鈞濠集團有限公司*

GRAND FIELD GROUP HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 115)

REASON OF DELAY IN PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENTS ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2008 AND RESIGNATION OF COMPANY SECRETARY

REASON OF DELAY IN PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENTS

The announcement of annual results of Grand Field Group Holdings Limited (the "Company") for the year ended 31st December 2008 was delayed to 7 September 2009 because the Board of Directors (the "Directors") were asked by the auditors belatedly to obtain an updated status on various litigations. Accordingly, the publication of the annual results announcement of the Company in respect of the financial year ended 31st December 2008 (the "Final Results Announcement") had to be delayed (the "Delay").

The Delay in publication of the said final results announcement constitute breaches of Listing Rules. The Stock Exchange reserves its right to take appropriate action against the Company and/or directors of the Company.

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2008

The Directors of the Company are please to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2008 on 4 September 2009.

RESIGNATION OF COMPANY SECRETARY

The directors of the Company hereby announces that on 4 September 2009, Ms. Ngan Chui Wan, Judy ("Ms. Ngan") has resigned as the company secretary of the Company.

* *For identification purposes only*

REASON OF DELAY IN PUBLICATION OF ANNUAL RESULT ANNOUNCEMENT

The announcement of annual results of Grand Field Group Holdings Limited (the "Company") for the year ended 31st December 2008 was delayed to 7 September 2009 because the Board of Directors (the "Directors") were asked by the auditors belatedly to obtain an updated status on various litigations. Accordingly, the publication of the annual results announcement of the Company in respect of the financial year ended 31st December 2008 (the "Final Results Announcement") had to be delayed (the "Delay").

The Delay in publication of the said final results announcement constituted breaches of Listing Rules. The Stock Exchange reserves its right to take appropriate action against the Company and/or directors of the Company.

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2008

The Directors of the Company are pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2008, together with the comparative figures for year 2007 are as follows:

CONSOLIDATED INCOME STATEMENT

for the year ended 31 December 2008 (Expressed in Hong Kong dollars)

	Note	**2008** ***HK$'000***	2007 *HK$'000*
CONTINUING OPERATIONS:			
Revenues	*3*	**5,133**	12,522
Cost of revenue		**(2,260)**	(9,508)
		2,873	3,014
Less: Sales return of properties sold	*3*	**–**	(18,909)
Cost of properties returned		**–**	6,063
		–	(12,846)
Gross profit/(loss)		**2,873**	(9,832)
Other revenue and income	*3*	**1,035**	5,247
Distribution costs		**(285)**	(852)
Administrative expenses		**(49,184)**	(23,482)
Fair value (loss)/gain on investment properties	*8*	**(22,241)**	7,107
Impairment loss on amount due from a director		**(227)**	–
Impairment loss on completed properties held for sale		**(244)**	–
Impairment loss on mortgage loan receivables		**(544)**	(2,523)
Impairment loss on other receivables, deposits and prepayments		**(4,927)**	(1,653)
Impairment loss on prepaid premium for land leases		**–**	(3,300)
Impairment loss on properties under development	*9*	**(26,733)**	–

	Note	2008 HK$'000	2007 HK$'000
Loss from operations		**(100,477)**	(29,288)
Finance costs	*4(c)*	**(1,062)**	(2,546)
Loss before taxation	*4*	**(101,539)**	(31,834)
Income tax credit/(expense)	*5*	**3,447**	(6,255)
Loss for the year from continuing operations		**(98,092)**	(38,089)
DISCONTINUED OPERATION:			
Gain/(loss) for the year from discontinued operation	*6*	**6,437**	(10,154)
Loss for the year		**(91,655)**	(48,243)
Attributable to:			
Equity shareholders of the Company		**(91,655)**	(48,243)
Minority interests		**–**	–
		(91,655)	(48,243)
Dividends		**–**	–
Loss per share (basic and diluted)			
– from continuing operations		**(3.90 cents)**	(1.67 cents)
– from discontinued operation		**0.26 cents**	(0.44 cents)
	7	**(3.64 cents)**	(2.11 cents)

CONSOLIDATED BALANCE SHEET

as at 31 December 2008 (Expressed in Hong Kong dollars)

	Note	**2008**	2007
		HK$'000	*HK$'000*
Non-current assets			
Property, plant and equipment		**20,613**	22,081
Investment properties	*8*	**73,858**	90,391
Prepaid premium for land leases		**186,082**	183,486
Properties under development	*9*	**12,469**	36,802
Mortgage loan receivables due after one year	*10*	**2,756**	3,908
Pledged bank deposits		**27,996**	–
Restricted cash		**1,388**	2,090
Other non-current assets		**14,773**	–
		339,935	338,758
Current assets			
Completed properties held for sale		**16,425**	18,180
Mortgage loan receivables	*10*	**1,770**	3,554
Trade and other receivables	*11*	**41,365**	7,042
Cash and cash equivalents		**9,392**	71,564
		68,952	100,340
Current liabilities			
Trade and other payables	*12*	**14,461**	12,989
Amounts due to related parties		**–**	3,790
Interest-bearing borrowings		**48,613**	12,204
Tax payable	*13(a)*	**3,721**	3,793
Dividend payable		**42**	42
		66,837	32,818
Liabilities directly associated with discontinued operation		**–**	6,457
		66,837	39,275
Net current assets		**2,115**	61,065
Non-current liabilities			
Deferred tax liabilities	*13(b)*	**3,110**	6,272
NET ASSETS		**338,940**	393,551
CAPITAL AND RESERVES			
Share capital		**50,336**	50,336
Reserves		**288,604**	343,215
TOTAL EQUITY		**338,940**	393,551

Notes:

1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and accounting principles generally accepted in Hong Kong. These financial statements also comply with the applicable disclosure requirements of the Rules governing the Listing of Securities on the Main Board of the Stock Exchange (the "Listing Rules").

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2 provides information on the changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

2 CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued certain new and revised HKFRSs and Interpretations that are first effective or available for early adoption for the current accounting period of the Group. The adoption of their these and revised HKFRSs has no material impact on the Group's financial statements for the current year presented.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. Consequently, there have been no significant changes to the accounting policies applied in these financial statements for the years presented as a result of these developments.

