NEW CENTURY GROUP HONG KONG LIMITED
新世紀集團香港有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 234)

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2011

The board of directors (the "Board") of New Century Group Hong Kong Limited (the "Company") is pleased to announce the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2011, which are prepared in accordance with the basis set out in note 1 below. These condensed consolidated financial statements have not been audited, but have been reviewed by the Company's external auditors in accordance with certain review procedures and the audit committee.

CONDENSED CONSOLIDATED INCOME STATEMENT
For the six months ended 30 September 2011

	Note	**Six months ended 30 September 2011 (Unaudited) *HK$'000***	Six months ended 30 September 2010 (Unaudited) *HK$'000* (Restated)
REVENUE	4	**(74,054)**	117,633
Cost of services provided		**(19,377)**	(19,531)
Gross profit/(loss)		**(93,431)**	98,102
Other income and gain		**4,638**	24,003
Selling and distribution costs		**(130)**	(323)
Administrative expenses		**(16,127)**	(18,404)
Foreign exchange difference, net		**(13,887)**	8,596
Fair value gains on investment properties		**10,200**	15,100
Fair value losses on cruise ships		**(35,338)**	(15,508)
Finance costs		**(746)**	(2,576)

* *For identification only*

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CONDENSED CONSOLIDATED INCOME STATEMENT ***(continued)***
For the six months ended 30 September 2011

	Notes	**Six months ended 30 September 2011 (Unaudited)** ***HK$'000***	Six months ended 30 September 2010 (Unaudited) *HK$'000* (Restated)
PROFIT/(LOSS) BEFORE TAX	5	**(144,821)**	108,990
Income tax expense	6	**7,907**	(4,085)
PROFIT/(LOSS) FOR THE PERIOD		**(136,914)**	104,905
Attributable to:			
Owners of the Company		**(106,322)**	82,766
Non-controlling interests		**(30,592)**	22,139
		(136,914)	104,905
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic and diluted	7	**(HK1.84 cents)**	HK1.44 cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2011

	Six months ended 30 September 2011 (Unaudited) *HK$'000*	Six months ended 30 September 2010 (Unaudited) *HK$'000* (Restated)
PROFIT/(LOSS) FOR THE PERIOD	**(136,914)**	104,905
OTHER COMPREHENSIVE INCOME		
Exchange differences on translation of foreign operations	**664**	8,359
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**(136,250)**	113,264
Attributable to:		
Owners of the Company	**(106,824)**	90,536
Non-controlling interests	**(29,426)**	22,728
	(136,250)	113,264

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 September 2011

	Notes	30 September 2011 (Unaudited) *HK$'000*	31 March 2011 (Audited) *HK$'000* (Restated)
NON-CURRENT ASSETS			
Property, plant and equipment		**148,952**	158,843
Investment properties		**414,200**	404,000
Prepaid land premiums		**1,871**	2,216
Available-for-sale investments		**780**	780
Total non-current assets		**565,803**	565,839
CURRENT ASSETS			
Inventories		**915**	965
Prepaid land premiums		**591**	605
Trade receivables, prepayments, deposits and other receivables	9	**21,600**	18,481
Equity investments at fair value through profit or loss		**548,642**	469,642
Due from a related company		**3,857**	2,093
Bank deposits		**46,312**	32,594
Cash and cash equivalents		**307,812**	609,073
Total current assets		**929,729**	1,133,453
CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		**31,640**	88,934
Trade payables, accruals, other payables and deposits received	10	**81,760**	47,792
Tax payable		**829**	8,887
Total current liabilities		**114,229**	145,613
NET CURRENT ASSETS		**815,500**	987,840
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,381,303**	1,553,679

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*

30 September 2011

	Note	30 September 2011 (Unaudited) *HK$'000*	31 March 2011 (Audited) *HK$'000* (Restated)
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,381,303**	1,553,679
NON-CURRENT LIABILITIES			
Loans advanced from non-controlling shareholders of the Group's subsidiaries		**188,846**	190,157
Deposits received	10	**1,337**	1,550
Deferred tax liabilities		**3,798**	3,798
Total non-current liabilities		**193,981**	195,505
Net assets		**1,187,322**	1,358,174
EQUITY			
Equity attributable to owners of the Company			
Issued capital		**14,417**	14,417
Reserves		**1,221,965**	1,328,789
Proposed final dividends		**–**	34,602
		1,236,382	1,377,808
Non-controlling interests		**(49,060)**	(19,634)
Total equity		**1,187,322**	1,358,174

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2011

1. BASIS OF PREPARATION

The interim condensed consolidated financial statements are unaudited and have been prepared in accordance with the Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and 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").

