HKAS 1, HKAS 34 and HK(IFRIC)-Int 13.

Other than as further explained below regarding the impact of an amendment to HKAS 34 included in Improvements to HKFRSs 2010, the adoption of these new and revised HKFRSs has had no significant financial effect on these unaudited interim condensed consolidated financial statements and there have been no significant changes to the accounting policies applied in these unaudited interim condensed consolidated financial statements.

Amendment to HKAS 34 requires additional disclosures for fair values and changes in classification at financial assets in interim financial statements.

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these unaudited interim condensed consolidated financial statements.

HKFRS 1 Amendments	Amendments to HKFRS 1 First-time Adoption of Hong Kong Financial Reporting Standards — Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters [1]
HKFRS 7 Amendments	Amendments to HKFRS 7 Financial Instruments: Disclosures – Transfers of Financial Assets [1]
HKFRS 9	Financial Instruments [3]
HKAS 12 Amendments	Amendments to HKAS 12 Income Taxes – Deferred Tax: Recovery of Underlying Assets [2]

[1] Effective for annual periods beginning on or after 1 July 2011
[2] Effective for annual periods beginning on or after 1 January 2012
[3] Effective for annual periods beginning on or after 1 January 2013

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, the Group considers that the new and revised HKFRSs are unlikely to have a significant impact on the Group’s results of operations and financial position.

2. OPERATING SEGMENT INFORMATION

The Group's operating business are structured and managed separately according to the nature of their operations and the products they provide. Each of the Group's business segments represents a strategic business unit that offers products which are subject to risks and returns that are different from those of the other business segments. The following table presents revenue and results for the Group's operating segments for the six months ended 30 June 2011 and 2010.

	Cement products		Property investment		Property development		Traditional Chinese medicine products		Corporate and others		Consolidated	
	2011	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Segment revenue:												
Sales to external customers	**332,741**	354,962	**64,929**	53,238	**-**	-	**440**	641	**3,806**	3,719	**401,916**	412,560
Other income and gains	**1,224**	805	**10**	5,365	**-**	-	**42**	-	**33**	-	**1,309**	6,170
	333,965	355,767	**64,939**	58,603	**-**	-	**482**	641	**3,839**	3,719	**403,225**	418,730
Segment results	**7,833**	13,301	**50,979**	44,214	**(515)**	(2,106)	**(758)**	(1,546)	**(12,152)**	(17,301)	**45,387**	36,562
Reconciliation:												
Interest income											**1,557**	1,465
Fair value gains on derivative financial instruments											**-**	1,164
Share of profits and losses of associates	**402**	(1,363)	**-**	-	**(240)**	(194)	**-**	-	**-**	-	**162**	(1,557)
Share of profits and losses of a jointly-controlled entity	**-**	-	**37**	140	**-**	-	**-**	-	**-**	-	**37**	140
Profit before tax											**47,143**	37,774
Income tax expense	**(6,716)**	(8,351)	**(12,182)**	(10,740)	**-**	-	**-**	-	**-**	-	**(18,898)**	(19,091)
Profit for the period											**28,245**	18,683
Other segment information:												
Depreciation	**27,320**	30,296	**773**	641	**40**	40	**88**	80	**77**	632	**28,298**	31,689
Capital expenditure	**4,958**	28,131	**1,032**	-	**-**	6	**-**	-	**77**	64	**6,067**	28,201
Impairment of loans to an associate	**-**	1,883	**-**	-	**-**	-	**-**	-	**-**	-	**-**	1,883

The following table presents segment assets and liabilities for the Group's operating segments as at 30 June 2011 and 31 December 2010:

	Cement products		Property investment		Property development		Traditional Chinese medicine products		Corporate and others		Consolidated	
	2011	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010
	(Unaudited)	(Audited)	**(Unaudited)**	(Audited)	**(Unaudited)**	(Audited)	**(Unaudited)**	(Audited)	**(Unaudited)**	(Audited)	**(Unaudited)**	(Audited)
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Segment assets	**1,207,618**	1,262,062	**1,436,544**	1,450,969	**77,942**	79,701	**4,137**	5,264	**31,288**	71,460	**2,757,529**	2,869,456
Reconciliation:												
Investments in associates	**13,296**	37,069	**-**	-	**81,748**	76,355	**-**	-	**-**	-	**95,044**	113,424
Investment in a jointly-controlled entity	**-**	-	**4,411**	3,838	**-**	-	**-**	-	**-**	-	**4,411**	3,828
Total assets											**2,856,984**	2,986,708
Segment liabilities	**463,224**	512,508	**311,459**	317,032	**256**	495	**4,528**	4,724	**19,367**	26,071	**798,834**	860,830
Reconciliation:												
Unallocated liabilities											**-**	-
Total liabilities											**798,834**	860,830

3. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts, and gross rental income received and receivable from investment properties during the period.

