CHOW SANG SANG HOLDINGS INTERNATIONAL LIMITED
周生生集團國際有限公司*

(Incorporated in Bermuda with limited liability)

Stock code: 116

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2015

The Board of Directors (the "Board") of Chow Sang Sang Holdings International Limited (the "Company") announces the unaudited interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2015. The interim results have been reviewed by the Audit Committee of the Board.

FINANCIAL HIGHLIGHTS

	Unaudited Six months ended 30 June		
	2015	2014	Change
	HK$'000	HK$'000	
Turnover			
Jewellery retail	**8,165,017**	8,214,222	-1%
Other businesses	**1,079,584**	1,118,299	-3%
	9,244,601	9,332,521	-1%
Profit attributable to equity holders of the Company#	**728,995**	519,835	+40%
Basic earnings per share	**107.7 cents**	76.8 cents	+40%
Interim dividend per share	**12.0 cents**	12.0 cents	-
Dividend payout ratio	**11%**	16%	
Equity attributable to equity holders of the Company	**9,308,031**	8,646,733^	+8%
Equity per share	**$13.8**	$12.8^	+8%

Profit attributable to equity holders of the Company for the six months ended 30 June 2015 included a gain of HK$246 million on the disposal of shares in Hong Kong Exchanges and Clearing Limited.

^ Audited as at 31 December 2014

* *For identification purpose only*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the six months ended 30 June 2015

	Note	Unaudited Six months ended 30 June 2015 HK$'000	 2014 HK$'000
TURNOVER	4		
Jewellery retail		**8,165,017**	8,214,222
Other businesses		**1,079,584**	1,118,299
		9,244,601	9,332,521
Cost of sales		**(7,110,923)**	(7,159,215)
Gross profit		**2,133,678**	2,173,306
Other income		**54,512**	46,742
Selling and distribution costs		**(1,355,697)**	(1,251,621)
Administrative expenses		**(229,033)**	(227,654)
Other gains/(losses), net		**27,885**	(61,982)
Gain on disposal of available-for-sale investments		**245,501**	-
Finance costs		**(15,599)**	(14,841)
Share of profits/(losses) of associates, net		**241**	(338)
PROFIT BEFORE TAX	5	**861,488**	663,612
Income tax	6	**(132,493)**	(140,707)
PROFIT FOR THE PERIOD		**728,995**	522,905
Profit attributable to:			
Equity holders of the Company		**728,995**	519,835
Non-controlling interests		**-**	3,070
		728,995	522,905
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	8		
Basic		**107.7 cents**	76.8 cents
Diluted		**107.7 cents**	76.8 cents

Details of dividends payable to equity holders of the Company are set out in note 7.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2015

	Unaudited Six months ended 30 June 2015 HK$'000	2014 HK$'000
PROFIT FOR THE PERIOD	**728,995**	522,905
OTHER COMPREHENSIVE INCOME/(LOSSES)		
Items that may be reclassified subsequently to profit or loss:		
Available-for-sale investments:		
Changes in fair value	**506,393**	75,293
Reclassification adjustment for gain on disposal included in the consolidated statement of profit or loss	**(245,501)**	-
	260,892	75,293
Exchange differences on translation	**3,102**	(125,026)
Net other comprehensive income/(losses) to be reclassified to profit or loss in subsequent periods	**263,994**	(49,733)
Item that will not be reclassified to profit or loss:		
Gains on property revaluations	-	3,850
Other comprehensive income/(losses) for the period, net of tax	**263,994**	(45,883)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**992,989**	477,022
Total comprehensive income/(losses) attributable to:		
Equity holders of the Company	**992,989**	478,536
Non-controlling interests	-	(1,514)
	992,989	477,022