3 REVENUES AND SEGMENT INFORMATION

The principal activities of the Group are property development, property management and investment.

Turnover represents the aggregate of net amounts received and receivable for completed properties held for sale sold by the Group to outside customers, property rental income and property management services rendered for the years ended, less sales return of properties sold, and is analysed as follows:

	2008	2007
	HK$'000	*HK$'000*
Revenues		
Sales of properties held for sale	**1,826**	10,693
Less: Sales return of properties sold	**–**	(18,909)
Property rental	**2,071**	1,829
Property management services	**1,236**	–
Turnover	**5,133**	(6,387)
Other revenue and income		
Interest income on bank deposits	**486**	422
Interest income on loan receivables	**114**	–
Foreclosure income from sales return of properties	**–**	4,067
Gain on disposal of property, plant and equipment, net	**239**	–
Net exchange gains	**–**	38
Penalty income	**93**	101
Sundry income	**103**	619
	1,035	5,247
Total revenues and turnover	**6,168**	(1,140)

Segment information is presented by way of two segment formats: (a) on a primary segment reporting basis, by business segment; and (b) on a secondary segment reporting basis, by geographical segment.

(a) *Business segments*

The Group's four business segments comprise (i) property development, (ii) property rental, (iii) property management services and (iv) carnival operation.

The following tables present revenue, results and certain asset, liability and expenditure information for the Group's business segments for 2008:

	Continuing operations				Discontinued operation	
	Property development *HK$'000*	Property rental *HK$'000*	Property management *HK$'000*	Total *HK$'000*	Carnival operation *HK$'000*	Consolidated *HK$'000*
Revenue						
Segment turnover						
Sales to external customers	1,826	2,071	1,236	5,133	–	5,133
Sales return from external customers	–	–	–	–	–	–
	1,826	2,071	1,236	5,133	–	5,133
Result						
Segment result	(36,155)	(20,170)	1,194	(55,131)	6,437	(48,694)
Unallocated income and gains, net				984	–	984
Unallocated expenses				(46,330)	–	(46,330)
Loss from operations				(100,477)	6,437	(94,040)
Finance costs				(1,062)	–	(1,062)
Loss before taxation				(101,539)	6,437	(95,102)
Income tax				3,447	–	3,447
Loss for the year				(98,092)	6,437	(91,655)
Asset and liability						
Segment assets	216,146	74,994	9,503	300,643	–	300,643
Unallocated assets				108,244	–	108,244
Total assets				408,887	–	408,887
Segment liabilities	14,391	159	284	14,834	–	14,834
Unallocated liabilities				55,113	–	55,113
Total liabilities				69,947	–	69,947

	Continuing operations				Discontinued operation	
	Property development	Property rental	Property management	Total	Carnival operation	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Expenses						
Depreciation	**1,815**	**–**	**–**	**1,815**	**–**	**1,815**
Amortisation of prepaid premium for land leases	**5,770**	**–**	**–**	**5,770**	**–**	**5,770**
Impairment loss on amount due from a director	**227**	**–**	**–**	**227**	**–**	**227**
Impairment loss on completed properties held for sale	**244**	**–**	**–**	**244**	**–**	**244**
Impairment loss on mortgage loan receivables	**544**	**–**	**–**	**544**	**–**	**544**
Impairment loss on other receivables, deposits and prepayments	**4,927**	**–**	**–**	**4,927**	**–**	**4,927**
Impairment loss on properties under development	**26,733**	**–**	**–**	**26,733**	**–**	**26,733**
Fair value loss on investment properties	**–**	**22,241**	**–**	**22,241**	**–**	**22,241**
(Gain) on deconsolidation of a subsidiary	**–**	**–**	**–**	**–**	**(6,437)**	**(6,437)**
Capital expenditure	**11**	**–**	**–**	**11**	**–**	**11**

The following tables present revenue, results and certain asset, liability and expenditure information for the Group's business segments for 2007:

	Continuing operations			Discontinued operation	
	Property development *HK$'000*	Property rental *HK$'000*	Total *HK$'000*	Carnival operation *HK$'000*	Consolidated *HK$'000*
Revenue					
Segment turnover					
Sales to external customers	10,693	1,829	12,522	–	12,522
Sales return from external customers	(18,909)	–	(18,909)	–	(18,909)
	(8,216)	1,829	(6,387)	–	(6,387)
Result					
Segment result	(20,393)	8,936	(11,457)	(9,438)	(20,895)
Unallocated income and gains, net			666	–	666
Unallocated expenses			(18,497)	–	(18,497)
Loss from operations			(29,288)	(9,438)	(38,726)
Finance costs			(2,546)	(716)	(3,262)
Loss before taxation			(31,834)	(10,154)	(41,988)
Income tax			(6,255)	–	(6,255)
Loss for the year			(38,089)	(10,154)	(48,243)
Asset and liability					
Segment assets	245,576	91,461	337,037	–	337,037
Unallocated assets			102,061	–	102,061
Total assets			439,098	–	439,098
Segment liabilities	13,782	343	14,125	6,457	20,582
Unallocated liabilities			24,965	–	24,965
Total liabilities			39,090	6,457	45,547
Expenses					
Depreciation	1,509	–	1,509	–	1,509
Amortisation of prepaid premium for land leases	5,432	–	5,432	–	5,432
Impairment loss on mortgage loan receivables	2,523	–	2,523	–	2,523
Impairment loss on other receivables, deposits and prepayments	1,653	–	1,653	–	1,653
Impairment loss on prepaid premium for land leases	3,300	–	3,300	–	3,300
Loss on disposal of property, plant and equipment	35	–	35	–	35
Fair value (gain) on investment properties	–	(7,107)	(7,107)	–	(7,107)
Capital expenditure	341	–	341	–	341

(b) ***Geographical segments***

The Group principally operates in the People's Republic of China ("PRC") with revenue and results derived mainly from its operations in the PRC. No geographical segment information is presented as the Group's assets and liabilities are substantially located in the PRC.