An analysis of the Group's revenue, other income and gains is as follows:

	For the six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Revenue		
Sale of cement	**332,741**	354,962
Gross rental income	**64,929**	53,238
Sale of electronic products	**2,368**	2,204
Sale of traditional Chinese medicine products	**440**	641
Sale of plywood and other wood products	**1,438**	1,515
	401,916	412,560
Other income and gains		
Interest income	**1,557**	1,465
Fair value gain on derivative financial instruments	**-**	1,164
Gain on disposal of scrap materials	**1,224**	442
Others	**85**	5,728
	2,866	8,799

4. PROFIT BEFORE TAX

Profit before tax was determined after charging the following:

	For the six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
		(Restated)
Cost of inventories sold	**261,395**	261,549
Depreciation	**28,298**	31,689
Amortisation of land lease payments	**1,334**	1,426

5. INCOME TAX

	For the six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Current - Overseas	**15,494**	17,302
Deferred	**3,404**	1,789
Total tax charge for the period	**18,898**	19,091

Taxes on the profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

6. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculations of basic and diluted earnings per share attributable to ordinary equity holders of the parent are based on:

	For the six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculation	**28,595**	19,857

	Number of shares For the six months ended 30 June	
	2011	2010
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	**511,901,110**	511,393,418
Effect of dilution – weighted average number of ordinary shares: Share options	**112,715**	523,740
Weighted average number of ordinary shares used in the diluted earnings per share calculation	**512,013,825**	511,917,158

7. INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK 2 cents (2010: HK 4 cents) per ordinary share in issue in respect of the six months ended 30 June 2011 payable on or before 6 October 2011 to shareholders whose names are on the Registers of Members on 28 September 2011.

8. TRADE RECEIVABLES

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The Group allows an average credit period of 60 days for its trade debtors. The Group seeks to maintain strict control over its outstanding receivables.

Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group’s trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

An aged analysis of the trade receivables as at the end of the reporting period, based on the invoice date, and net of impairment, is as follows:

	30 June 2011 (Unaudited) HK$'000	31 December 2010 (Audited) HK$'000
0 to 30 days	**58,824**	41,535
31 to 60 days	**21,812**	11,597
61 to 90 days	**7,667**	3,782
91 to 120 days	**2,247**	3,222
Over 120 days	**2,647**	8,537
	93,197	68,673

9. TRADE PAYABLES

An aged analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2011 (Unaudited) HK$'000	31 December 2010 (Audited) HK$'000
0 to 30 days	**28,123**	17,930
31 to 60 days	**9,447**	6,408
61 to 90 days	**1,936**	3,974
91 to 120 days	**2,772**	399
Over 120 days	**10,390**	24,983
	52,668	53,694

10. COMPARATIVE AMOUNTS

Certain comparative amounts have been reclassified to conform with the current period's presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND PROSPECTS

For the first half of 2011, Vietnam recorded a GDP growth rate of 5.6%, a decline of approximately 0.5% as compared to the same period of last year. Vietnam's economic situation did not show much improvement during the period as compared to the year end of 2010. Vietnam's government principally focused in curbing the rocketed inflation rate during the period. As at 30 June 2011, the inflation rate still stood as high as 16% when comparing to the same period of last year. The government adopted a series of tightened measures including the repeatedly raising of interest rates by the central bank and the cutting of public expenditures in a large extent. In general, the lending rate was over 20% throughout the period. As a result, economic and investing activities were obviously slowing down in Vietnam.

On the other hand, being affected by the increasing trade deficit, Vietnamese Dong ("VND") to USD was depreciated for approximately 6% during the period, which thus added pressure to the already weakening investors' confidence over the economy. According to figures of the Vietnam Ministry of Planning and Investment, Vietnam recorded approximately US$5.67 billion foreign direct investment ("FDI") in the first half of 2011, which was equal to only about 62.7% of the same period last year. Under the current harsh economic conditions, the Group's principal investments in Vietnam, namely cement business and office leasing business were going through a tough period of time. Only until the inflationary pressure is alleviated with lower interest rates, then the economic and investing activities will recover consequently. Although the economy is still expected to suffer from fluctuations in short term, the Group is still optimistic to mid and long term development of the Vietnam's economy.

