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ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2013

INTERIM RESULTS

The board of directors (the “Board”) of Century Legend (Holdings) Limited (the “Company”) is hereby to present the unaudited condensed consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2013. The unaudited consolidated results have been reviewed by the Audit Committee of the Company.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2013

	<i>Notes</i>	Six months ended 30 June	
		2013	2012
		(Unaudited)	(Unaudited)
		HK\$'000	HK\$'000
Revenue		15,429	14,039
Cost of sales		<u>(4,263)</u>	<u>(4,335)</u>
Gross profit		11,166	9,704
Other income		824	914
Fair value (loss)/gain on financial assets at fair value through profit or loss		(634)	40
Administrative expenses		(12,858)	(12,641)
Finance costs		(562)	(648)
Fair value gain on investment properties		<u>13,600</u>	<u>15,830</u>
Profit before income tax	<i>3</i>	11,536	13,199
Income tax expense	<i>4</i>	<u>(564)</u>	<u>(156)</u>
Profit for the period		<u>10,972</u>	<u>13,043</u>

* *For identification purposes only*

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Continued)

For the six months ended 30 June 2013

	Six months ended 30 June	
	2013	2012
	(Unaudited)	(Unaudited)
<i>Notes</i>	HK\$'000	HK\$'000
Other comprehensive income		
Item that may be subsequently reclassified to profit or loss		
Revaluation of available-for-sale financial assets	<u>(2,199)</u>	210
Other comprehensive income for the period	<u>(2,199)</u>	210
Total comprehensive income for the period	<u><u>8,773</u></u>	<u><u>13,253</u></u>
Profit for the period attributable to:		
Owners of the Company	10,607	12,736
Non-controlling interests	<u>365</u>	<u>307</u>
	<u><u>10,972</u></u>	<u><u>13,043</u></u>
Total comprehensive income for the period attributable to:		
Owners of the Company	8,408	12,946
Non-controlling interests	<u>365</u>	<u>307</u>
	<u><u>8,773</u></u>	<u><u>13,253</u></u>
Earnings per share attributable to the owners of the Company		
– Basic	5	
	<u><u>HK3.56 cents</u></u>	<u><u>HK4.28 cents</u></u>
– Diluted		
	<u><u>HK3.10 cents</u></u>	<u><u>HK3.73 cents</u></u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2013

		As at 30 June 2013 (Unaudited) HK\$'000	As at 31 December 2012 (Audited) HK\$'000
	<i>Notes</i>		
ASSETS AND LIABILITIES			
NON-CURRENT ASSETS			
Property, plant and equipment		4,604	3,780
Investment properties		269,800	256,200
Prepayment for acquisition of property, plant and equipment		–	408
Prepaid land lease payments		4,008	4,067
Available-for-sale financial assets		17,630	19,625
Loans receivables		11,678	589
		<u>307,720</u>	<u>284,669</u>
CURRENT ASSETS			
Inventories		81	136
Prepaid land lease payments		123	123
Financial assets at fair value through profit or loss		3,977	4,657
Trade and other receivables and prepayments	6	20,619	19,219
Loans receivables		31,686	41,157
Trust bank balances held on behalf of customers		2,603	2,953
Cash and bank balances		76,783	86,730
		<u>135,872</u>	<u>154,975</u>
CURRENT LIABILITIES			
Trade payables	7	9,191	6,425
Other payables and accruals		5,490	11,181
Obligations under finance leases		121	121
Bank borrowings (secured)		49,164	51,275
		<u>63,966</u>	<u>69,002</u>
NET CURRENT ASSETS		<u>71,906</u>	<u>85,973</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Continued)

As at 30 June 2013

	As at 30 June 2013 (Unaudited) <i>HK\$'000</i>	As at 31 December 2012 (Audited) <i>HK\$'000</i>
TOTAL ASSETS LESS CURRENT LIABILITIES	379,626	370,642
NON-CURRENT LIABILITIES		
Bank borrowings (secured)	4,997	5,290
Obligation under finance leases	272	332
Deferred tax liabilities	2,641	2,077
	<u>7,910</u>	<u>7,699</u>
NET ASSETS	<u>371,716</u>	<u>362,943</u>
EQUITY		
Share capital	59,534	59,534
Reserves	309,853	301,445
Equity attributable to the owners of the Company	369,387	360,979
Non-controlling interests	2,329	1,964
TOTAL EQUITY	<u>371,716</u>	<u>362,943</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2013

1. Basis of preparation principal accounting policies

(a) *Basis of preparation*

This unaudited condensed consolidated interim financial statements has been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with Hong Kong Accounting Standard (“HKAS”) 34, Interim Financial Reporting, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. 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 December 2012.

