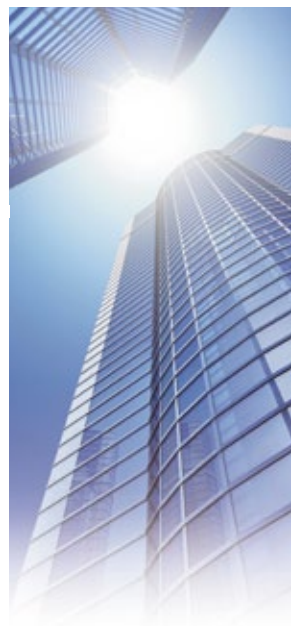




Interim Report 2011



SECTION A: CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. TSANG Chiu Mo Samuel

(Executive Chairman)

Mr. TSANG Chiu Ching

(Deputy Chairman)

Ms. TSANG Chiu Yuen Sylvia

Ms. CHU Ming Tak Evans Tania

Mr. WU Binquan

Independent Non-executive Directors

Mr. HUI Yan Kit

Mr. WONG Tak Ming Gary

Mr. AU Chi Wai Edward

(appointed on 1 January 2011)

Mr. TANG Man Ching

(resigned on 1 January 2011)

AUDIT COMMITTEE

Mr. WONG Tak Ming Gary *(Chairman)*

Mr. HUI Yan Kit

Mr. AU Chi Wai Edward

(appointed on 1 January 2011)

Mr. TANG Man Ching

(resigned on 1 January 2011)

REMUNERATION COMMITTEE

Mr. HUI Yan Kit *(Chairman)*

Mr. WONG Tak Ming Gary

Mr. AU Chi Wai Edward

(appointed on 1 January 2011)

Mr. TANG Man Ching

(resigned on 1 January 2011)

NOMINATION COMMITTEE

Mr. TANG Man Ching *(Chairman)*

(resigned on 1 January 2011)

Mr. AU Chi Wai Edward *(Chairman)*

(appointed on 1 January 2011)

Mr. WONG Tak Ming Gary

Mr. HUI Yan Kit

COMPANY SECRETARY

Ms. SZE Tak On

LEGAL ADVISERS

Tso Au Yim & Yeung Solicitors

AUDITORS

BDO Limited

BANKERS

The Bank of East Asia, Limited

Hang Seng Bank Limited

Wing Hang Bank Limited

Industrial and Commercial Bank of China
(Asia) Limited

SHARE REGISTRARS

Principal Share Registrars

Butterfield Corporate Services Limited

Rosebank Centre

14 Bermudiana Road, Pembroke

Bermuda

Hong Kong Branch Share Registrars and Transfer Office

Computershare Hong Kong

Investor Services Limited

17M Floor, Hopewell Centre

183 Queen's Road East

Hong Kong

REGISTERED OFFICE

Clarendon House, 2 Church Street

Hamilton, HM 11

Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 3403, 34th Floor

West Tower, Shun Tak Centre

168-200 Connaught Road Central

Hong Kong

COMPANY WEBSITE

<http://www.clh.com.hk>

STOCK CODE

00079

SECTION B: 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 2011. The unaudited consolidated results have been reviewed by the Audit Committee of the Company.

I. CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2011

	<i>Notes</i>	Six months ended 30 June	
		2011 (Unaudited) HK\$'000	2010 (Unaudited) HK\$'000
Revenue and turnover	2	13,000	13,918
Cost of sales		<u>(4,263)</u>	<u>(4,733)</u>
Gross profit		8,737	9,185
Other income		955	703
Fair value loss on financial assets at fair value through profit or loss		(211)	(415)
Administrative expenses		(12,288)	(11,800)
Finance costs		(695)	(837)
Change in fair value of investment properties		<u>11,632</u>	<u>19,700</u>
Profit before income tax	3	8,130	16,536
Income tax expense	4	<u>(595)</u>	<u>(3,250)</u>
Profit for the period		<u>7,535</u>	<u>13,286</u>
Other comprehensive income, including reclassification adjustments			
Revaluation of available-for-sale financial assets		<u>(761)</u>	<u>(2,196)</u>
Other comprehensive income for the period		<u>(761)</u>	<u>(2,196)</u>
Total comprehensive income for the period		<u>6,774</u>	<u>11,090</u>

I. CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Continued)

For the six months ended 30 June 2011

	Notes	Six months ended 30 June	
		2011 (Unaudited) HK\$'000	2010 (Unaudited) HK\$'000
Profit for the period attributable to:			
Owners of the Company		7,206	13,286
Non-controlling interests		329	–
		<u>7,535</u>	<u>13,286</u>
Total comprehensive income for the period attributable to:			
Owners of the Company		6,445	11,090
Non-controlling interests		329	–
		<u>6,774</u>	<u>11,090</u>
Earnings per share attributable to the owners of the Company	6		
– Basic		<u>HK 2.42 cents</u>	<u>HK 4.46 cents</u>
– Diluted		<u>HK 2.37 cents</u>	<u>HK 4.33 cents</u>

The notes on pages 8 to 17 form part of this interim financial report.

II. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2011

	<i>Notes</i>	As at 30 June 2011 (Unaudited) HK\$'000	As at 31 December 2010 (Audited) HK\$'000
ASSETS AND LIABILITIES			
NON-CURRENT ASSETS			
Property, plant and equipment	7	5,135	5,482
Investment properties	8	215,280	194,900
Prepaid land lease payments	9	6,222	6,313
Available-for-sale financial assets	10	20,637	21,399
Loans receivables	11	129	195
		<u>247,403</u>	<u>228,289</u>
CURRENT ASSETS			
Inventories		76	111
Prepaid land lease payments	9	180	180
Financial assets at fair value through profit or loss		4,954	5,170
Trade and other receivables and prepayments	12	24,964	11,526
Loans receivable, current portion	11	40,836	41,833
Trust bank balances held on behalf of customers		330	881
Cash and cash equivalents	13	118,069	89,064
		<u>189,409</u>	<u>148,765</u>
Assets classified as held for sale		–	77,330
		<u>189,409</u>	<u>226,095</u>
CURRENT LIABILITIES			
Trade payables	14	16,741	4,729
Other payables and accruals		5,328	17,088
Obligations under finance leases		101	106
Bank borrowings (secured)		57,434	82,935
Provision for taxation		2,203	2,203
		<u>81,807</u>	<u>107,061</u>
NET CURRENT ASSETS		<u>107,602</u>	<u>119,034</u>

II. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

As at 30 June 2011

	<i>Notes</i>	As at 30 June 2011 (Unaudited) HK\$'000	As at 31 December 2010 (Audited) HK\$'000
TOTAL ASSETS LESS CURRENT LIABILITIES		355,005	347,323
NON-CURRENT LIABILITIES			
Bank borrowings (secured)		6,139	6,413
Obligation under finance leases		–	46
Deferred tax liabilities		7,688	7,093
		<u>13,827</u>	<u>13,552</u>
NET ASSETS		341,178	333,771
EQUITY			
Equity attributable to the owners of the Company			
Share capital	15	59,534	59,534
Reserves		280,609	273,531
		<u>340,143</u>	<u>333,065</u>
Non-controlling interests		1,035	706
Total equity		<u>341,178</u>	<u>333,771</u>

The notes on pages 8 to 17 form part of this interim financial report.

III. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2011 (Unaudited)

	Equity attributable to the Owners of the Company								
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Available-for-sale financial assets revaluation reserve HK\$'000	Share option reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Non-Controlling interest HK\$'000	Total HK\$'000
At 1 January 2011	59,534	147,930	146,189	7,341	4,284	(32,213)	333,065	706	333,771
Employee share option benefits	-	-	-	-	633	-	633	-	633
Transactions with owners	-	-	-	-	633	-	633	-	633
Profit for the period	-	-	-	-	-	7,206	7,206	329	7,535
Other comprehensive income	-	-	-	-	-	-	-	-	-
Revaluation of available-for-sale financial assets	-	-	-	(761)	-	-	(761)	-	(761)
Total comprehensive income for the period	-	-	-	(761)	-	7,206	6,445	329	6,774
At 30 June 2011	59,534	147,930	146,189	6,580	4,917	(25,007)	340,143	1,035	341,178