4 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging/(crediting):

		2008	2007
		HK$'000	*HK$'000*
(a)	Staff costs (including directors' emoluments:		
	Salaries, wages and other benefits	**7,604**	6,736
	Contributions to defined contribution retirement plans	**107**	74
	Equity-settled share-based payment expenses	**13,190**	–
		20,901	6,810
(b)	Other items:		
	Amortisation of prepaid premium for land leases	**5,770**	5,432
	Auditor's remuneration	**1,355**	662
	Business tax and other levies (included in cost of completed properties sold)	**99**	517
	Cost of completed properties sold	**2,181**	(9,231)
	Less: Cost of properties returned	**–**	(6,090)
	Depreciation	**1,815**	1,509
	Fair value loss/(gain) on investment properties	**22,241**	(7,107)
	Impairment loss on amount due from a director	**227**	–
	Impairment loss on completed properties held for sale	**244**	–
	Impairment loss on mortgage loan receivables	**544**	2,523
	Impairment loss on other receivables, deposits and prepayments	**4,927**	1,653
	Impairment loss on prepaid premium for land leases	**–**	3,300
	Impairment loss on properties under development	**26,733**	–
	(Gain)/loss on disposal of property, plant and equipment, net	**(239)**	35
	Net foreign exchange losses/(gains)	**1,368**	(38)
	Rental charges under operating leases for office premises	**2,395**	395

		2008	2007
		HK$'000	*HK$'000*
(c)	Finance costs:		
	Interest on interest-bearing borrowings		
	– wholly repayable within five years	**1,062**	2,546

No borrowing costs have been capitalised during the two financial years.

5 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

(a) Taxation in the consolidated income statement represents:

	2008	2007
	HK$'000	*HK$'000*
Current tax		
Enterprise income tax in the PRC	**55**	(341)
Land appreciation tax in the PRC	**49**	324
Deferred tax		
Origination of temporary differences *(note 13(b))*	**(3,551)**	6,272
	(3,447)	6,255

PRC enterprise income tax for the subsidiaries incorporated in the PRC is calculated at 25% of the estimated assessable profit for the year (2007: 15%).

PRC enterprise income tax for the subsidiaries incorporated in Hong Kong which have property development investments in the PRC is calculated at 3% (2007: 3%) of the sales revenue on the respective property development projects.

PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of the land value, being the proceeds of sales of properties less deductible expenditure including amortisation of land use rights, borrowing costs and all property development expenditures.

No provision for Hong Kong profits tax has been made in the financial statements as the Group's income neither arises, nor is derived, from Hong Kong in both financial years. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

On 16 March 2007, the PRC promulgated the Law of the People's Republic of China on Enterprise Income Tax (the "New Law") by Order No.63 of the President of the PRC. On 6 December 2007, the State Council of the PRC issued Implementation Regulations of the New Law. Under the New Law and Implementation Regulations, the Enterprise Income Tax rate for certain subsidiaries in the PRC was reduced from 33% to 25% from 1 January 2008 onwards.

(b) Reconciliation between tax (credit)/expense and accounting loss at applicable tax rates:

	2008	2007
	HK$'000	*HK$'000*
Loss before taxation		
Continuing operations	**(101,539)**	(31,834)
Discontinued operation	**6,437**	(10,154)
	(95,102)	(41,988)
Notional tax credit on loss before taxation	**(18,110)**	(7,112)
Effect of different tax calculation basis for the PRC property development projects operated by the Hong Kong subsidiaries	**7,978**	2,628
Tax effect on non-deductible expenses	**8,670**	11,469
Tax effect on non-taxable income	**(2,119)**	(1,054)
Tax effect on tax losses not recognised	**85**	–
Land appreciation tax	**49**	324
Actual tax (credit)/expense	**(3,447)**	6,255

6 DISCONTINUED OPERATION

In November 2006, the Group acquired a 78% interest in a Hong Kong company, All Right Holdings Limited ("All Right"), to operate a carnival project in Shenzhen. The carnival was originally scheduled to launch in Christmas 2006 throughout the Lunar Chinese New Year. Due to the failure to obtain approval from the local government in late 2006 for the operating licence, the project did not take place and was rescheduled to commence at Easter 2007. The rescheduling of the carnival resulted in an impairment loss of HK$5,000,000, upon the directors' reassessment of its estimated cash flows, the Group set aside for the project in the financial year 2006.

In April 2007, the Group unfortunately failed to obtain the operating licence from the local government for the carnival in that the project came into a complete failure. No revenue or cash flow was generated from the project. The directors of the Company have written off all prepaid expenses and deposits relating to the carnival and; consequently made an additional impairment loss of HK$8,605,000 in the income statement for the year ended 31 December 2007. The directors had discontinued carnival operation and put the subsidiary into liquidation.

(a) An analysis of the results of the discontinued operation, after elimination of intra company transactions, is as follows:

	2008	2007
	HK$'000	*HK$'000*
Turnover	**–**	–
Other revenue	**–**	97
Gain on deconsolidation of a subsidiary *(note 6(e))*	**6,437**	–
Administrative expenses	**–**	(930)
Impairment loss on prepaid carnival expenses and deposits	**–**	(8,605)
Profit/(loss) from operations	**6,437**	(9,438)
Finance costs	**–**	(716)
Profit/(loss) before taxation	**6,437**	(10,154)
Income tax	**–**	–
Profit/(loss) for the year	**6,437**	(10,154)

(b) The major classes of assets and liabilities of the discontinued operation, after elimination of intra company balances, are as follows:

	2008	2007
	HK$'000	*HK$'000*
Assets		
Assets directly associated with the discontinued operation	**–**	–
Liabilities		
Current liabilities		
Trade payables and accrued expenses	**–**	(3,599)
Interest-bearing borrowings	**–**	(2,858)
Liabilities directly associated with the discontinued operation	**–**	(6,457)

(c) An analysis of the cash flows of the discontinued operation is as follows:

	2008	2007
	HK$'000	*HK$'000*
Net cash flow from operating activities	**–**	(2,829)
Net cash flow from financing activities	**–**	88
Net cash flow incurred by the discontinued operation	**–**	(2,741)

(d) Earnings/(loss) per share from the discontinued operation

	2008	2007
	HK$'000	*HK$'000*
Basic and diluted from the discontinued operation	**0.26 cents**	(0.44 cents)

(e) Gain on deconsolidation of a subsidiary

With a court order to wind up All Right issued on 15 October 2008, the Group deconsolidated all liabilities of All Right, recognising a gain of HK$6,437,000 in the consolidated income statement.