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2015

	Note	**Unaudited 30 June 2015 HK$'000**	Audited 31 December 2014 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**738,909**	760,312
Investment properties		**281,924**	281,924
Prepaid land lease payments		**13,155**	13,299
Intangible assets		**271**	271
Other assets		**239,558**	234,866
Investments in associates		**24,764**	24,761
Available-for-sale investments		**1,129,859**	869,067
Deferred tax assets		**28,270**	29,307
Total non-current assets		**2,456,710**	2,213,807
CURRENT ASSETS			
Inventories		**7,216,392**	7,385,323
Accounts receivable	9	**716,377**	718,745
Receivables arising from securities and futures broking	9	**1,779,613**	247,997
Prepayments, deposits and other receivables		**186,394**	228,673
Investments at fair value through profit or loss		**26,601**	13,388
Derivative financial instruments		**3,324**	-
Tax recoverable		**986**	872
Cash held on behalf of clients		**496,852**	424,968
Cash and cash equivalents		**1,283,980**	1,008,636
Total current assets		**11,710,519**	10,028,602
CURRENT LIABILITIES			
Accounts payable	10	**140,731**	136,215
Payables arising from securities and futures broking	10	**598,040**	487,169
Other payables and accruals		**413,646**	520,941
Derivative financial instruments		**-**	4,576
Interest-bearing bank borrowings		**595,251**	697,699
Interest-bearing bank borrowings arising from securities and futures broking		**1,557,839**	-
Bullion loans		**875,985**	1,030,680
Tax payable		**60,226**	31,126
Total current liabilities		**4,241,718**	2,908,406
NET CURRENT ASSETS		**7,468,801**	7,120,196
TOTAL ASSETS LESS CURRENT LIABILITIES		**9,925,511**	9,334,003

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2015

	Unaudited 30 June 2015 HK$'000	Audited 31 December 2014 HK$'000
NON-CURRENT LIABILITIES		
Interest-bearing bank borrowings	**440,833**	526,279
Deferred tax liabilities	**176,647**	160,991
Total non-current liabilities	**617,480**	687,270
Net assets	**9,308,031**	8,646,733
EQUITY		
Equity attributable to equity holders of the Company		
Issued capital	**169,230**	169,230
Reserves	**9,138,801**	8,477,503
Total equity	**9,308,031**	8,646,733

NOTES

1. Basis of preparation

This unaudited condensed consolidated interim financial report has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and Appendix 16 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules").

This interim financial report should be read in conjunction with the Annual Report 2014.

The accounting policies and basis of computation used in the preparation of this interim financial report are the same as those used in the Group's audited financial statements for the year ended 31 December 2014, except for the adoption of revised Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) which have become effective for accounting periods beginning on or after 1 January 2015 as disclosed in note 2 below.

2. Changes in accounting policies and disclosures

The Group has adopted the following revised HKFRSs for the first time for the current period's consolidated interim financial report:

Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions
Annual Improvements 2010-2012 Cycle	Amendments to a number of HKFRSs
Annual Improvements 2011-2013 Cycle	Amendments to a number of HKFRSs

The adoption of the revised HKFRSs has had no significant financial effect on these financial statements and there have been no significant changes to the accounting policies applied in these financial statements.

3. Operating segment information

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

(a) the manufacture and retail of jewellery segment produces jewellery products for the Group's retail business and operates retail stores mainly in Hong Kong, Macau, Mainland China and Taiwan;

(b) the wholesale of precious metals segment trades precious metals to wholesale customers;

(c) the securities and futures broking segment provides brokering and dealing services for securities and futures; and

(d) the other businesses segment comprises, principally, the investment in properties for their rental income and capital appreciation potential, and other jewellery related businesses.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that certain dividend income, gain on disposal of available-for-sale investments and share of profits/(losses) of associates, net are excluded from such measurement.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

	Manufacture and retail of jewellery HK$'000	Wholesale of precious metals HK$'000	Securities and futures broking HK$'000	Other businesses HK$'000	Total HK$'000
Six months ended 30 June 2015					
Segment revenue					
Sales to external customers	8,165,017	1,006,571	33,421	39,592	9,244,601
Intersegment sales	-	632,326	-	1,507	633,833
	8,165,017	1,638,897	33,421	41,099	9,878,434
Reconciliation:					
Elimination of intersegment sales					(633,833)
					9,244,601
Segment results	561,332	9,547	26,104	9,500	606,483
Reconciliation:					
Dividend income					9,263
Gain on disposal of available-for-sale investments					245,501
Share of profits of an associate					241
Profit before tax					861,488

3. Operating segment information (continued)

	Manufacture and retail of jewellery HK$'000	Wholesale of precious metals HK$'000	Securities and futures broking HK$'000	Other businesses HK$'000	Total HK$'000
Six months ended 30 June 2014					
Segment revenue					
Sales to external customers	8,214,222	995,188	17,337	105,774	9,332,521
Intersegment sales	-	350,304	-	1,486	351,790
	8,214,222	1,345,492	17,337	107,260	9,684,311
Reconciliation:					
Elimination of intersegment sales					(351,790)
					9,332,521
Segment results	634,378	9,799	7,847	2,964	654,988
Reconciliation:					
Dividend income					8,962
Share of losses of associates, net					(338)
Profit before tax					663,612

4. Turnover

Turnover represents the net invoiced value of goods sold, after allowances for returns, trade discounts and value-added tax; commission on securities and futures broking and gross rental income earned during the period.