(b) *Principal accounting policies*

The unaudited condensed consolidated financial statements for the six months ended 30 June 2013 have been prepared on the historical cost basis except for investment properties and certain financial instruments that are measured at fair values.

The unaudited condensed consolidated interim financial statements has been prepared in accordance with the same accounting policies adopted in the annual financial statements for the year ended 31 December 2012, except as described below.

(c) *Adoption of new or revised standards*

In the current interim period, the Group has applied, for the first time, all of the new or revised Hong Kong Financial Reporting Standards (“HKFRS”) issued by the HKICPA that are relevant for the preparation of the Group’s unaudited condensed consolidated interim financial statements:

Amendments to HKAS 1 (Revised) Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income

The amendments to HKAS 1 (Revised) require entities to present the items of other comprehensive income that would be reclassified to profit or loss in the future if certain conditions are met separately from those that would never be reclassified to profit or loss. The Group’s presentation of other comprehensive income in these financial statements has been modified accordingly.

1. Basis of preparation principal accounting policies (Continued)

(c) Adoption of new or revised standards (Continued)

HKFRS 13 Fair Value Measurement

HKFRS 13 replaces existing guidance in individual HKFRSs with a single source of fair value measurement guidance. HKFRS 13 also contains extensive disclosure requirements about fair value measurements for both financial instruments and non-financial instruments. The adoption of HKFRS 13 does not have any material impact on the fair value measurements of the Group's assets and liabilities.

(d) New or revised standards that are not yet effective and have not been early adopted by the Group

The new standards and amendments to standards, potentially relevant to the Group's financial statements, have been issued, but not yet effective for the financial year beginning on 1 January 2013 and have not been early adopted by the Group. The Group is in the process of making an assessment of the potential impact of these new or revised standards.

2. Segment information

The Group has identified its operating segments and prepared segment information based on the regular internal financial information reported to the Group's executive directors for their decisions about resources allocation to the Group's business components and review of these components' performance. The business components in the internal reporting to the executive directors, the chief operating decision-makers, are determined following the Group's major product and service lines. The Group is currently organised into the following four operating segments.

Health and beauty services	–	Provision of health and beauty services in Hong Kong
Money lending	–	Provision of commercial and personal loans in Hong Kong
Stock broking	–	Provision of stock broking services in Hong Kong
Property investments	–	Investing in commercial and residential properties for its rental income potential and for capital appreciation in both Macau and Hong Kong

2. Segment information (Continued)

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segments:

	Segment revenue		Segment profit	
	Six months ended 30 June			
	2013 (Unaudited) <i>HK\$'000</i>	2012 (Unaudited) <i>HK\$'000</i>	2013 (Unaudited) <i>HK\$'000</i>	2012 (Unaudited) <i>HK\$'000</i>
Health and beauty services	7,311	7,344	925	826
Money lending	884	905	655	738
Stock broking	1,880	1,917	437	473
Property investments	<u>5,354</u>	<u>3,873</u>	<u>12,874</u>	<u>14,086</u>
	<u>15,429</u>	<u>14,039</u>	<u>14,891</u>	16,123
Unallocated other income			664	840
Fair value (loss)/gain on financial assets at fair value through profit or loss			(634)	40
Corporate staff costs			(1,774)	(1,806)
Other corporate and unallocated expenses			<u>(1,611)</u>	<u>(1,998)</u>
Profit before income tax			<u>11,536</u>	<u>13,199</u>

Revenue reported above represented revenue generated from external customers.