7 LOSS PER SHARE

Basic loss per share is calculated based on the loss attributable to equity shareholders of approximately HK$91,655,000 (2007: HK$48,243,000) and on the weighted average number of 2,516,810,000 (2007: 2,286,709,000) shares in issue during the year.

Diluted loss per share is not presented as there are no diluting events during the years ended 31 December 2007 and 2008.

8 INVESTMENT PROPERTIES

	2008	2007
	HK$'000	*HK$'000*
At 1 January	**90,391**	79,264
Exchange differences	**5,364**	5,308
Additions	**–**	856
Transfer from completed properties held for sale	**344**	3,206
Transfer to property, plant and equipment	**–**	(5,350)
Fair value (loss)/gain on investment properties	**(22,241)**	7,107
At 31 December	**73,858**	90,391

Investment properties of the Group were revalued as at 31 December 2008 and 2007 on an open market value basis calculated using the Comparison Approach assuming sales in their existing states with the benefit of vacant possession and by reference to comparable sales/rental evidence as available in the relevant markets. The valuations were carried out by an independent firm of surveyors, BMI Appraisals Limited, who have among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued.

All of the investment properties are situated in the PRC and held on long term leases.

The carrying amounts of investment properties approximate their fair values.

9 PROPERTIES UNDER DEVELOPMENT

	2008	2007
	HK$'000	*HK$'000*
Development and incidental costs	**31,791**	29,824
Interest capitalised	**7,411**	6,978
	39,202	36,802
Less: Provision for impairment loss *(note 9(c))*	**(26,733)**	–
	12,469	36,802

The carrying amounts of properties under development are analysed as below:

	2008	2007
	HK$'000	*HK$'000*
Property development projects with co-operative partner *(note 9(b))*	**–**	25,171
Property development project on its own	**12,469**	11,631
	12,469	36,802

(a) The balance represents the costs incurred by the Group on the properties under construction in the PRC.

(b) Under the contracts of property development projects entered into between the Group and the co-operative partner, the co-operative partner was responsible for making available the land use rights of the construction sites while the Group was responsible for the construction of these properties.

(c) A provision for impairment of properties under development, in an aggregate amount of HK$26,733,000, was made as at 31 December 2008 as, in the opinion of the directors, the piling and foundation works for which development costs were incurred were no longer useful for contemporary building development.

10 MORTGAGE LOAN RECEIVABLES

	2008	2007
	HK$'000	*HK$'000*
Total loan receivables *(note 10(a))*	**12,695**	14,982
Less: Provision for impairment loss *(note 10(b))*	**(8,169)**	(7,520)
	4,526	7,462
Less: Current portion classified as current assets	**(1,770)**	(3,554)
Balance due after one year	**2,756**	3,908

Mortgage loan receivables represent the interest-free loans provided by the Group to the purchasers of properties which are repayable by instalments as stipulated in the loan agreement. The loans are secured by the purchasers' properties. Pursuant to the terms of the sale and purchase agreements, upon default in instalment payments by purchasers, the Group is entitled to take over the legal title and possession of the related properties.

All of the mortgage loan receivables are denominated in Renminbi.

The carrying amounts of the current portions and non-current portions of mortgage loan receivables approximate their fair values. The fair value is determined based on cash flows discounted using the Group's bank borrowings rate of 5.913% per annum (2007: 7.25% per annum).

(a) Maturity analysis

	2008	2007
	HK$'000	*HK$'000*
Total mortgage loans are receivable as below:		
Within one year	**3,553**	7,579
In more than one year but less than five years	**9,142**	7,065
In more than five years	**–**	338
	12,695	14,982

(b) ***Impairment of mortgage loan receivables***

The movement in the provision for impairment loss during the year, including discounting effect, both specific and collective loss components, is as follows:

	2008	2007
	HK$'000	*HK$'000*
At 1 January	**7,520**	6,534
Exchange differences	**105**	121
Amounts written back upon return of properties	**–**	(157)
Impairment loss recognised	**544**	2,680
Uncollectible amounts written off	**–**	(1,658)
At 31 December	**8,169**	7,520

(c) ***Mortgage loan receivables that are not impaired***

An analysis of mortgage loan receivables that are neither individually nor collectively considered to be impaired is as follows:

	2008	2007
	HK$'000	*HK$'000*
Full performing under credit terms, impaired as discounted	**4,526**	7,462
Past due and impaired	**–**	–
	4,526	7,462

11 TRADE AND OTHER RECEIVABLES

	2008	2007
	HK$'000	*HK$'000*
Trade receivables *(note 11(b))*	**412**	–
Other receivables	**3,652**	3,961
Amount receivable on sale of leasehold property *(note 11(c))*	**4,965**	–
Loan receivables *(note 11(d))*	**7,966**	–
Deposit for purchase of property *(note 11(e))*	**5,682**	–
Deposit for development project *(note 11(f))*	**6,818**	–
Deposit for purchase of companies *(note 11(g))*	**1,295**	–
Security deposits for construction projects	**5,682**	–
Retainer money on accounts with solicitors for legal cases	**1,200**	–
Other deposits and prepayments	**3,693**	3,081
	41,365	7,042

All of the trade and other receivables are expected to be recovered or recognised as expenses within one year. The carrying amounts of trade and other receivables approximate their fair values.

(a) Currency analysis

The carrying amounts of trade and other receivables are denominated in the following currencies:

	2008	2007
	HK$'000	*HK$'000*
Hong Kong dollars	**6,932**	2,812
Renminbi	**34,433**	4,230
	41,365	7,042

(b) Ageing analysis

An ageing analysis of trade receivables that are neither individually nor collectively considered to be impaired is as follows:

	2008	2007
	HK$'000	*HK$'000*
Current, neither past due nor impaired	**412**	–

(c) During the year, the Group disposed of its leasehold land and buildings in Hong Kong and furniture and fixture attached thereto, at a consideration of HK$5,050,000, recognising a gain of HK$300,000 in the consolidated income statement.

The amount receivable represents the net proceeds from disposal of the property being held in trust by the Group's solicitors.

(d) During the year, the Group entered into an agreement with Shenzhen Zhong Cheng Construction Engineering Company Limited ("Zhong Cheng") to grant unsecured loans and charge interest rates ranging from 18% to 30% per annum. The loans are repayable within one year.