Revenue from the following activities has been included in turnover:

	Six months ended 30 June	
	2015 HK$'000	2014 HK$'000
Sales of goods	**9,205,624**	9,310,113
Commission on securities and futures broking	**33,421**	17,337
Gross rental income	**5,556**	5,071
	9,244,601	9,332,521

5. Profit before tax

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

	Six months ended 30 June 2015 HK$'000	2014 HK$'000
Write-down of inventories to net realizable value	**17,572**	-
Depreciation	**94,582**	91,269
Operating lease payments in respect of leasehold land and buildings:		
Minimum lease payments	**455,764**	380,878
Contingent rents	**11,707**	16,147
	467,471	397,025
Net fair value (gain)/loss on bullion loans designated as at fair value through profit or loss	**(12,185)**	34,176
Net fair value (gain)/loss on derivative financial instruments - transactions not qualifying as hedges	**(7,883)**	20,834
Net fair value gain on investments at fair value through profit or loss	**(4,499)**	(90)
Net (gain)/loss on bullion loans designated as at fair value through profit or loss[Δ]	**(11,466)**	57,779
Net loss/(gain) on disposal of derivative financial instruments[Δ]	**5,729**	(7,199)
Interest income	**(21,864)**	(22,795)
Dividend income	**(9,527)**	(10,267)

Δ These balances are included in "Cost of sales" on the face of the consolidated statement of profit or loss. The purpose of the above bullion transactions entered into by the Group is to manage the Group's bullion price exposures. Such loans and contracts did not meet the criteria for hedge accounting.

6. Income tax

Hong Kong profits tax has been provided at the rate of 16.5% (2014: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	Six months ended 30 June 2015 HK$'000	2014 HK$'000
Current - Hong Kong	**38,951**	63,888
Current - Elsewhere	**76,820**	88,779
Deferred	**16,722**	(11,960)
Total tax charge for the period	**132,493**	140,707

7. Dividends

(a) Dividends recognized as distribution during the period:

	Six months ended 30 June	
	2015	2014
	HK$'000	HK$'000
2013 final dividend payable - HK54.0 cents per ordinary share	**-**	365,537
2014 final dividend paid - HK49.0 cents per ordinary share	**331,691**	-
	331,691	365,537

(b) Dividends declared after the end of the reporting period:

	Six months ended 30 June	
	2015	2014
	HK$'000	HK$'000
2015 interim dividend declared - HK12.0 cents (2014: HK12.0 cents) per ordinary share	**81,230**	81,230

The interim dividend is not recognized as a liability as at 30 June 2015 and 2014 because it has been declared after the end of the reporting period.

8. Earnings per share attributable to equity holders of the Company

The calculation of the basic earnings per share amount is based on the profit for the period attributable to equity holders of the Company of HK$728,995,000 (2014: HK$519,835,000), and the weighted average number of ordinary shares of 676,920,000 (2014: 676,920,000) in issue during the period.

The Group had no potentially dilutive ordinary shares in issue during the current and prior periods.

9. Accounts receivable/Receivables arising from securities and futures broking

Jewellery retail
The Group's sales are normally made on a cash basis. Credit card receivables from financial institutions in respect of retail sales are aged within one month. There are wholesale customers who have been given credit periods within 60 days.

Wholesale of diamonds
The Group normally grants credit periods of up to 60 days to its trade customers.

Wholesale of precious metals
The Group's wholesale of precious metals is normally conducted on a cash basis.

Securities and futures broking
Securities deals are settled two days after the trade date, and futures deals are normally settled on a cash basis.