For the six-month period ended 30 June 2011, the Group recorded a turnover of HK$401,916,000, representing a decrease of 2.6% as compared to HK$412,560,000 for the corresponding period of last year. Main sources of the Group's turnover came from its cement business and property investment business. The cement business recorded a turnover of HK$332,741,000, representing a decrease of 6.3% as compared to that of last year. While the property investment business recorded a turnover of HK$64,929,000, representing an increase of 22% as compared to that of last year.

The unaudited consolidated net profit from ordinary activities attributable to shareholders for the first half of 2011 was HK$28,595,000, representing an increase of 44% as compared to HK$19,857,000 for the same period in 2010.

Cement Business

For the first half of 2011, the Group's cement plant in Vietnam recorded total sales of 962,000 tonnes of cement, representing a decrease of 10.6% as compared to the same period of last year. The drop was mainly attributable to a decrease in demand of cement in the Vietnam's market as a result of the government tightening measures which led to the overall slowdown of construction and infrastructure development in the country.

On the production aspect, most costs of production rose in general along with the hiking inflation rate. Comparing to the same period of last year, cost of coal increased 40% whereas other raw materials like electricity, bauxite and gypsum increased for about 20%. Fortunately, the Group managed to increase its average cement price by about 22% during the period, which could mostly cover the costs increased.

Yet on the other hand, financial expenses increased substantially as a result of the surging lending rate, and together with the depreciation of VND during the period, the profit of the Group's cement plant was mostly eroded for the period. The Group's cement plant was merely able to achieve a breakeven for its profit and loss after interest and tax during the period, comparing to a profit of HK$3,587,000 for the corresponding period of last year.

Foreseeing the second half of the year, the government is expecting the inflation rate to be stabilized and interest rates to be lowered a bit, especially in the fourth quarter of the year. However, under the current harsh economic environment, the cement plant is still facing tough challenges from the high inflation rate, weak demand and a possibility of further depreciation of the VND. Thus, it is expected that the operating environment of the Group's cement plant will still be tough for the second half of the year.

Saigon Trade Centre and Other investment properties

For the first half of 2011, Vietnam recorded only approximately US$5.67 billion of FDI, significantly less than the same period of last year. In the office leasing market, both demand and supply of office spaces in Hochiminh City grew modestly during the period. As a result of the credit squeeze, high financial cost and surging construction cost in Vietnam, development of new office buildings were slowed down and new projects were reduced dramatically, which may thus affect new supply of office spaces for the next few years.

The occupancy rate of the Group's Saigon Trade Centre was seen recovering to 79% as at 30 June 2011, as compared to 76% and 75% respectively for 31 December 2010 and 30 June 2010, whereas the average rental rate remained flat as compared to the end of last year. The profit attributable to the Group from the Saigon Trade Centre increased for about 15% as compared to the same period of last year. It is estimated that both the occupancy rate and the total rental income of the Saigon Trade Centre will continue to grow slightly in the second half of the year.

The rental income for the Group's other investment properties situated in Hong Kong and the PRC was stable during the period.

Property Development

With the interest rates escalating to over 20% and other tightened measures of the government, markets for property development and property transactions came into stagnant during the period.

For the Group's residential project in Binh Thanh District of Hochiminh City, construction is expected to start by the end of this year. First phase of the project comprises of 240 units of apartment in two blocks. Yet, the Group will also adjust its pace of development to the market conditions and full speed construction is not expected until the property market becomes more clear and stable.

On the other hand, seeing a strong rebound of the Mongolia's economy in the period, the Group decided to accelerate the pace of its residential property development project in Ulaanbaatar. The first phase comprising of 20 units of independent villa and townhouse with a total GFA of about 7,600 square meters has been under construction. The completion date is expected to be at the end of Oct 2012. The Group plans to launch the pre-sale by the fourth quarter of this year.

Traditional Chinese Medicine (TCM) Business

During the period, the TCM business recorded an operating loss before non-controlling interest of HK$758,000, representing a decrease of 51% as compared to the operating loss of HK$1,546,000 for the same period of last year.

Dividend

The board of directors resolved to declare an interim dividend of HK 2 cents per share to the shareholders.

FINANCIAL REVIEW
Liquidity and Financial Resources

The Group's cash, bank balances and time deposits as at 30 June 2011 amounted to HK$174,842,000 (as at 31 December 2010: HK$179,802,000). The Group's total borrowings amounted to HK$356,904,000 (as at 31 December 2010: HK$404,268,000), of which HK$271,042,000 was repayable within 1 year and HK$85,862,000 repayable over 1 year. The percentage of the Group's borrowings denominated in HK$, US$ and Vietnamese Dong ("VND") were 12.9%, 28.1% and 59% respectively.