(e) Pursuant to a memorandum entered into with 深圳市寶瀾投資股份有限公司(深圳市寶瀾) dated 1 December 2008, the Group's wholly owned subsidiary, Yuan Cheng Real Estate (Shenzhen) Limited ("Yuan Cheng") made a deposit of RMB5,000,000 with 深圳市寶瀾 in connection with a possible property project "華僑新苑" in Shenzhen developed by 深圳市寶瀾. The memorandum sets out a 1-year period, during which Yuan Cheng has an option to purchase the property at a consideration of RMB89,871,700 or to be reimbursed the deposit should Yuan Cheng not proceed with the property purchase.

(f) Pursuant to a letter of intent entered into with 深圳市東海怡景投資有限公司(東海怡景) dated 1 December 2008, Metro China Investment Limited ("Metro China"), a subsidiary of the Company, made a deposit of RMB6,000,000 with 東海怡景 to explore the development of a land owned by 東海怡景 and is specified for tourism projects. The letter of intent sets out a 240-day period, during which Metro China has an option to participate in the development project through acquisition of the shares of 東海怡景 or to be reimbursed the deposit should Metro China not proceed with the acquisition. Subsequent to the balance sheet date, the deposit was fully returned in cash to the Group.

(g) On 17 October 2008, China Max Group Limited, a wholly owned subsidiary of the Company, made a deposit of RMB1,140,000 for a motor vehicle with registration licenses both in Hong Kong and Shenzhen, through acquisition of a Hong Kong company and a PRC company.

12 TRADE AND OTHER PAYABLES

	2008	2007
	HK$'000	*HK$'000*
Trade payables to building contractors	**985**	941
Accrued salaries and other expenses	**2,843**	1,497
Deposits received on sale of properties	**872**	1,128
Rental deposits received on investment properties	**186**	385
Receipts in advance	**284**	–
Amount payable on returned properties	**6,653**	6,265
Other payables	**2,638**	2,773
	14,461	12,989

All of the trade and other payables are expected to be settled or recognised as an income within one year. The carrying amounts of trade and other payables approximate their fair values.

(a) Ageing analysis

An ageing analysis of trade payables is set out as follows:

	2008	2007
	HK$'000	*HK$'000*
Current to 90 days	**–**	–
91 to 180 days	**–**	–
181 to 360 days	**–**	–
Over 360 days	**985**	941
	985	941

(b) Currency analysis

The carrying amounts of trade and other payables are denominated in the following currencies:

	2008	2007
	HK$'000	*HK$'000*
Hong Kong dollars	**3,383**	2,211
Renminbi	**11,078**	10,778
	14,461	12,989

13 INCOME TAX IN THE CONSOLIDATED BALANCE SHEET

(a) Current taxation in the consolidated balance sheet represents:

	2008	2007
	HK$'000	*HK$'000*
Enterprise income tax payable in the PRC	**617**	789
Land appreciation tax payable in the PRC	**3,104**	3,004
	3,721	3,793

(b) Deferred tax assets and liabilities recognised:

The components of deferred tax liabilities recognised in the consolidated balance sheet and the movements during the year are as follows:

	Revaluation of investment properties	
	2008	2007
	HK$'000	*HK$'000*
Deferred tax arising from:		
At 1 January	**6,272**	–
Exchange differences	**389**	–
(Credit)/charge to the consolidated income statement	**(3,551)**	6,272
At 31 December	**3,110**	6,272

FINANCIAL RESULTS

For the year ended 31 December 2008, the Group's revenue decreased by 59% to approximately HK$5,133,000. The decrease in revenue for the year ended 31 December 2008 was due to lacking of new property for sale.

During the year, the Group reported a loss attributable to equity shareholders of the Company of approximately HK$91,655,000, which was higher than last year's net loss of approximately HK$48,243,000.

The loss for the year ended 31 December 2008 was mainly attributable to (i) a significant decrease in sales of property units; (ii) fair value losses on investment properties; (iii) impairment losses on properties under development and other assets; and (iv) recognition of share based payments for the share options granted during the year.

BUSINESS REVIEW

With the continuing implementation of a series of macroeconomic measures by the PRC government aiming to suppress the property market from over-booming, the tightening of the grant of loans by financial institutions and the financial tsunami originated in the US and, in result, the demand of the properties declined significantly , creating some uncertainties in the property development markets.

As the result, the real estate sector was affected by the tightened credit terms from financial institutions. Prices of the properties declined significantly in the 2008 leading to fair value loss on investment properties.

The Group's development project in Buji town, Shenzhen has obtained the land title certificate from the relevant authorities at the end of 2007. The project has a site area of 26,000 sq.m; and is planned to develop into a 98,000 sq.m. gross floor area of residential and commercial complex. The Group retained the flexibility to adjust the pace of our developments accordingly.

Given the concurrent macro-environment and the global financial tsunami impact, the Directors took a more prudent view to maintain its leading image in the district and it is more appropriate to put forward a more conservative marketing approach. The Group was upholding its existing resources and will only invest in projects if they believe it is beneficial to the Group.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2008, the Group's cash and bank deposits were approximately HK$9,392,000 (2007: HK$71,564,000) and the percentage of cash and cash equivalent denominated in Hong Kong Dollar ("HKD") and Renminbi ("RMB") was 18.7% and 81.3% respectively (2007: 95% and 5%).

The Group had total current assets of approximately HK$68,952,000 (2007: HK$100,340,000), and total current liabilities of approximately HK$66,837,000 (2007: HK$39,275,000). The Group recorded total assets of approximately HK$408,887,000 (2007: HK$439,098,000) and total bank loans and borrowings of approximately HK$48,613,000 (2007: HK$12,204,000). As at 31 December 2008, the Group's total interest-bearing borrowings amounted to approximately HK$48,613,000 (2007: HK$12,204,000), of which HK$48,613,000 was repayable within 1 year (2007: HK$12,204,000), HK$0 was repayable from 1-2 years (2007: HK$0) and nil was repayable from 2-5 years (2007: HK$0).

As at 31 December 2008, the percentage of the Group's interest-bearing borrowings denominated in HKD and RMB was 2% and 98% (2007: 4% and 96%) respectively and such borrowings carried interest rates ranged from 5.93% to 12.6% (2007: 7.25% to 12.6%).