	30 June 2015 HK$'000	31 December 2014 HK$'000
Trade and credit card receivables	**717,610**	719,976
Impairment	**(1,233)**	(1,231)
Accounts receivable	**716,377**	718,745
Receivables arising from securities and futures broking conducted in the ordinary course of business:		
Cash clients	**153,745**	76,617
Clearing houses	**12,347**	33,841
Clients of subscription for initial public offerings ("IPOs")	**1,441,858**	-
Loans to margin clients	**172,425**	138,301
	1,780,375	248,759
Impairment	**(762)**	(762)
Receivables arising from securities and futures broking	**1,779,613**	247,997
Total accounts receivable and receivables arising from securities and futures broking	**2,495,990**	966,742

Apart from the receivable balances arising from securities and futures broking which bear interest at commercial rates, the balances are non-interest-bearing.

9. Accounts receivable/Receivables arising from securities and futures broking (continued)

An ageing analysis of the accounts receivable and receivables arising from securities and futures broking not impaired at the end of the reporting period, based on the due date, is as follows:

	30 June 2015 HK$'000	31 December 2014 HK$'000
Not yet due	**630,940**	681,295
Within 30 days past due	**191,971**	123,792
31 to 60 days past due	**32,451**	15,857
61 to 90 days past due	**16,576**	3,412
Over 90 days past due	**9,769**	4,085
	881,707	828,441
Loans to margin clients*	**172,425**	138,301
Clients of subscription for IPOs#	**1,441,858**	-
	2,495,990	966,742

* The loans to margin clients are secured by the underlying pledged securities, repayable on demand and bear interest at commercial rates. No ageing analysis is disclosed as, in the opinion of the Directors, an ageing analysis is not relevant in view of the nature of the business of securities margin financing. As at 30 June 2015, the total market value of securities pledged as collateral in respect of the loans to margin clients was HK$474,638,000 (31 December 2014: HK$408,824,000).

As at 30 June 2015, the margin clients' accounts receivable balance included an amount of HK$728,000 receivable in respect of securities transactions undertaken for the account of an officer of a subsidiary. As at 31 December 2014, the Group has no margin loan receivable from the officer. The maximum amount outstanding during the period was HK$728,000.

\# Clients of subscription for IPOs as at 30 June 2015 was an amount of HK$1,441,858,000 (31 December 2014: Nil), which are due when the corresponding allotment results of the related IPOs have been publicly announced and bear interest at commercial rates.

10. Accounts payable/Payables arising from securities and futures broking

	30 June 2015 HK$'000	31 December 2014 HK$'000
Accounts payable	**140,731**	136,215
Payables arising from securities and futures broking conducted in the ordinary course of business:		
Cash clients	**516,424**	428,732
Margin clients	**62,030**	58,437
Clearing houses	**19,586**	-
Payables arising from securities and futures broking	**598,040**	487,169
Total accounts payable and payables arising from securities and futures broking	**738,771**	623,384

10. Accounts payable/Payables arising from securities and futures broking (continued)

An ageing analysis of the accounts payable and payables arising from securities and futures broking as at the end of the reporting period, based on the due date, is as follows:

	30 June 2015 HK$'000	31 December 2014 HK$'000
Within 30 days (including amounts not yet due)	**159,617**	135,515
31 to 60 days	**-**	-
Over 60 days	**700**	700
	160,317	136,215
Cash clients accounts payable[Δ]	**516,424**	428,732
Margin clients accounts payable[^]	**62,030**	58,437
	738,771	623,384

Δ Included in the cash clients accounts payable arising from dealing in securities conducted in the ordinary course of business is an amount of approximately HK$439,417,000 (31 December 2014: HK$355,608,000) representing those clients' undrawn monies/excess deposits placed with the Group. As at 30 June 2015, the cash clients accounts payable included an amount of HK$6,765,000 (31 December 2014: HK$6,161,000) in respect of securities transactions undertaken for the accounts of certain Directors. The cash clients accounts payable are repayable on demand and bear interest at commercial rates. No ageing analysis is disclosed as, in the opinion of the Directors, an ageing analysis is not meaningful in view of the nature of the business of dealing in securities.

^ The margin clients accounts payable are repayable on demand and bear interest at commercial rates. No ageing analysis is disclosed as, in the opinion of the Directors, an ageing analysis is not relevant in view of the nature of the business of securities margin financing.

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

The official record of visits to Hong Kong by Mainland Chinese may have shown a rise of 5.9% year-on-year during the first five months of 2015; however actual spending by these visitors did not bring much cheer to the luxury retail sector.