Segment profit represents the profit earned by each segment without allocation of central administration costs, other income, fair value (loss)/gain on financial assets at fair value through profit or loss and corporate staff costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

2. Segment information (Continued)

Segment assets and liabilities

	As at 30 June 2013 (Unaudited) HK\$'000	As at 31 December 2012 (Audited) HK\$'000
Segment assets		
Health and beauty services	2,531	2,106
Money lending	43,845	41,981
Stock broking	28,872	25,716
Property investments	<u>294,651</u>	<u>281,394</u>
Total segment assets	369,899	351,197
Available-for-sale financial assets	17,630	19,625
Financial assets at fair value through profit or loss	3,977	4,657
Other corporate and unallocated assets	<u>52,086</u>	<u>64,165</u>
Consolidated total assets	<u>443,592</u>	<u>439,644</u>
Segment liabilities		
Health and beauty services	1,193	1,346
Money lending	50	82
Stock broking	9,251	6,565
Property investments	<u>58,215</u>	<u>65,510</u>
Total segment liabilities	68,709	73,503
Deferred tax liabilities	2,641	2,077
Other corporate and unallocated liabilities	<u>526</u>	<u>1,121</u>
Consolidated total liabilities	<u>71,876</u>	<u>76,701</u>

2. Segment information (Continued)

Segment assets and liabilities (Continued)

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

- all assets are allocated to reportable segments other than available-for-sale financial assets, financial assets at fair value through profit or loss and corporate assets; and
- all liabilities are allocated to reportable segments other than deferred tax liabilities and corporate liabilities.

Other segment information

	Interest income		Fair value gain on investment properties		Finance costs		Addition to specified non-current assets		Depreciation and amortisation	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Health and beauty services	-	-	-	-	-	-	205	1	74	63
Money lending	884	905	-	-	-	-	-	-	-	-
Stock broking	422	268	-	-	-	-	49	-	25	29
Property investments	148	-	13,600	15,830	562	647	6	686	333	355
	<u>1,454</u>	<u>1,173</u>	<u>13,600</u>	<u>15,830</u>	<u>562</u>	<u>647</u>	<u>260</u>	<u>687</u>	<u>432</u>	<u>447</u>
Unallocated	469	665	-	-	-	1	1,105	2	153	8
Total	<u>1,923</u>	<u>1,838</u>	<u>13,600</u>	<u>15,830</u>	<u>562</u>	<u>648</u>	<u>1,365</u>	<u>689</u>	<u>585</u>	<u>455</u>

Geographical information

The geographical location of the specified non-current assets (i.e. non-current assets excluding financial assets) is based on the physical location of the asset. The geographical location of customers is based on the location at which the services were provided or the goods delivered.

The following is an analysis of the carrying amount of specified non-current assets and revenue from external customers, analysed by the geographical location.

	Specified non-current assets		Revenue from external customers	
	As at 30 June 2013	As at 31 December 2012	Six months ended 30 June 2013	Six months ended 30 June 2012
	(Unaudited) HK\$'000	(Audited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Hong Kong (domicile)	219,430	209,970	14,187	12,946
Macau	58,982	54,485	1,242	1,093
	<u>278,412</u>	<u>264,455</u>	<u>15,429</u>	<u>14,039</u>

3. Profit before income tax

Profit before income tax is arrived at after charging/(crediting) the following:

	Six months ended 30 June	
	2013	2012
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
(a) Finance costs		
Interest on borrowings	555	636
Other finance costs	7	12
	<hr/>	<hr/>
Total finance costs recognized in profit or loss	562	648
	<hr/> <hr/>	<hr/> <hr/>
(b) Other items		
Fair value loss/(gain) on financial assets at fair value through profit or loss	634	(40)
Depreciation and amortisation	585	455
	<hr/> <hr/>	<hr/> <hr/>

4. Income tax expense

No provision for Hong Kong profits tax has been made as the Group did not derive any assessable profit for the six months ended 30 June 2013 and 2012.

The Group has available tax losses as at 31 December 2012 for offsetting against future profits. No deferred tax assets have been recognised as the directors consider that it is uncertain that they will crystallize in the foreseeable future.

5. Earnings per share attributable to the owners of the Company

The calculation of basic earnings per share attributable to the owners of the Company for the period is based on the profit attributable to the Company's owner of HK\$10,607,000 (six months ended 30 June 2012: HK\$12,736,000) and the weighted average of 297,669,597 (six months ended 30 June 2012: 297,669,597) shares in issue during the six-month period.