The gearing ratio, which is net debt divided by the capital plus net debt, was 16% as at 30 June 2011 (as at 31 December 2010:17%).

Employees and Remuneration Policy

As at 30 June 2011, the Group had approximately 1,670 employees. Most of them were working in Vietnam. The total staff cost (including directors' remuneration) was approximately HK$26,500,000 for the period. There was no significant change on the Group's remuneration policy as compared to that disclosed on the Group's annual report for the year ended 31 December 2010.

Details of charges

As at 30 June 2011, the Group has pledged certain fixed assets at a net book value of HK$837,332,000 and certain investment properties at a carrying value of HK$166,000,000 to secure banking facilities.

Exposure to fluctuations in exchange rates and related hedges

The Group's investments in Vietnam are subject to the foreign exchange fluctuation, and especially that from the risk of devaluation of VND. As VND is a restricted currency, hedging instruments are limited in the market or the hedging is not cost efficient to do so. The high interest deviation between VND and USD is also a barrier for setting up an effective hedging for the VND devaluation. The exchange rate of VND to USD recorded a devaluation of 6% as at 30 June 2011 when compared to the rate as at 31 December 2010.The Group suffered an exchange loss of HK$13,996,000 during the period. The Group's measures to minimize its exposure to the risk have not been changed from those disclosed on its annual report for the year ended 31 December 2010.

Details of contingent liabilities

As at 30 June 2011, the Group had no significant contingent liabilities (31 December 2010: Nil).

INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK 2 cents (2010: HK 4 cents) per ordinary share in issue in respect of the six months ended 30 June 2011 payable on or before 6 October 2011 to shareholders whose names are on the Registers of Members on 28 September 2011.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from Monday, 26 September 2011 to Wednesday, 28 September 2011, both dates inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrars, Tricor Tengis Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 23 September 2011. Cheques for interim dividends will be dispatched on or before 6 October 2011.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased or sold or redeemed any of the Company's listed securities during the period ended 30 June 2011.

CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the directors, the Company complied with the code provisions (the "Code") as set out in Appendix 14 of the Listing Rules throughout the accounting period covered by the interim report, except for the following:

(i) The Company has not separated the roles of the Chairman of the Board and the Chief Executive Officer of the Group as required under code provision A.2.1 of the Code. Currently, the roles of Chairman and Chief Executive Officer of the Company are performed by Mr. Luk King Tin. Mr. Luk being the founder of the Company, has been the Chairman and the Chief Executive Officer of the Company and in charge of the overall management of the Company since the beginning. The Company considers that the combination of the roles of Chairman and Chief Executive Officer can promote the efficient formulation and implementation of the Company's strategies which will enable the Group to seize business opportunities efficiently and promptly. The Company considers that through the supervision of its Board and its independent non-executive directors, checks and balances exist so that the interests of the shareholders are adequately and fairly represented.

(ii) According to the Company's Bye-laws, the Chairman or Managing Director of the Company is not subject to retirement by rotation. Since the Chairman is responsible for the formulation and implementation of the Company's strategies, which is essential to the stability of the Company's business and thus the Board considers that the deviation is acceptable.

AUDIT COMMITTEE

The Company has an audit committee which was established in compliance with Rule 3.21 of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee comprises the three independent non-executive directors of the Company. These unaudited condensed consolidated interim financial statements for the six months ended 30 June 2011 now reported have been reviewed by the Company's audit committee.

CODE ON DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" set out in Appendix 10 to the Hong Kong Listing Rules (the "Model Code") to regulate the directors' securities transactions. All directors have confirmed, following enquiry by the Company, that they have complied with the Model Code during the period between 1 January 2011 and 30 June 2011.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the website of the Company (www.luks.com.hk) and the designated issuer website of Stock Exchange (www.hkexnews.hk).

By Order of the Board
Luks Group (Vietnam Holdings) Co., Ltd.
Luk King Tin
Chairman

Hong Kong, 31 August 2011

As at the date of this announcement, the Board of Directors comprises Mr. Luk King Tin, Ms. Cheng Cheung, Mr. Luk Yan, Mr. Fan Chiu Tat, Martin and Mr. Luk Fung (who are executive directors), and Mr. Liu Li Yuan, Mr. Liang Fang and Mr. Tam Kan Wing (who are independent non-executive directors).

* *For identification purpose only*