Negative sentiments towards cross-border traders and even mainland visitors probably cast a pall over shopping activities. Exchange rate fluctuations caused price differences that made it worthwhile for consumers from the mainland, and even those from Hong Kong, to shop in Japan and Europe for luxury goods.

On the mainland, the slowing growth in the economy, the continued anti-corruption and austerity drive affected high-ticket spending, but in general the retail sector was healthy.

During the first half of the year, the stock market in Hong Kong however shook off the gloom. It registered a new record in turnover one day in April, with the Hang Seng Index jotting a seven-year peak in the same month. Average total market daily turnover nearly doubled that of the first half of 2014.

The Group's turnover for the first half of 2015 slipped 1% to HK$9,245 million. Profit attributable to equity holders increased 40% to HK$729 million, which included a gain of HK$246 million on the disposal of shares in Hong Kong Exchanges and Clearing Limited.

Jewellery Retail

Of the total turnover 88% was contributed by jewellery retail. Operating profit was HK$561 million, decreasing 12% from the prior period.

Hong Kong and Macau
Sales registered a drop of 10%. Same store sales growth ("SSSG") was -12%.

The store in Metroplaza, Kwai Chung was closed but the store in Elements, West Kowloon was expanded and fitted out under a new shop-design scheme.

Macau was especially hard hit by the anti-graft campaigns and the measure to restrict funds outflow. One street-level store was closed at the expiry of its lease.

Capital expenditure was HK$24 million, most of which was spent on store refurbishment.

Rental expenditure for shops rose by 18%.

Mainland China
Total turnover increased by 11% to HK$3,944 million. SSSG was +5%. Online sales increased over 70%.

With the opening of 21 stores during the first half the retail network now covers 102 cities. At the same time, 10 stores were closed, mostly due to poor results. At the end of June, the total number of stores in Mainland China was 333.

Gold products were still dominant in the sales mix, but gem-set jewellery made satisfactory catching up.

With the new store openings and the refitting of five stores, capital expenditure came to RMB36 million.

Taiwan
Turnover registered a drop of 8% from last year. The economy did not seem to have gained material benefit from visits by mainlanders and the retail sector remained weak.

Wholesale of Precious Metals

Metal prices had been trending down and demand at the wholesale level was weak. There was only minimal increase in turnover.

Securities and Futures Broking

Riding on the rebound of the stock market, our average daily turnover increased 111% over the previous period. However, the commission rate suffered a drop as the total commission income went up 93%. Income from the financing for initial public offerings ("IPOs") also increased.

The system replacement project has been successfully completed.

Investments

Properties
The Group holds various properties that are being used for offices, shops and factories. Rental income from investment properties amounted to HK$6 million, less than 1% of the Group's turnover.

Shares in Hong Kong Exchanges and Clearing Limited ("HKEC")
At 1 January 2015, the Group had 4,953,500 shares of HKEC, received as distribution from the reorganization of the then exchanges in year 2000. During the period, 891,700 shares were sold at a gain of HK$246 million in order to generate working capital. As at 30 June 2015, the Group held 4,061,800 shares of HKEC and the unrealized gain on the holding amounted to HK$1,111 million (31 December 2014: 4,953,500 shares with unrealized gain of HK$850 million).

Finance

Financial Position and Liquidity
The Group generates strong recurring cashflow from its jewellery business and continues to enjoy a solid cash position. As at 30 June 2015, the Group had cash and cash equivalents of HK$1,284 million, compared to HK$1,009 million at the end of 2014. Cash is mostly held in Hong Kong dollar or Renminbi and deposited in leading banks with maturity dates falling within one year.

The Group was well supported by over HK$5,980 million in banking facilities including bank borrowings and bullion loans, out of which HK$927 million are committed facilities. As at 30 June 2015, total unutilized banking facilities was HK$3,790 million (31 December 2014: HK$3,813 million).

As at 30 June 2015, total bank borrowings and bullion loans with respect to its jewellery business amounted to HK$1,036 million and HK$876 million respectively, most of which were unsecured in accordance with Group policy. All the loans are repayable within three years. Bank borrowing with respect to its securities business amounted to HK$1,558 million, out of which HK$1,318 million was arranged to provide financing to subscribers of IPOs. The gearing ratio was 23%, based on total bank borrowings (excluding IPO financing) and bullion loans of HK$2,152 million as a percentage of total equity of HK$9,308 million. The current ratio of the Group was 2.8.