The calculation of diluted earnings per share is based on the profit attributable to the equity shareholders of HK\$10,607,000 (six months ended 30 June 2012: HK\$12,736,000) and the weighted average number of 342,212,354 (six months ended 30 June 2012: 341,467,063) ordinary shares after adjusting for the effects of all dilutive potential ordinary shares under the Company's share option scheme.

6. Trade and other receivables and prepayments

	30 June 2013 (Unaudited) HK\$'000	31 December 2012 (Audited) HK\$'000
Trade receivables (<i>Note</i>)	18,623	16,265
Less: provision for impairment	<u>(281)</u>	<u>(281)</u>
Trade receivables, net	18,342	15,984
Other receivables and deposits	<u>2,277</u>	<u>3,235</u>
	<u>20,619</u>	<u>19,219</u>

Note:

The Group's trade receivables as at 30 June 2013 mainly represented the receivable balances in respect of the Group's stock broking business. The Group allows a credit period up to the settlement dates of their respective transactions (normally two business days after the respective trade dates) except for margin client receivables which are repayable on demand.

The majority of the Group's revenue is on cash basis. The remaining balances of revenue are on credit terms of thirty-sixty days. At 30 June 2013, the ageing analysis of the trade receivables, net of provision for impairment, is as follows:

	30 June 2013 (Unaudited) HK\$'000	31 December 2012 (Audited) HK\$'000
Repayable on demand – margin receivables	6,769	10,101
0-30 days	10,860	5,418
31-60 days	452	245
61-90 days	82	–
Over 90 days	<u>179</u>	<u>220</u>
	<u>18,342</u>	<u>15,984</u>

7. Trade Payables

As at 30 June 2013, the ageing analysis (based on invoice date) of the Group's trade payables is as follows:

	30 June 2013 (Unaudited) <i>HK\$'000</i>	31 December 2012 (Audited) <i>HK\$'000</i>
Repayable on demand		
– Trust bank balances for funds placed by customers	2,595	2,896
0-30 days	6,553	3,485
31-60 days	43	44
	9,191	6,425

BUSINESS REVIEW AND PROSPECTS

Overall Performance

With the uptick in economic growth in the fourth quarter of 2012 carried over into 2013, Hong Kong GDP growth in the first quarter this year was 2.8% and the economy is expected to expand by 3.3% this year. However the recent slowing growth in Mainland China and the weaker than expected growth of the US economy indicate that recovery is still underway. Should the productivity and growth in these major economies further deteriorate, both the Macau and Hong Kong economies where the Group's core businesses are located would come under pressure and growth might falter.

For the six months ended 30 June 2013, the Group recorded a turnover of HK\$15,429,000, representing a 9.9% increase from the corresponding period of last year (1H2012: HK\$14,039,000). Gross profit for the period under review was HK\$11,166,000, representing a 15.1% increase from the corresponding period of last year (1H2012: HK\$9,704,000).

The Group delivered a net profit of HK\$10,972,000 compared to a net profit of HK\$13,043,000 from the corresponding period of last year. The decrease in net profit was mainly attributed to decrease in gain from revaluation of investment properties of HK\$2,230,000. Before the gain from revaluation and its related income tax expenses the Group incurred loss of HK\$2,064,000 verses HK\$2,631,000 the same period last year.

Property Investment Business

The recent round of tightening government measures to regulate the property market, introduced in the first quarter of the year have successfully curbed demand, especially from speculators and short term investors seeking only capital appreciation. These various measures, in particular, the Double Stamp Duty (DSD) have impacted the Group as an investor with cash and is willing to deploy our capital on the right opportunity. The Group's existing properties portfolio comprises of office, retail and residential properties in both Macau and Hong Kong. On the commercial property front, increased transaction costs as well as few prospects of price appreciation and low yields combined with a slightly softening leasing market, is discouraging the commercial property market. On the residential property front, the Hong Kong market experienced its worst three months sales activity in more than a decade during the second quarter of 2013. Transactions dropped 30% quarter on quarter from implementation of the DSD and also with the Residential Properties (First –hand Sales) Ordinance coming in effect in April, it delayed the launch of new projects as developers worked to meet new requirements on sales brochures and price lists. During the reviewing period, the Group made no purchase or sale of investment properties as the overall property market was sluggish while property price remained high.