The gearing ratio for 31 December 2008, which was defined to be total interest-bearing borrowings over shareholders' equity, was 14% (2007: 3%).

The Group's major operations are located in the PRC and the main operational currencies are HKD and RMB. There was an exchange rate appreciation of RMB against HKD for about 5.7% in 2008, and there is no adverse movement of such trend foreseen by the Group. Therefore, it is not necessary for the Group to make any foreign currency hedging arrangement to minimise the foreign exchange risk and exposure.

MATERIAL ACQUISITIONS, DISPOSALS AND SIGNIFICANT INVESTMENT

The Company did not have any material acquisitions, disposal and significant investment of subsidiaries and affiliated companies during the year.

CONTINGENT LIABILITIES

(a) Litigation

(i) Legal proceedings by Mr. Tsang Wai Lun, Wayland and associates

On 6 June 2008, the Company was served with a writ of summons ("Originating Summons") by Mr. Tsang Wai Lun Wayland, a former director and shareholder of the Company, alleging that in a transaction entered into in March 2008 by its wholly owned subsidiary, Yuan Cheng Real Estate (Shenzhen) Limited ("Yuan Cheng") with Dongguan City Hua Jia Fu Industry and Trading Limited and Dongguan City Min Tai Industry and Investment Limited in provision of property management and consultancy services for a shopping plaza located in Tang Xia Town, Dongguan at an annual fee of RMB1,450,000 for a term of 2 years, a refundable security deposit of RMB8,000,000 which Yuan Cheng made with Hua Jia Fu, was abused or mishandled.

On 10 August 2008, a writ of summons was issued by Mr. Tsang against the Company in relation to the resolutions passed in the Annual General Meeting held on 18 June 2008 and in a Special General Meeting held on 25 June 2008. Mr. Tsang sought, inter alias, (i) an order to set aside the resolutions passed at the Annual General Meeting held on 18 June 2008 to grant general mandate for allotment and issue of 20% new share, and repurchase of 10% shares, and a declaration of the resolutions being invalid and null and void and of no legal effect; and (ii) an order to set aside the resolutions passed at a Special General Meeting held on 25 June 2008 in favour of election of Mr. Zhao Yang, Mr. Zhao Juqun, Mr. Yang Biao and Mr. Mok King Tong, and against the election of Mr. Huang Dennis Chong, Mr. Lim Francis, Mr. David Chi-ping Chow, Mr. Wong Ching Wan as directors of the Company, and a declaration of the resolutions being invalid and null and void and of no legal effect.

On 26 August 2008, the Company received a writ of summons by Mr. Tsang against the Company, its subsidiaries, Grand Field Group Holdings (BVI) Limited, Grand Field Group Limited ("Grand Field-HK"), Ms. Chen Yu, Mr. Hui Zhihua and Mr. Wen Li. Mr. Tsang sought, inter alias, (i) an order to set aside the resolutions dated 28 April 2008 to appoint Ms. Chen Yu, and Mr. Hui Zhihua as directors of Grand Field-HK and declare the resolutions invalid and null and void and of no legal effect; (ii) an order to set aside the resolutions dated 16 July 2008 for appointment of Ms. Chen Yu, Mr. Hui Zhihua and Mr. Wen Li as directors of Grand Field-HK and for ratification and confirmation of the acts and documents done by them, and a declaration that the resolutions are invalid and null and void and of no legal effect; and (iii) damages and/or equitable compensation, interest, costs and further and/or other relief.

Subsequent to the balance sheet date, on 9 February 2009, the Company was served with a writ of summons by Mr. Tsang against Mr. Chu King Fai, Mr. Au Kwok Chuen Vincent, Mr. Zhao Juqun, Dr. Wong Yun Kuen, Mr. Yang Biao, and Mr. Mok King Tong, Ms. Chen Yu, Mr. Wen Li, Miss Wang Zi-han, Miss Ho Suk Yin Nancy, Mr. Ho Wah Sang and the Company, alleging that Mr. Chu King Fai, Mr. Au Kwok Chuen Vincent, Mr. Zhao Juqun, Dr. Wong Yun Kuen, Mr. Yang Biao, and Mr. Mok King Tong conducted the Company's affairs to the exclusion of Mr. Zhao Yang, Mr. Lim Francis and Mr. Maxuemian, Mr. Chen Mudong and Mr. Ng Ka Chong and Ms. Chan Kit Yee Katherine and Mr. David Chi-ping Chow. Mr. Tsang sought, inter alias, (i) an order to set aside the Company's director appointment and injunction resolutions and a declaration that these resolutions are invalid and null and of no legal effect; (ii) an order to restrain Ms. Chen Yu, Mr. Wen Li, Miss Wang Zi-han, Miss Ho Suk Yin, Nancy and Mr. Ho Wah Sang from acting as directors; (iii) an order to restrain Mr. Chu King Fai, Mr. Au Kwok Chuen Vincent, Mr. Zhao Juqun, Dr. Wong Yun Kuen, Mr. Yang Biao, and Mr. Mok King Tong from (aa) conducting the Company's affairs to the exclusion of Mr. Zhao Yang, Mr. Lim Francis and Mr. Maxuemian, Mr. Chen Mudong and Mr. Ng Ka Chong and Ms. Chan Kit Yee Katherine and Mr. David Chi-ping Chow, and (bb) proceeding any legal action in relation to their claims or cross claims against Rhenfield Development Corp. and Mr Tsang; (iv) an order to indemnify the Company for all loss and damage to the Company; and (v) an order to declare and a declaration of no proper authorization by the Company to instruct the Hong Kong Counsel for institution of the Hong Kong proceedings in the name of the Company against Rhenfield.

