HENRY GROUP HOLDINGS LIMITED
鎮科集團控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 859)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2011

UNAUDITED RESULTS

The board of directors (the "Board") of Henry Group Holdings Limited (the "Company") is pleased to present the unaudited condensed financial statements of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 September 2011, together with the comparative figures for the corresponding period in last year as follows:

Condensed Consolidated Statement of Comprehensive Income
For the six months ended 30 September 2011

		Unaudited Six months ended 30 September	
		2011	2010
	Notes	***HK$'000***	*HK$'000*
Turnover	*3*	**18,456**	15,999
Other income and gains		**3,904**	2,641
Net (loss)/gain in fair value of investment properties		**(70,490)**	21,000
Other operating expenses		**(11,728)**	(15,581)
(Loss)/profit from operations		**(59,858)**	24,059
Finance costs	*4*	**(20,742)**	(37,134)
Loss before taxation		**(80,600)**	(13,075)
Taxation	*5*	**17,623**	(3,579)
Loss for the period	*6*	**(62,977)**	(16,654)

	Notes	Unaudited Six months ended 30 September **2011** ***HK$'000***	 2010 *HK$'000*
Loss for the period		**(62,977)**	(16,654)
Other comprehensive income/(expenses)			
Exchange difference arising on translating foreign operations		**11,895**	10,586
Recognition of hedging reserve of derivative financial instruments		**(4,316)**	(6,246)
Other comprehensive income for the period, net of tax		**7,579**	4,340
Total comprehensive expenses for the period		**(55,398)**	(12,314)
(Loss)/profit for the period attributable to:			
— Owners of the Company		**(17,334)**	8,866
— Non-controlling interests		**(45,643)**	(25,520)
		(62,977)	(16,654)
Total comprehensive (expenses)/income attributable to:			
— Owners of the Company		**(18,081)**	5,802
— Non-controlling interests		**(37,317)**	(18,116)
		(55,398)	(12,314)
(Loss)/earnings per share for (loss)/profit attributable to: owners of the Company	*8*		
— Basic (HK cents)		**(2.72)**	1.39
— Diluted (HK cents)		**N/A**	1.34

Condensed Consolidated Statement of Financial Position
At 30 September 2011

	Notes	Unaudited 30 September 2011 HK$'000	Audited 31 March 2011 HK$'000
ASSETS AND LIABILITIES			
NON-CURRENT ASSETS			
Property, plant and equipment		**1,426**	1,617
Investment properties		**3,907,526**	3,848,060
Amount due from a non-controlling shareholder		**28,000**	25,094
Deferred tax assets		**5,397**	5,397
		3,942,349	3,880,168
CURRENT ASSETS			
Trade and other receivables	*9*	**12,095**	8,556
Available-for-sale financial assets		**74**	74
Cash and bank balances		**118,305**	143,069
		130,474	151,699
Assets classified as held for sale		**79,000**	79,000
		209,474	230,699
CURRENT LIABILITIES			
Other payables, rental deposits received and accruals		**43,471**	26,301
Bank borrowings, current portion (secured)		**37,596**	73,600
Convertible notes		**72,195**	16,759
Amount due to a related party		**342**	342
Tax payable		**464**	464
		154,068	117,466
Liabilities directly associated with assets classified as held for sale		**281**	323
		154,349	117,789

	Unaudited 30 September 2011 HK$'000	Audited 31 March 2011 HK$'000
NET CURRENT ASSETS	**55,125**	112,910
TOTAL ASSETS LESS CURRENT LIABILITIES	**3,997,474**	3,993,078
NON-CURRENT LIABILITIES		
Other payables and rental deposits received	**9,470**	5,656
Bank borrowings, non-current portion (secured)	**1,317,036**	1,182,558
Convertible notes	**40,343**	160,533
Derivative financial instruments	**17,100**	12,784
Loan from a related party	**50,854**	47,625
Amounts due to non-controlling shareholders	**545,396**	534,597
Loans from shareholders	**144,909**	192,446
Advance from a shareholder	**13,025**	—
Deferred tax liabilities	**476,841**	494,464
	2,614,974	2,630,663
NET ASSETS	**1,382,500**	1,362,415
CAPITAL AND RESERVES		
Share capital	**71,642**	63,638
Reserves	**843,905**	794,507
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	**915,547**	858,145
Non-controlling interests	**466,953**	504,270
TOTAL EQUITY	**1,382,500**	1,362,415

1. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements (the "Interim Financial Statements") have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

These Interim Financial Statements should be read in conjunction with the annual report for the year ended 31 March 2011.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

The Interim Financial Statements have been prepared under the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values.

The accounting policies used in the Interim Financial Statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2011.

In the current interim period, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations issued by the HKICPA, which are effective for the annual reporting period beginning on or after 1 April 2011.

HKFRS 1 (Revised)	Amendment 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 (Amendments)	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*
HKFRSs (Amendments)	Improvements to HKFRSs 2010

The adoption of the new and revised interpretations and amendments had no significant financial effect on this Interim Financial Statements and there have been no significant changes to the accounting policies applied in the Interim Financial Statements.

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

HKFRS 7 (Amendments)	Disclosure — Transfer of Financial Assets[1]
HKFRS 9	Financial Instruments[2]
HKFRS 10	Consolidated financial statements[2]
HKFRS 11	Joint arrangements[2]
HKFRS 12	Disclosures of interests in other entities[2]
HKFRS 13	Fair value measurements[2]
HKAS 1 (Amendments)	Presentation of items of other comprehensive income[4]
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets[3]
HKAS 19 (Revised 2011)	Employee benefits[2]
HKAS 27 (Revised 2011)	Separate financial statements[2]
HKAS 28 (Revised 2011)	Investments in associates and joint ventures[2]

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

The directors of the Company anticipate that the application of the other new and revised standards and amendments will have no material impact on the results and financial position of the Group.

3. SEGMENT INFORMATION

The Group has three reportable segments, (i) property leasing and development; (ii) provision of property agency and consultancy services for the retail property sale and leasing market; and (iii) securities investment. The segmentations are based on the information about the operation of the Group that management uses to make decisions.

(a) Segment turnover and results

An analysis of the Group's turnover and results by reportable segment is presented below:

	Unaudited Six months ended 30 September							
	Property leasing and development		**Provision of property agency and consultancy services**		**Securities investment**		**Consolidated total**	
	2011	2010	**2011**	2010	**2011**	2010	**2011**	2010
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
GROSS PROCEEDS	**18,456**	15,999	**—**	—	**—**	—	**18,456**	15,999
TURNOVER	**18,456**	15,999	**—**	—	**—**	—	**18,456**	15,999
RESULTS								
Segment profit	**16,435**	11,322	**—**	1	**—**	—	**16,435**	11,323
Net (loss)/gain in fair value of investment properties							**(70,490)**	21,000
Unallocated corporate income							**113**	—
Unallocated corporate expenses							**(5,916)**	(8,264)
(Loss)/profit from operations							**(59,858)**	24,059
Finance costs							**(20,742)**	(37,134)
Loss before taxation							**(80,600)**	(13,075)

Turnover reported above represents revenue generated from external customers. There were no inter-segment sales during the period (six months ended 30 September 2010: Nil).

(b) Segment assets and liabilities

An analysis of the Group's assets and liabilities by reportable segment is presented below:

	Property leasing and development		Provision of property agency and consultancy services		Securities investment		Consolidated total	
	Unaudited	Audited	**Unaudited**	Audited	**Unaudited**	Audited	**Unaudited**	Audited
	30.9.2011	31.3.2011	**30.9.2011**	31.3.2011	**30.9.2011**	31.3.2011	**30.9.2011**	31.3.2011
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
ASSETS								
Segment assets	**4,035,772**	4,010,640	**141**	141	**77**	77	**4,035,990**	4,010,858
Unallocated corporate assets							**115,833**	100,009
Consolidated total assets							**4,151,823**	4,110,867
LIABILITIES								
Segment liabilities	**2,164,861**	2,074,597	**1,228**	1,228	**—**	—	**2,166,089**	2,075,825
Unallocated corporate liabilities							**603,234**	672,627
Consolidated total liabilities							**2,769,323**	2,748,452

For the purpose of monitoring segment performance and allocating resources between reportable segments:

— all assets are allocated to reportable segments other than corporate assets.