During the first half of 2013, our properties portfolio in Macau and Hong Kong contributed desirable rental income of HK\$5,354,000 (1H2012: HK\$3,873,000) to the Group while fair value of our investment properties increased HK\$13,600,000, 93.4% of which was derived from the commercial properties as of 30 June 2013. These properties are anticipated to provide steady but slower capital appreciation in the latter half year and remain to serve as a stable income base to the Group.

Health and Beauty Business

Health and beauty business continues to be a stable contributor to the revenue of the Group. For the first half of 2013, the Health and Beauty business segment reported a turnover of HK\$7,311,000 representing a 0.4% decrease when compared to the corresponding period last year. Segment net profit for the period is HK\$925,000 representing 12% increase when compared to that of the same period in 2012.

Savings on the rental expenses from rent free period upon tenancy renewal is major cause for the increase in segment net profit. To keep our competitive edge, management team will further step up its effort in enhancing operational efficiency and cost structure as exploring new service and marketing strategies.

During the period under review, the Group is pleased to announce that in addition to caring company award, our premium hair salon, Headquarters, has obtained “ERB Manpower Developer – SME Award” from the Employees Retraining Board in recognition of our strenuous effort and commitment in conducting our staff training program.

Other Business Segments

During the first half of 2013, the stock broking business segment recorded a turnover and segment profit of HK\$1,880,000 and HK\$437,000, which had decreased 1.9% and 7.6% respectively over the same period last year. Overall market transaction volume had shrunk substantially with great volatility in the equity market as the Hang Sang Index dropped by more than 13% its highest level during the second quarter from mid May to June. As a small sized stock brokerage company, we faced a great challenge in the midst of income dropping from reduced transaction volume and keen competition from banks which have greater financial resources while operation costs rising due to inflation. In the remaining year, the management will dedicate to tighten the credit control with clients to avoid bad debts and adopt stringent cost control measures to improve the business performance.

Money lending business contributed a turnover of HK\$884,000 during the first six months of 2013, decreased 2.3% compared to the same period last year. The segment recorded a profit of HK\$655,000, compared to a profit of HK\$738,000 the same period last year. This increased our return on surplus cash in the low interest environment.

Prospects

In the first half of 2013, both the Hong Kong and Macau governments continued to implement measures in curbing the property market, and the various transaction duties that imposed had led to the increase in property transaction costs. At the same time, both governments also required banks to further tighten the credit facilities in the property market and investors were required to invest more capital to meet the bank facilities crunch. Under the conditions of increasing transaction costs and higher capital spending, the sentiment of property investors and buyers to enter into the market was relatively low, and the transaction volume of the overall property market was shrunk substantially. However, on the other hand, given the sound overall fundamentals in the property market, property owners were basically cautious and took a wait-and-see attitude, i.e. they are not in a rush to sell and also not willing to adjust their selling prices. Hence, the property prices did not go down noticeably as a result of the implementation of such measures, and remained at a relatively high level. In view of such factors, the Group was unable to identify suitable investment opportunities in the property market. Looking forward into the second half year, the property market trading situation is still not optimistic. We believe both the Hong Kong and Macau governments will not withdraw their curbing measures on property market in the short run, therefore the situation of a shrinking property transaction volume with prices not going down will persist. Although identifying investment opportunities in property market has certain difficulties, the Group will retain its healthy and prudence attitude, actively paying attention to different investment opportunities in the property market, identifying quality properties, and thereby optimizing the property investment portfolios of the Group.

In 2013, another major mission of the Group is to review its financial position and financing arrangements. After the reiterate studies and negotiations with various financial institutes for several months, the Group had reached an agreement with a bank recently to effect a new financing arrangement for a major property of the Group. Under the new financing arrangement, the Group will be equipped with more sufficient fund to prepare for its future business development.