On 25 February 2009, the Originating Summons was revised and issued by Mr. Tsang in the name of the Company in accordance with section 168BD of the Hong Kong Companies Ordinance against its directors, Mr. Chu King Fai, Mr. Huang Bing Huang, Mr. Au Kwok Chuen Vincent, Mr. Hwang Ho Tyan, Mr. Zhao Juqun, Mr. Yang Biao, Dr. Wong Yun Kuen and Mr. Mok King Tong and the Company, alleging that the directors had breached their fiduciary duties in relation to (i) the passing of the following resolutions of the Board, (aa) the resolution passed on or about 14 January 2008 to approve the remittance of HK$50,000,000 to Yuan Cheng, (bb) the resolution passed on or about 27 May 2008 to sanction the acquisition of the Yangzhou Project from Min Tai Development at HK$88,000,000 with an up-front payment of HK$5,000,000 paidout of funds of Yuan Cheng, (cc) the resolution passed on or about 15 March 2008 to sanction the entry of management services agreement by Yuan Cheng with Dongguan City Hua Jia Fu Industry and Trading Limited and Dongguan City Min Tai Industry and Investment Limited, which involved an up-front payment of RMB8,000,000 by Yuan Cheng, (dd) the resolution passed on 27 May 2008 to sanction the entry of a cooperation framework agreement by Yuan Cheng with Zhong Cheng which involved an up-front payment of RMB5,000,000; (ii) the transfer of HK$50,000,000 to Yuan Cheng and to put the said HK$50,000,000 under the control of Yuan Cheng; (iii) the delivery of the financial documents of Yuan Cheng, including cheque books, chops and seals, bank cards, keys to safe deposit boxes to Madam Cheng Lai Yin; (iv) the failure and/or refusal to conduct any proper inquiry or due diligence into the proposed acquisition of the Yangzhou Project and/or the entire share capital of Min Tai Development; (v) the entering into of the placing agreement dated 14 July 2008 whereby the Company conditionally agreed to place 100,000,000 shares in the Company at the price of HK$0.16 per share in order to finance the proposed acquisition of the Yangzhou Project; (vi) the failure to cause Yuan Cheng and/or the Company to recover the earnest money in the amount of HK$5,000,000 from Min Tai Development in accordance with the letter of intent dated 23 June 2008 within 10 days after the Yangzhou Project fell through on 30 September 2008; (vii) the payment of the amount of RMB8,000,000 by Yuan Cheng to Dongguan City Hua Jia Fu Industry and Trading Limited; (viii) the failure and/or refusal to conduct any or any proper inquiry into the terms of the Cooperation Framework Agreement and the payment of RMB5,000,000 deposit on 23 June 2008 pursuant to the Co-operation Framework Agreement; (ix) the payment of the sums of RMB10,000,000 and RMB7,000,000 by Yuan Cheng to Zhong Cheng on or about 15 July 2008 and 29 August 2008 respectively; (x) the transfer of sums totaling RMB33,100,000 between Yuan Cheng and Shenzhen Hua Ke Nano-Technology Development Company Limited from 30 April 2008 to 23 June 2008; and (xi) the passing of the resolutions on 15 and 20 November 2008 sanctioning Grand Field Property Development (Shenzhen) Company Limited, a wholly owned subsidiary of the Group, to borrow up to RMB50,000,000 to repay a loan owed to Yuan Cheng and to use the balance as operation capital of the Company. On the basis of these allegations, Mr. Tsang sought, inter alia, (i) a declaration that the decisions of the directors to pass the Resolutions purportedly as board resolutions of the Company was not made bona fide in the interest of the Company; (ii) an order that the Resolutions be set aside, further or alternatively, a declaration that the Resolutions are invalid, null and void and of no legal effect; (iii) damages and/or equitable compensation, interest, costs and further and/or other relief; (iv) restitution of payments received directly or indirectly by the directors, or any of them in breach of their fiduciary duties; (v) an account and/or inquiry of all payments, profits made and/or benefits received directly or indirectly as a result of their breaches of their fiduciary duties and an order for payment of all sums and delivery up of all assets found due upon the said inquiry or taking of the said account; and (vi) an injunction against the directors restraining each of them from continuing as the Company's directors and/or exercising the powers as director.

On 1 April 2009, the Company received a writ of summons by Rhenfield Development Corporation ("Rhenfield"), in which Mr. Tsang is the beneficial owner, against the Company for the expenses incurred by Rhenfield, amounting to HK$678,000, in convening the 2 December 2008 Special General Meeting of the Company, and accrued interest.

On 10 February, 26 February and 5 March 2009, the Company issued announcements in relation to these legal proceedings. The Company strongly refutes and vigorously defends Mr. Tsang's allegations and claims and considers them to be without merit.

(ii) Formation of a wholly-owned subsidiary

The Group holds 100% equity interest in Yuan Cheng, which was incorporated on 23 October 2007 with registered and paid-in capital of HK$50,000,000. On 17 July 2008, a director of its wholly owned subsidiary, Grand Field Group Limited, initiated legal proceedings in Shenzhen Futian People's Court against which Yuan Cheng was incorporated without proper authorisation and that the Shenzhen Administration for Industry and Commerce was negligent in reviewing and approving the incorporation procedures for Yuan Cheng. On 23 October 2008, the court made a decision that the incorporation of Yuan Cheng was invalid and was to be revoked. However, subsequent to the balance sheet date, in March 2009, Yuan Cheng made an appeal to Shenzhen City Intermediate People's Court to repeal the decision and in May 2009, the Court ruled in favour of Yuan Cheng and the decision of Shenzhen Futian People's Court.

(iii) Unpaid property management fees

On 13 October 2008, a lawsuit was filed against the Group's wholly owned subsidiary, Grand Field Property Development (Shenzhen) Co., Ltd ("Grand Field Shenzhen"), for the unpaid property management fees and accrued interest in an aggregate amount of RMB4,508,000 in relation to the entire car park lots in Telford Garden in Shenzhen in the Shenzhen Lung Gang People's Court.

(iv) Loan repayment

Subsequent to the balance sheet date, on 8 January 2009, legal proceedings were initiated against Grand Field Shenzhen by 深圳市聞聯投資有限公司 ("深圳市聞聯") for the repayment of RMB20,000,000 in loan principal, RMB88,000 in accrued interest and RMB230,000 in penalty and legal fees incurred in relation to a loan of RMB20,000,000 granted to Grand Field Shenzhen in November 2008. A settlement has been reached between Grand Field Shenzhen and 深圳市聞聯 in March 2009, whereby the loan is scheduled to be repaid by three instalments in April, May and June 2009.