— all liabilities are allocated to reportable segments other than corporate liabilities, convertible notes and deferred tax liabilities.

(c) Geographical segments

The Group's operations are located in Hong Kong and the People's Republic of China (the "PRC").

For the six months ended 30 September 2011, all of the Group's turnover are derived from Hong Kong. The following is an analysis of the carrying amount of non-current assets analysed by the geographical area in which the assets are located:

	Non-current assets*	
	Unaudited At 30 September 2011	Audited At 31 March 2011
	HK$'000	*HK$'000*
The PRC	**2,699,905**	2,637,623
Hong Kong	**1,237,047**	1,237,148
	3,936,952	3,874,771

* Non-current assets excluding deferred tax assets.

4. FINANCE COSTS

	Unaudited Six months ended 30 September	
	2011	2010
	HK$'000	*HK$'000*
Interest charge on bank borrowings		
— wholly repayable within five years	**4,200**	3,448
— wholly repayable after five years	**23,243**	13,529
Imputed interest on convertible notes	**10,421**	9,295
Imputed interest on interest-free loan from a related party	**2,133**	1,857
Interest on amounts due to non-controlling shareholders	**10,799**	10,798
Interest on loans from shareholders	**4,263**	8,039
Interest on advance from a shareholder	**25**	—
	55,084	46,966
Less: amount capitalised into investment properties under construction	**(34,342)**	(9,832)
	20,742	37,134

5. TAXATION

	Unaudited Six months ended 30 September	
	2011	2010
	HK$'000	*HK$'000*
The (credit)/charge comprises:		
Hong Kong profits tax for the period	**—**	125
Deferred taxation		
— Change in fair value of investment properties	**(17,623)**	2,615
— Others	**—**	839
	(17,623)	3,454
	(17,623)	3,579

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 September 2010: 16.5%) on the estimated assessable profits for the period.

Pursuant to the income tax rules and regulations of the PRC, provision for PRC Enterprise Income Tax is calculated based on a statutory rate of 25% on the assessable profits of the PRC subsidiary. No provision for the PRC income tax for the period has been made as the PRC subsidiary sustained a loss during the period (six months ended 30 September 2010: Nil).

6. LOSS FOR THE PERIOD

	Unaudited Six months ended 30 September	
	2011	2010
	HK$'000	*HK$'000*
Loss for the period has been arrived at after charging/(crediting) the followings:		
Directors' remuneration	**2,100**	3,076
Other staff costs	**3,693**	5,224
Total staff costs	**5,793**	8,300
Depreciation of property, plant and equipment	**321**	302
Imputed interest income generated from amount due from a non-controlling shareholder	**(1,028)**	(1,021)
Interest income on bank deposits	**(224)**	(53)
Property rental income under operating leases, net of direct outgoings of approximately HK$32,000 (six months ended 30 September 2010: HK$702,340)	**(18,424)**	(15,297)

7. DIVIDENDS

The Directors do not recommend the payment of interim dividend for the six months ended 30 September 2011 (six months ended 30 September 2010: Nil).

8. (LOSS)/EARNINGS PER SHARE

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

	Unaudited Six months ended 30 September	
	2011	2010
	HK$'000	*HK$'000*
(Loss)/Earnings		
(Loss)/profit for the period attributable to owners of the Company for the purpose of calculating basic and diluted (loss)/earnings per share	**(17,334)**	8,866

	Unaudited Six months ended 30 September 2011 *Number of ordinary shares*	2010 *Number of ordinary shares*
Weighted average number of ordinary shares		
Weighted average number of ordinary shares for the purpose of calculating basic (loss)/earnings per share	**636,816,505**	636,376,710
Effect of dilutive potential ordinary shares:		
Share options	**—**	23,325,500
Weighted average number of ordinary shares for the purpose of calculating diluted (loss)/earnings per share	**636,816,505**	659,702,210

Diluted loss per share for the period ended 30 September 2011 is not presented as the share options and convertible notes outstanding at the end of reporting period had an anti-dilutive effect on the basic loss per share.