Prospects (Continued)

For the business of Headquarters, the tenancy of its existing location expired earlier, and a renewal arrangement had been concluded with the owner. To cope with the impact of the increase in rent under the new tenancy, as well as the increase in minimum wage to HK\$30 per hour from 1 May onwards, Headquarters conducted corresponding price adjustments in June for the various services and products it provides, and not too much negative feedback was received from clients regarding such adjustments. We will further review various routine operational expenses in the second half year, strictly control our costs and hope to minimize the impact of cost increases on the profitability of our business.

The Group will operate our other businesses in line with the planning and budget set by the management at the beginning of the year. Based on the business performance in the first half year, we are fully confident that all targets set at the beginning of the year can be achieved as scheduled by the end of this year. Nevertheless, the management will cautiously review our businesses performance at regular intervals and make necessary strategic adjustments as and when it is appropriate.

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 30 June 2013, the Group had a cash and bank balances of HK\$76,783,000 and net current assets of HK\$71,906,000. The current ratio (calculated as the current assets to the current liabilities) of the Group as at 30 June 2013 was approximately 2.12 (31 December 2012: 2.25). The Group maintained a strong working capital position during the reviewing period.

The sales and purchase of the Group are mainly denominated in Hong Kong dollars. The Directors consider that the Group's exposure to fluctuations in exchange rates was minimal.

During the period under review, the Group's certain investment properties were pledged to banks to secure the bank borrowing of approximately HK\$54,161,000, which is denominated in Hong Kong dollars and bearing interest at floating rate. Neither the Company nor the Group had any significant contingent liabilities as at 30 June 2013 (31 December 2012: Nil). The Group had no significant capital commitments as at 30 June 2013 (31 December 2012: HK\$591,000).

Capital Structure of the Group

During the period under review, the Group had total equity HK\$371,716,000, HK\$393,000 fixed rate liability, HK\$54,161,000 floating rate liability and HK\$17,322,000 interest-free liabilities, representing 0.1%, 14.6% and 4.7% of the Group's total equity respectively. The gearing ratio (calculated as the total long term loan to the total shareholders' equity) of the Group as at 30 June 2013 was approximately 1.42% (31 December 2012: 1.55%).

Interim Dividend

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2013.

EMPLOYEE AND REMUNERATION POLICY

For the period ended, the Group employed approximately a total of 40 employees (30 June 2012: 44) with staff costs excluding directors' emoluments amounted to HK\$4,222,000 (30 June 2012: HK\$4,062,000).

The Group's emoluments policies are formulated on the performance of individuals and are competitive to the market. Employee remuneration is reviewed and determined by management annually based on both employees' individual and Group's overall performance.

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES

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

CORPORATE GOVERNANCE

Compliance with the Code of Best Practice of the Listing rules

The Company has complied with the Code on Corporate Governance Practices in Appendix 14 to the Listing Rules (the "Code") during the period under review, save for the deviations set out below.

Code A.2.1

As at 30 June 2013, Mr. TSANG Chiu Mo Samuel is the Executive Chairman of the Company and no Chief Executive Officer has been appointed. The responsibilities of Chief Executive Officer have been carried out by Mr. TSANG Chiu Mo Samuel. The Board believes that it is in the best interest of the Company and the shareholders as a whole for Mr. TSANG Chiu Mo Samuel, who is knowledgeable in the business of the Group and possesses the essential leadership skills to guide discussions of the Board in an effective manner, to continue to carry out the responsibilities of Chief Executive Officer, which ensures on the effectiveness and efficiency of the decision making process of the Board.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the unaudited condensed financial statements for the six months ended 30 June 2013 with the directors.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix 10 of the Listing Rules. Upon enquiry by the Company, all Directors have confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30 June 2013.

By Order of the Board
CHU MING TAK EVANS TANIA
Executive Director

Hong Kong, 21 August 2013

As at the date of this announcement, the Board comprises seven Directors, of which four are executive Directors, namely Mr. Tsang Chiu Mo Samuel, Mr. Tsang Chiu Ching, Ms. Tsang Chiu Yuen Sylvia and Ms. Chu Ming Tak Evans Tania; and three are independent non-executive Directors, namely Mr. Hui Yan Kit, Mr. Wong Tak Ming Gary and Mr. Au Chi Wai Edward.