The unaudited condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2011.

2. CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The accounting policies adopted in the preparation of the interim financial statements are the same as those used in the annual financial statements for the year ended 31 March 2011, except as described below. In the current period, the Group has applied, for the first time, the following new and revised Hong Kong Financial Reporting Standards ("HKFRSs", which included all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by the HKICPA which are effective for the Group's financial years beginning on or after 1 April 2011.

Improvement to HKFRSs 2010*	Amendments to a number of HKFRSs issued in May 2010 Improvements to HKFRSs issued in 2010
HKAS 24 (Revised)	*Related Party Disclosures*
HKFRS 1 Amendment	Amendment to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards – Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters*
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*

* Improvements to HKFRSs (May 2010) contains amendments to HKFRS 1, HKFRS 3, HKFRS 7, HKAS 1, HKAS 27, HKAS 34 and HK(IFRIC)-Int 13.

The adoption of these new and revised HKFRSs had had no material impact on the Group's results of operation and financial position.

The Group had early adopted the Amendments to HKAS 12 *Income Taxes – Deferred Tax: Recovery of Underlying Assets* in the interim financial statements for the six months ended 30 September 2011 and the effects of this early adoption are explained below.

Amendments to HKAS 12 were issued in December 2010 which introduce a rebuttable presumption that deferred tax on investment property measured using the fair value model in HKAS 40 *Investment Property* should be determined on the basis that its carrying amount will be recovered through sale. The amendments also require that deferred tax on non-depreciable assets measured using the revaluation model in HKAS 16 *Property, Plant and Equipment* should always be measured on a sale basis. As a result of the amendments, HK(SIC)-21 *Income Taxes – Recovery of Revalued Non-depreciable Assets*, will be superseded once the amendments become effective. Although the amendments are effective for annual periods beginning on or after 1 January 2012, the Group has early adopted the amendments in the financial statements.

Prior to the adoption of the Amendments to HKAS 12, the Group has provided deferred tax on the fair value gains on its investment properties assuming that the carrying amounts of these properties will be recovered through use. Upon the adoption of the Amendments to HKAS 12, the Group now measures deferred tax on investment properties assuming that their carrying amounts will be recovered through sale. As the adoption of the amendment applies retrospectively, the effects of the above changes on the condensed consolidated interim financial statements for the current and prior accounting periods are summarised below:

	2011	2010
	HK$'000	*HK$'000*
Condensed consolidated income statement for the six months ended 30 September		
Increase/(decrease) in income tax expense	**(1,683)**	4,392
Decrease in basic earnings/(loss) per share	**(HK0.03 cent)**	HK0.08 cent

Condensed consolidated statement of financial position at

	30 September 2011	31 March 2011
	HK$'000	*HK$'000*
Decrease in deferred tax liabilities	**36,375**	34,692

	1 April 2011	1 April 2010
	HK$'000	*HK$'000*
Increase in retained profits	**34,692**	30,000

3. **OPERATING SEGMENT INFORMATION**

For management purposes, the Group is organised into business units based on their businesses and services and has four reportable operating segments as follows:

(a) the cruise ship charter services segment engages in the provision of chartering services of cruise ships;

(b) the hotel operations segment engages in the operations of a hotel property in Indonesia;

(c) the property investments segment invests in prime office space and commercial shops for its rental income potential; and

(d) the securities trading segment engages in the trading of marketable securities for short-term investment purposes.

Management monitors the results of its operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit/(loss) before tax except that interest income, finance costs, corporate gains as well as head office and corporate expenses are excluded from such measurement.

There were no inter-segment sales and transfers during the period (2010: Nil).

Group

	Cruise ship charter services Six months ended 30 September		Hotel operations Six months ended 30 September		Property investments Six months ended 30 September		Securities trading Six months ended 30 September		Consolidated Six months ended 30 September	
	2011	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010
	(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*
Segment revenue	**31,763**	48,657	**11,246**	11,021	**7,186**	16,237	**(124,249)**	41,718	**(74,054)**	117,633
Segment results	**(10,867)**	26,473	**(3,751)**	(4,633)	**15,279**	50,435	**(136,001)**	48,388	**(135,340)**	120,663
Reconciliation:										
Interest income and unallocated gains									**1,194**	430
Corporate and other unallocated expenses									**(9,929)**	(9,527)
Finance costs									**(746)**	(2,576)
Profit/(loss) before tax									**(144,821)**	108,990

4. REVENUE

Revenue, which is also the Group's turnover, represents cruise ship charter service income, income from hotel operations, gross rental income received and receivable from investment properties and loss from securities trading during the period.

5. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

	Six months ended 30 September 2011 (Unaudited) ***HK$'000***	Six months ended 30 September 2010 (Unaudited) *HK$'000*
Depreciation	**10,616**	10,471
Amortisation of prepaid land premiums	**305**	292
Employee costs	**8,289**	8,109
Gain on disposal of investment properties	**–**	(22,248)

6. INCOME TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the period. In the prior period, Hong Kong profits tax was provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during that period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates.

	Six months ended 30 September 2011 (Unaudited) ***HK$'000***	Six months ended 30 September 2010 (Unaudited) *HK$'000* (Restated)
Group:		
Current – Hong Kong		
Charge for the period	**–**	4,937
Overprovision in prior years	**(7,907)**	–
Deferred	**–**	(852)
Total tax charge/(credit) for the period	**(7,907)**	4,085

7. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings/(loss) per share amount is based on the profit/(loss) for the period attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 5,766,968,705 (2010: 5,765,288,705) in issue during the period.

No adjustment has been made to the amounts of the basic earnings/(loss) per share presented for the periods ended 30 September 2011 and 2010 in respect of a dilution as the exercise price of the share options of the Company outstanding during the two periods was higher than the average market price of the Company's ordinary shares and, accordingly, such share options held have no dilutive effect on the basic earnings/(loss) per ordinary share.

The calculations of the basic earnings/(loss) per share are based on:

	Six months ended 30 September 2011 (Unaudited) *HK$'000*	Six months ended 30 September 2010 (Unaudited) *HK$'000* (Restated)
Earnings/(loss)		
Profit/(loss) attributable to ordinary equity holders of the Company, used in the basic earnings/(loss) per share calculation	**(106,322)**	82,766
Shares		
Weighted average number of ordinary shares in issue during the period, used in the basic earnings/(loss) per share calculation	**5,766,968,705**	5,765,288,705

8. DIVIDENDS

	Six months ended 30 September 2011 (Unaudited) *HK$'000*	Six months ended 30 September 2010 (Unaudited) *HK$'000*
Interim dividend	**17,301**	17,296

On 29 November 2011, the directors declared an interim dividend of HK0.3 cent per share for the six months ended 30 September 2011 (2010: HK0.3 cent) to be paid to the shareholders of the Company whose names appear on the register of members on 16 December 2011.

9. TRADE RECEIVABLES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

The Group's billing terms with customers are mainly on credit. Invoices are normally payable within 30 days of issuance, except for certain well-established customers, where the terms are extended to 90 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are regularly reviewed by senior management. Trade receivables are non-interest-bearing.

Below is an aged analysis of trade receivables, net of impairment, based on the invoice date, which is the date when the services are rendered.

	30 September 2011 (Unaudited) *HK$'000*	31 March 2011 (Audited) *HK$'000*
Within 1 month	**9,548**	8,437
1 to 2 months	**8,131**	1,571
2 to 3 months	**61**	531
Over 3 months	**453**	695
Trade receivables	**18,193**	11,234
Prepayments, deposits and other receivables	**3,407**	7,247
	21,600	18,481

10. TRADE PAYABLES, ACCRUALS, OTHER PAYABLES AND DEPOSITS RECEIVED

The aged analysis below shows the Group's trade payables, based on goods receipt date and the date when services are rendered.

	30 September 2011 (Unaudited) *HK$'000*	31 March 2011 (Audited) *HK$'000*
Trade payables:		
Current to 180 days	**3,900**	5,090
Over 180 days	**13,164**	13,510
	17,064	18,600
Accruals, other payables and deposits received	**66,033**	30,742
	83,097	49,342

Deposits received of HK$1,337,000 (31 March 2011: HK$1,550,000) were included as non-current liabilities. The trade and other payables are non-interest-bearing and are normally settled on 90-day terms.

INTERIM DIVIDEND

The Board has declared an interim dividend of HK0.3 cent per share for the six months ended 30 September 2011 (2010: HK0.3 cent) payable to shareholders whose names appear on the register of members of the Company on 16 December 2011. The interim dividend will be paid on or around 30 December 2011.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 14 December 2011 to Friday, 16 December 2011, both days inclusive, during which period no transfer of the Company's shares will be registered. In order to qualify for the interim dividend, all share certificates with duly completed transfer forms must be lodged with the Company's branch registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 13 December 2011.