9. TRADE AND OTHER RECEIVABLES

Included in trade and other receivables were trade receivables of approximately HK$3,360,000 (net of provisions). The trade receivables represented rental receivables. The aging analysis of the Group's trade receivables (net of provisions) is as follows:

	Unaudited 30 September 2011 *HK$'000*	Audited 31 March 2011 *HK$'000*
Up to 30 days	**3,245**	2,918
31–60 days	**115**	—
61–90 days	**—**	24
More than 90 days	**—**	—
	3,360	2,942

MANAGEMENT DISCUSSION AND ANALYSIS

The Board takes great pleasure to present the interim results of the Group for the six months ended 30 September 2011 ("Interim Period").

Hong Kong — Gin-za-i-sa-tion

While urbanisation describes the process by which more and more people migrate from countryside to live in cities, "Gin-za-i-sa-tion" (our newly created word) is a vertical expansion process by which retail businesses migrate to operate above the ground level to maintain an effective presence in Central Business District (CBD). The process was first evidenced in Ginza, Tokyo and has intensified within Causeway Bay (CwB) in Hong Kong. Recent rental transactions indicate that CwB supersedes Ginza and becomes the third most expensive shopping strip in the world. CwB now only follows New York's Fifth Avenue and Paris's Avenue des Champs-Elysees, thanks to the increased spending by cash-rich PRC tourists, as well as to the nearly half-million sq.ft. of office space due to open up in the Hysan project by second quarter of 2012. As the biggest addition in CwB, since Times Square's opening in 1994's, the Hysan project has been fueling the demand for both prime street level retail shops and the above-ground level retail units in order to capture the shopping & culinary needs of the thousands of new office workers in CwB.

The whole area is going through another positive transformation, and businesses in CwB are likely to enjoy robust growth for a long time. As one of the pioneering leaders in operating the Ginza towers vertical business platform, we will place our business development priority in CwB over that in Mainland China. This is because recent austerity measures, intense competition and higher taxation will continue to dampen the prospects of the return on our investment in Mainland China. The Group intends to halt putting resources into Mainland China until there is a reversal of austerity measures in the real estate market in the PRC. If the time and situation is right, the Group might even consider to dispose of its present Shanghai joint venture based development project (JV Project) and redirect the focus of its resources on CwB again.

The Group's turnover for the Interim Period were mainly contributed by its Ginza-style buildings portfolio (i.e. Jardine Center and L'hart) which was increased by 16% to HK$18.5 million (six months ended 30 September 2010: HK$15.9 million). The portfolio's occupancy rate was about 98% as at 30 September 2011 (31 March 2011: 98%; 30 September 2010: 100%). The sustained growth has been driven by the introduction of more popular service-oriented chain stores from the beauty and style operators as a new integral part of a diverse tenant mix. The new stores generated synergy amongst the tenants and the Ginza-style buildings as a whole, becoming a trendy life-style leisure and entertainment spot in CwB. During the Interim Period, the Group continued to devote intensive marketing efforts into the promotion of tenants' businesses located above the ground-floor level in Causeway Bay directed towards both local and visiting shoppers alike. Examples of these activities include launching a novel promotion with the theme "Sea and Ocean 2.5-D Visual Building Design" supported by advertisements in renowned magazines and trendy journals.

China — New episode and challenge

As part of the Group's business strategy to broaden its business in the PRC, it acquired a 30% attributable interest in the JV Project in 2008. The JV Project located in the heart of Jingan District of Shanghai covers a GFA of about 74,600 sq.m. and includes an indoor public transport interchange. The JV Project is to feature a remarkable façade and novel interior design that would create a multi-dimensional "must visit" shopping and entertainment destination. The JV Project's construction schedule has been delayed to be completed by the forth quarter of 2012.