The Group manages risk of credit cost and availability by several means: cultivating relationship with a large number of lending banks; diversifying the funding sources by engaging a number of local and overseas banks; putting some loans on a term basis; and fixing interest costs on loans as appropriate. The Group had 21% of its bank loans with respect to its jewellery business at fixed rates as at 30 June 2015.

As at 30 June 2015, outstanding derivatives on the books were mainly bullion contracts for hedging the bullion price exposure. The management monitors the hedging policy closely and the hedging level of the Group is approximately 40% of the total gold inventories.

Foreign Exchange Risk Management
The Group's assets and liabilities, revenue and expenses are mostly denominated in Hong Kong dollar, Renminbi and US dollar. As such, the risk is easily manageable and slight. Simultaneously, the Group maintains an appropriate level of foreign currency borrowings for natural hedge to minimize the foreign exchange exposure. As at 30 June 2015, the borrowings denominated in New Taiwan dollar amounted to NT$96 million.

Charge on Assets and Contingent Liabilities
As at 30 June 2015, certain items of properties of the Group with a net carrying value of HK$214 million (31 December 2014: HK$216 million), and listed equity investments of HK$821 million (31 December 2014: HK$525 million) were pledged to secure banking facilities granted to certain subsidiaries of the Company.

As at 30 June 2015, the Group had no material contingent liabilities.

Human Resources

As at 30 June 2015, total staff of the Group was 7,922. There were 1,678 staff in Hong Kong and 6,004 staff in the mainland.

There has been no major change in human resource policies and to date no option has been granted under the Company's share option scheme.

Outlook

Despite the testing of new lows by gold and platinum prices in the month of July, we do not expect any dramatic change in the operating environment for the rest of the year. The direction of consumer spending seems to point to more affordable goods.

We continue to closely monitor our inventory levels. We have revamped our own online shops both for the mainland and Hong Kong. Online sales continue to grow, and we are making progress in facilitating our online customers to take advantage of the network of physical stores.

In Hong Kong we have acquired space in Citywalk, Tsuen Wan, to open a Rolex and Tudor store. The existing store in the same mall shall cease to operate its watch counters.

In China there are 18 store openings planned in the second half, along with several refitting and closings.

DIVIDEND

The Board has declared an interim dividend of HK12.0 cents (2014: HK12.0 cents) per ordinary share for the six months ended 30 June 2015 payable to shareholders whose names appear on the register of members of the Company on Wednesday, 16 September 2015. The dividend will be paid on Wednesday, 23 September 2015.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 14 September 2015 to Wednesday, 16 September 2015, both days inclusive, during such period no transfer of shares will be registered. To ensure the entitlement to the interim dividend, shareholders are reminded to lodge their transfer documents accompanied by the relevant share certificates with the Company's branch share registrars, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:00 p.m. on Friday, 11 September 2015.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the period.

CORPORATE GOVERNANCE

The Company has complied throughout the period under review with the applicable code provisions of the Corporate Governance Code (the "Code") as set out in Appendix 14 of the Listing Rules, except for the deviation from a code provision A.2.1 of the Code which is explained below.

Code provision A.2.1 of the Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Vincent CHOW Wing Shing holds both positions of the Chairman and the Group General Manager of the Company. The Board is of the opinion that the present board structure provides the Group with strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This results announcement is published on the websites of the Group at www.chowsangsang.com/group/eng/index.htm and HKEC at www.hkexnews.hk. The 2015 interim report of the Company will be available on both websites and despatched to shareholders on or about Friday, 18 September 2015.

BOARD OF DIRECTORS

As at the date of this announcement, the Executive Directors of the Company are Mr. Vincent CHOW Wing Shing, Dr. Gerald CHOW King Sing and Mr. Winston CHOW Wun Sing; the Non-executive Directors are Mr. CHOW Kwen Ling, Dr. CHOW Kwen Lim, Mr. Stephen TING Leung Huel and Mr. CHUNG Pui Lam; and the Independent Non-executive Directors are Dr. CHAN Bing Fun, Mr. LEE Ka Lun, Dr. LO King Man and Mr. Stephen LAU Man Lung.

By order of the Board
Vincent CHOW Wing Shing
Chairman

Hong Kong, 25 August 2015