MANAGEMENT DISCUSSION AND ANALYSIS

During the first three quarters of 2011, the world's major stock markets were heavily battered in the aftermath of Japan's devastating earthquake and nuclear crisis, as well as the deepening of the sovereign debt crisis in Europe and the U.S. credit rating downgrade. This chain of events has led to the most severe financial crisis since 2008. Although global economic growth was expected to pick up again in the second half of the year, growth remained unbalanced. Asian economy, amid fears of a new global recession and increased economic uncertainty, was not immune to the crisis in Europe and the U.S.

Facing the unforeseen global financial crisis, the management of New Century Group Hong Kong Limited believes opportunities lie in the midst of difficulty. To capture the opportunities, the Group made proactive adjustments to its investment strategy to invest in a number of blue chips in both Hong Kong and Singapore stock markets at relatively low prices. That is capable of generating strong profits when the markets turn around. At the same time, the Group also maintains a healthy financial position for future investment and liquidity.

Results

For the six months ended 30 September 2011, the Group recorded a negative revenue of HK$74,054,000 (2010: a positive revenue of HK$117,633,000), which was mainly attributed to fair value losses in securities trading. Together with fair value losses on cruise ships and foreign exchange losses, loss attributable to owners of the Company was HK$106,322,000 for the period under review (2010 (restated): profit attributable to owners of HK$82,766,000). Basic loss per share was HK1.84 cents (2010 (restated): basic earnings per share of HK1.44 cents).

Operations

Cruise Ship Charter Services

The cruise ship charter services of "Leisure World" and "Amusement World" (the "Cruise Ships") were still affected by strong competition from two scalable casino hotels in Singapore, which had lured away a number of the Cruise Ships' guests and made the cruise ship charter services operate at loss. From January 2011 onwards, the Group was no longer entitled to the sharing of net win of slot machines onbroad the Cruise Ships. During the period, revenue dropped by 34.7% to HK$31,763,000 (2010: HK$48,657,000). Further hit by an increase in fair value losses on cruise ships to HK$35,338,000 (2010: HK$15,508,000), the segment turned from a profit of HK$26,473,000 last period to a loss of HK$10,867,000 this period.

Hotel Operations

Revenue stood at HK$11,246,000 for the period under review (2010: HK$11,021,000). With effective cost control on hotel operations, the segment succeeded in reducing its loss to HK$3,751,000 (2010: HK$4,633,000). The segment loss also included an exchange loss of HK$1,441,000 during the period (2010: HK$1,150,000) due to the depreciation of the Singapore dollar to the Indonesian Rupiah at the translation of receivables in the Singapore dollar at the end of the reporting period.

Property Investment

Due to the disposals of several investment properties with tenancy in Hong Kong and Singapore in the financial year of 2010/2011, revenue dropped by 55.7% to HK$7,186,000 (2010: HK$16,237,000). Such disposals also made the Group record an one-off disposal gain of HK$22,248,000 for the same period last year and caused a decrease in fair value gains on investment properties by HK$4,900,000 (2011: HK$10,200,000; 2010: HK$15,100,000). Thus, the segment profit was down from HK$50,435,000 last period to HK$15,279,000 this period. During the period, the Group achieved about a 100% occupancy rate with an average annual rental yield of 3.4% (31 March 2011: 3.3%) for the Group's investment properties.

Securities Trading

The segment result turned from a profit of HK$48,388,000 last period to a loss of HK$136,001,000 this period, mainly due to the recent downturn in the global financial markets. The segment loss in this period also included an exchange loss of HK$11,731,000 (2010: exchange gain of HK$6,783,000) that resulted from the depreciation of the Singapore dollar to the Hong Kong dollar at the translation of Singapore securities at the end of the reporting period.

The investment portfolio of the Group consists mainly of blue chips in Hong Kong and Singapore stock markets. Asian stock markets tumbled for the period under review as sentiment took a hit from a weakening economic climate in Europe. However, with reference to the investment insight of the Group in the past years, the Group has confidence in the global economy in the long run and has invested in a portfolio of blue chips in both Hong Kong and Singapore stock markets at relatively low prices during the period.

Contingent Liabilities

As of 30 September 2011, the Company had outstanding guarantees of HK$131,385,000 given to banks to secure general credit facilities for certain subsidiaries of the Company. Credit facilities in an aggregate amount of HK$31,640,000 had been utilized by the subsidiaries in respect of such guarantees at the end of the reporting period.

Charge on the Group's Assets

As of 30 September 2011, some of the Group's land and building and investment properties with an aggregate value of HK$386,939,000 and equity investments with a carrying value of HK$548,642,000 were pledged to banks and securities dealers for loan facilities worth HK$184,614,000 granted to the Group. As of 30 September 2011, HK$31,640,000 of the loan facilities had been utilized by the Group.