PROSPECTS

Going forward, the Group is optimistic about the prospects of urban property development within the retail market sector in CwB over the long run taking into account that the increasing numbers of the PRC tourists and improved local consumer confidence were once again boosting Hong Kong retail sales. The majority of those prime areas in CwB with which those leases were renewed upon the expiry of the leases due in 2011 could climb to a range of about 70% or more. The many flagship stores of international brands committing to the CwB and other prime areas are solid evidence demonstrating the high demand from international brands which buttresses the positive expectation of the retail business environment within the prime shopping districts of Hong Kong in the future.

Regarding the shopping mall development project in the PRC, the Board is of its view that it is inevitable that the JV Project will be adversely affected by the PRC Government's austerity measures (i.e, a series of stringent macroeconomic adjustment measures, policies and regulations tightening bank credit in the real estate market.) The Group intends by all means to cooperate with joint venture shareholders, the PRC local bank and main construction service providers to mitigate any business and financial risks as practicable should the PRC Government initiates further tightening-measures.

Notwithstanding the potential adverse affects in the PRC, the net effect of all these factors should result in an undefined upward trend towards a parallel increase in rentals and scarcity of prime areas in the CBD. The Board believes that there will be ample scope for business development that will be beneficial to the Group, which is already equipped with high quality properties, to expand its business and thereby provide fruitful returns to its shareholders in the long run.

FINANCIAL REVIEW

The group's turnover for the Interim Period increased by 16% to approximately HK$18.5 million (six months ended 30 September 2010: HK$15.9 million) which primarily contributed by its revenue generated from Hong Kong properties investment business segment due to the favourable rental growth.

The loss in fair value of the JV Project amounted to approximately HK$70.4 million had been recognised in accordance with prevailing accounting standard.

Finance costs charged to the consolidated statement of comprehensive income were approximately HK$20.7 million (six months ended 30 September 2010: HK$37.1 million). It mainly consisted of an imputed interest cost of convertible notes HK$10.4 million (six months ended 30 September 2010: HK$9.3 million) being of non-cashflow nature amortised in accordance with prevailing accounting standard.

Loss attributable to owners of the Company for the Interim Period amounted to approximately HK$17.3 million (six months ended 30 September 2010: profit of HK$8.9 million). Basic loss per share was HK$2.72 cents, based on weighted average of approximately 637 million shares after taking the effect of the new issue as a result of partial conversion of convertible notes (six months ended 30 September 2010: earning per share HK$1.39 cents). Excluding the effect of loss in fair value of the JV Project of approximately HK$52.8 million (net of tax) of which 30% attributable to the Company, the loss attributable to the owners of the Company for the Interim Period was approximately HK$1.5 million.

Liquidity and Financial Resources

During the Interim Period, the Group's operation was financed by internal financial resources, loans from shareholders, amounts due to a non-controlling shareholder for JV Project, convertible notes and banking facilities. The Board is of the view that, after taking into account these available resources, the Group has sufficient financial resources to satisfy its commitments, capital expenditure and working capital requirements.

As at the Interim Period end date, the Group's bank borrowings of approximately HK$1,354,632,000 (31 March 2011: HK$1,256,158,000) and the Group's gearing ratio, expressed as total liabilities over total assets was approximately 66.7% (31 March 2011: 66.9%). Cash and bank balances of approximately HK$118,305,000 (31 March 2011: HK$143,069,000). The increase in bank borrowings was primarily due to the financing of the JV Project. Whilst the Group's bank borrowings bear interest at prevailing market floating rates, the Group entered into interest rate swap arrangements denominated in Hong Kong dollars with a bank for an aggregate notional amount of HK$240 million to mitigate the risk of interest rate upward trends.