As the outcome of these proceedings is uncertain, at this stage, the directors do not have sufficient information to either ascertain the likelihood of the litigations or determine the amount of provision, if any, required to be reflected in these financial statements.

(b) Land appreciation tax on properties sold in 1999, 2000 and 2001

The directors of the Company have consulted an independent professional tax adviser and concluded that it would be unlikely for the local tax authority to re-open tax assessments in excess of 3 years and the tax assessments be final and conclusive. Consequently, the directors of the Company considered that no contingent liabilities in respect of land appreciation tax on the properties sold in the financial years 1999, 2000 and 2001 were disclosed in the current year.

(c) Guarantees issued

It represented guarantees provided in favor of the PRC custom authority in respect of imported equipment for carnival event in Shenzhen, which had been released as at 31 December 2007.

(d) Sales return of properties sold

In the previous years, the Group had provided mortgage loans to purchasers of the Group's properties, which were interest free and repayable by monthly installments in 5 years. Upon default in mortgage payments by these purchasers, the Group shall reach agreement through negotiations with the defaulted purchasers and take over the possession of the relevant properties. In the two financial years of FY2007 and FY2006, there were 63 and 43 properties returned to the Group, in an aggregate sales amount of HK$18,909,000 and HK$9,268,000 respectively. At 31 December 2007, there were 254 properties under which mortgage loans were not yet repaid, with an aggregate contractual sales value of HK$59,039,000 and the corresponding cost of sales amounting to HK$40,099,000. In the absence of any reliable information on the probability of loan defaults and property returns, the directors of the Company are unable to estimate the amount of any specific provision against these properties sold in the previous years.

EMPLOYEES

As of end of 2008, the Group employed 50 employees (2007: 50) and the staff costs for the year amounted to approximately HK$20,833,695 (2007: HK$6,757,000) The said staff costs for 2008 included two lots of share options for the fair value of HK$13,193,000 granted during the year (2007: nil). The Group's emolument policies are formulated such that the emoluments are made by reference to the performance of individual employees and will be reviewed every year. Apart from basic salary and statutory provident fund scheme, employees will also be offered discretionary bonus based on the results of the Group and their individual performance.

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

During the year, neither the Company nor any of its subsidiaries purchased, sold, redeemed or cancelled any of the Company's listed securities.

DIVIDENDS

At the Board of Directors meeting held on 4 September 2009, the directors do not recommend the payment of any dividends in respect of the year ended 31 December 2008 (2007: Nil).

CORPORATE GOVERNANCE

In the opinion of the Directors, the Company has complied with most of the code provisions set out in the Code on Corporate Governance in Appendix 14 of the Listing Rules throughout the year except the following:

Code Provision A.2.1

Under the provision A2.1 of the Code stipulates that the role of both the Chairman and CEO should be separate and should not be performed by the same individual. During the period from 1 January 2008 to 6 October 2008, there is a clear division of responsibilities between the Chairman and the CEO, in that the Chairman bears primary responsibility for the functioning of the Board, by ensuring its effective operation, while the CEO is authorized and responsible for the management of the day-to-day business of the Group as well as the implementation of the strategies approved by the Board. As a result of Mr. Huang Bing Huang's resignation, Mr. Chu King Fai, the Chairman was also appointed as CEO with effect from 16 October 2008.

Code Provision A.4.1

During the year ended 31 December 2008, the Independent Non-executive Directors were not appointed for any specific terms as they are subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Company's Bye-Laws.

MODEL CODE OF THE LISTING RULES

The Company has adopted a code of conduct regarding securities transactions by Directors on terms as set out in Appendix 10 to the Listing Rules ("the Model Code"). Having made specific enquiry to all Directors, the Company was not aware of any non-compliance with the required standard in the Model Code for dealing in securities of the Company throughout the year ended 31 December 2008.

AUDIT COMMITTEE

The Audit Committee has reviewed with the management of the Group the accounting principles and practices adopted by the Group and discussed auditing, internal control and financing reporting matters including the review of the audited financial statements for the year ended 31 December 2008, with external auditors. There were no disagreement from the auditors or the Audit Committee with the accounting policies adopted by the Company.

REVIEW OF THE PRELIMINARY ANNOUNCEMENT BY AUDITORS

The figures in respect of the preliminary announcement of the Group's consolidated income statement, consolidated balance sheet and the related notes thereto for the year ended 31 December 2008 have been agreed by the Group's auditors, Messrs. Baker Tilly Hong Kong Limited, to the amount set out in the Group's audited consolidated financial statement for the year. The work performed by Messrs. Baker Tilly Hong Kong Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Baker Tilly Hong Kong Limited on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the Company's website (http://www.irasia.com/listco/hk/grandfield/) and the Stock Exchange's website (http://www.hkex.com.hk). The 2008 Annual Report containing all the information required by the Listing Rules will be dispatched to the shareholders and available on the same websites in due course.

RESIGNATION OF COMPANY SECRETARY

The directors of the Company hereby announces that on 4 September 2009, Ms. Ngan Chui Wan, Judy ("Ms. Ngan") has resigned as the company secretary of the Company.

Ms. Ngan has confirmed that she has no disagreement with the Board and there are no other matters that need to be brought to the attention of the shareholders of the Company in relation to her resignation. The Board would like to express its sincere gratitude to Ms. Ngan for her contributions to the Company during her tenure.

By order of the Board
Ma Xuemian
Executive Director

Hong Kong, 7 September 2009

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Chu King Fai, Mr. Au Kwok Chuen, Vincent, Mr. Zhao Yang, Mr. Lim Francis and Mr. Ma Xuemian (with Mr. Lim Francis as alternate); three non-executive Directors, namely Mr. Zhao Juqun, Mr. Chen Mudong (with Mr. Lim Francis as alternate); and Mr. Ng Ka Chong; and six independent non-executive Directors, namely Dr. Wong Yun Kuen, Mr. Yang Biao, Mr. Mok King Tong, Mr. David Chi-ping Chow (with Mr. Lim Francis as alternate), Mr. Liu Chaodong and Mr. Xu Quing Fah (Notes).

Note: Mr. Au Kwok Chuen, Vincent, Mr. Zhao Juqun, Mr. Yang Biao and Mr. Mok King Tong have been suspended by the Board of their duties as Directors. Mr. Francis Lim has volunteered to suspend his duties as Director.