Liquidity and Financial Resources

As of 30 September 2011, the Group had net current assets of HK$815,500,000 and equity attributable to owners of the Company of HK$1,236,382,000.

The Group's total indebtedness (representing the aggregate amount of interest-bearing loans from banks) was HK$31,640,000 repayable on demand. All loans were denominated in the Hong Kong dollar and charged at floating interest rates. It was secured by mortgages over some of the Group's properties that have an aggregate net book value of HK$386,939,000.

The Group's gearing ratio (total indebtedness divided by equity attributable to owners of the Company) at the end of the reporting period was reduced to 0.03 (31 March 2011 (restated): 0.06).

Exposure on Equity Price Risk, Foreign Exchange Risk and Interest Rate Risk

The Group is exposed to equity price risk arising from individual equity investments classified as trading equity investments. The Group's listed investments are listed on the stock exchanges of Hong Kong and Singapore and are valued at quoted market prices at the end of the reporting period.

The Group's cash and cash equivalents are held predominately in the Hong Kong dollar and the Singapore dollar. The Group's borrowings are denominated in the Hong Kong dollar at floating interest rates. The Group's exposure to the risk of changes in interest rates relates primarily to the Group's long-term debt obligations with a floating interest rate. In the opinion of the directors, the Group has no significant interest rate risk. As the impact of foreign exchange exposure is minimal, no hedging against foreign currency exposure is necessary.

Human Resources

As of 30 September 2011, the Group had a total of 245 staff. 216 of them were based in Indonesia, 4 in Singapore and 25 in Hong Kong. Remuneration packages for employees and directors are structured according to market terms as well as individual performance and experience. Benefits plans maintained by the Group include mandatory provident fund scheme, medical insurance, share option scheme and discretionary bonuses. As of 30 September 2011, the Group had 436,788,000 outstanding share options granted to eligible executives and employees of the Group.

Prospects

Looking ahead, the Group believes, under the cooperation of international and regional financial organizations along with China's stable growth, the global financial crisis will be out of the shadows. In view of this, the Group will actively strengthen its tourism-related business for stable cash flows, while it reaffirms its commitment to further explore other financial and property investment opportunities. Riding on the expertise of the management team and its prudent investment strategy, the Group is set to maximize shareholders' returns.

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

During the six months ended 30 September 2011, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has adopted the principles and complied with all the applicable provisions of the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 30 September 2011, except for certain deviations as specified with considered reasons for such deviations as explained below.

Code Provision A.4.1

Code provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election.

The independent non-executive directors of the Company are not appointed for a specific term but shall retire from office by rotation at least once every three years as referred to the bye-law 87 of the Company where provides that at each annual general meeting one-third of the directors of the Company for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation.

As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are not less exacting than those in the Code.

Code Provision E.1.2

Code provision E.1.2 stipulates that the chairman of the Board should attend the annual general meeting of the Company and arrange for the chairmen of the audit and remuneration committees or in the absence of the chairman of such committees, another member of the committee or failing this his duly appointed delegate, to be available to answer questions at the annual general meeting.

Owing to another business engagement, Mr. Wilson Ng, the chairman of the Board, was unable to attend the annual general meeting of the Company held on 30 August 2011. In his absence, Mr. Ng Wee Keat, the chief executive officer of the Company (who is also the chairman of the remuneration committee) attended and took the chair of the said annual general meeting and ensured that proceedings of the meeting were conducted in order, whereas the chairman of the audit committee was also present at the meeting. The Company considers that the members of the Board, the audit committee and the remuneration committee who attended the said annual general meeting were already of sufficient calibre and numbers to address shareholders' questions at the meeting.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the directors of the Company. Having made specific enquiry of all directors of the Company, all of them confirmed that they have complied with the required standard set out in the Model Code during the six months ended 30 September 2011.

REVIEW OF INTERIM RESULTS

The unaudited interim results for the six months ended 30 September 2011 have been reviewed by the auditors of the Company, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. The Board, through the audit committee, has also conducted a review of the internal control and the interim report for the six months ended 30 September 2011.

On behalf of the Board
Wilson Ng
Chairman

Hong Kong, 29 November 2011

As at the date of this announcement, the Board comprises Mr. Wilson Ng (Chairman), Ms. Sio Ion Kuan (Deputy Chairman), Mr. Ng Wee Keat (Chief Executive Officer), Ms. Ng Siew Lang, Linda (Chief Operating Officer), Ms. Lilian Ng, Ms. Chen Ka Chee and Mr. Yu Wai Man as executive directors and Mr. Wong Kwok Tai, Mr. Kwan Kai Kin, Kenneth and Mr. Ho Yau Ming as independent non-executive directors.