The Group's bank borrowings as at the Interim Period end date were summarised as follows:

Currency of bank loans	**Total**	**Due within one year**	**Due more than one year but not exceeding two years**	**Due more than two years but not exceeding five years**	**Due after five years**
	HK$ million	*HK$ million*	*HK$ million*	*HK$ million*	*HK$ million*
RMB	608.0	—	—	203.4	404.6
HK$	746.6	37.6	25.5	125.4	558.1
	1,354.6	37.6	25.5	328.8	962.7

As at the Interim Period end date, the net assets attributable to owners of the Company of approximately HK$915,547,000 (31 March 2011: HK$858,145,000). With the total number of ordinary shares in issue of 716,419,399 as at 30 September 2011 (31 March 2011: 636,376,710 shares), the unaudited net assets value per share was approximately HK$1.28 (31 March 2011: HK$1.35).

CHARGE ON ASSETS

At the Interim Period end date, the Group has pledged:

a. Investment properties in Hong Kong in aggregate fair value of approximately HK$1,236 million for securing general banking facilities granted from several banks to its subsidiaries; and

b. Investment properties under construction in the PRC at fair value of HK$2,671 million for securing general banking facilities amounted to approximately RMB710 million from a bank in the PRC to its non-wholly subsidiary for meeting its local working capital and capital expenditures needs.

DIVIDEND

The Board does not recommend the payment of an interim dividend for the period (six months ended 30 September 2010: Nil).

CONTINGENT LIABILITIES

At the Interim Period end date, the Group has provided several corporate guarantees for securing banking facilities granted to certain subsidiaries amounted to HK$803.5 million (31 March 2011: HK$763.5 million).

COMMITMENTS

Capital commitments outstanding at the Interim Period end date not provided for in the Interim Financial Statements were as follows:

	Unaudited 30 September 2011	Audited 31 March 2011
	HK$'000	*HK$'000*
Construction cost of investment properties under construction		
Contracted for	**315,162**	201,575

EMPLOYEES AND REMUNERATION POLICY

As at the Interim Period end date, the Group had about 23 employees based in Hong Kong and the PRC. The Group offers its employees competitive remuneration packages which commensurate with their performance, experience and job nature. The Group also provides other benefits including medical insurance and contribution to Mandatory Provident Fund Schemes. A share option scheme was adopted by the Company on 3 September 2003 to enable the Directors to grant share options to staff and Directors as incentive.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITION AND DISPOSALS

The Group did not have any significant investments, material acquisitions or disposals during the Interim Period.

EVENT AFTER THE REPORTING PERIOD

Save for a partial redemption of convertible notes due in February 2012 with principal amount of HK$7,600,000 out of HK$17,860,000, there has been no significant event occurred subsequent to the Interim Period end date.

CORPORATE GOVERNANCE

Compliance with the Code on Corporate Governance Practices

The Company has complied with the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules throughout the Interim Period.

Review by Audit Committee

The audit committee comprises an non-executive director and two independent non-executive directors, namely, Mr. Mak Wah Chi, Mr. Li Kit Chee (Chairman of the Audit Committee) and Mr. Chan Kam Man. The audit committee had reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the unaudited Interim Financial Statements for the Interim Period.

Compliance with the Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by directors of the Company (the "Directors"). All Directors have confirmed, following specific enquiry by the Company, that they have fully complied with the required standard as set out in the Model Code throughout the interim period.

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.

PUBLICATION OF THE INTERIM RESULTS AND INTERIM REPORT

The interim results announcement is published on the website of The Stock Exchange of Hong Kong Limited (www.hkex.com.hk) as well as the website of the Company (www.henrygroup.hk). The 2011/2012 interim report will be despatched to shareholders and will be published on the aforementioned websites in due course.

By Order of the Board
Ng Ian
Chief Executive Officer

Hong Kong, 18 November 2011

As at the date of this announcement, the Board comprises Mr. Ng Chun For, Henry, Mr. Ng Ian and Mr. Lee Kwan Yee, Herrick as executive directors; Mr. Mak Wah Chi as an non-executive director and Mr. Li Kit Chee, Mr. Chan Kam Man and Mr. Chu Tak Sum as independent non-executive directors.

* *For identification purpose only*