For the six months ended 30 June 2010 (Unaudited)

	Equity attributable to the Owners of the Company								
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Available-for-sale financial assets revaluation reserve HK\$'000	Share option reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Non-Controlling interest HK\$'000	Total HK\$'000
At 1 January 2010	59,534	147,930	146,189	8,010	4,284	(66,075)	299,872	-	299,872
Profit for the period	-	-	-	-	-	13,286	13,286	-	13,286
Other comprehensive income	-	-	-	-	-	-	-	-	-
Revaluation of available-for-sale financial assets	-	-	-	(2,196)	-	-	(2,196)	-	(2,196)
Total comprehensive income for the period	-	-	-	(2,196)	-	13,286	11,090	-	11,090
At 30 June 2010	59,534	147,930	146,189	5,814	4,284	(52,789)	310,962	-	310,962

The notes on pages 8 to 17 form part of this interim financial report.

IV. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2011

	Six months ended 30 June	
	2011 (Unaudited) HK\$'000	2010 (Unaudited) HK\$'000
Net cash used in operating activities	(13,649)	(12,498)
Net cash generated from/(used in) investing activities	69,175	(330)
Net cash used in financing activities	(26,521)	(3,727)
Net increase/(decrease) in cash and cash equivalents	29,005	(16,555)
Cash and cash equivalents at 1 January	89,064	126,558
Cash and cash equivalents at 30 June	118,069	110,003

The notes on pages 8 to 17 form part of this interim financial report.

V. NOTES TO THE INTERIM FINANCIAL REPORT

For the six months ended 30 June 2010

1. Principal Accounting Policies and Basis of Preparation

This unaudited 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 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 2010, except for the adoption of the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") (which included individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations ("Int"). The adoption of these new and revised HKFRSs has had no material impact on the Group's financial statements. The Group has not early adopted any new HKFRSs that have been issued but are not yet effective.

This interim financial statements does 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 2010.

2. Segment Information

Segment information about the Group's reportable segments is presented below. Amounts reported for the prior period have been restated to conform to the requirements of HKFRS 8 – Operating Segment.

The Group is currently organized into the following four operating segments. In previous years, the internal information of the Group included information on travel related business ("Travel") and trading of general merchandise ("Trading") as separate components. Each of these components has become insignificant to the Group in the recent years. Accordingly, Trading is no longer identified as an operating segment in last financial year and Travel is no longer identified as an operating segment for the period. To be consistent with the current period's presentation, the comparative information about Travel and Trading for the last period has been reclassified as corporate and unallocated expenses/assets/liabilities.

2. Segment Information (Continued)

Segment revenues and results

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

	Segment revenue and turnover		Segment profit	
	Six months ended 30 June		(Restated)	
	2011 HK\$'000	(Restated) 2010 HK\$'000	2011 HK\$'000	(Restated) 2010 HK\$'000
Health and beauty services	7,322	7,968	918	953
Money lending	906	729	797	620
Stock broking	1,370	1,180	416	201
Property investments	3,401	4,039	9,504	20,413
	<u>12,999</u>	<u>13,916</u>	<u>11,635</u>	<u>22,187</u>
Unallocated other income			482	365
Fair value loss on financial assets at fair value through profit or loss			(211)	(415)
Employee share option benefit cost			(633)	–
Corporate and unallocated expenses			<u>(3,143)</u>	<u>(5,601)</u>
Profit before income tax			<u>8,130</u>	<u>16,536</u>

Revenue reported above represented revenue generated from external customers.

2. Segment Information (Continued)

Segment profit represents the profit earned by each segment without allocation of central administration costs, other income, fair value loss on financial assets at fair value through profit or loss, employee share option benefits cost and income tax expenses. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

Segment assets and liabilities

	As at 30 June 2011 HK\$'000	(Restated) As at 31 December 2010 HK\$'000
Segment assets		
Health and beauty services	2,113	2,248
Money lending	41,098	42,354
Stock broking	27,995	15,706
Property investments	255,874	294,960
Total segment assets	327,080	355,268
Available-for-sale financial assets	20,637	21,399
Financial assets at fair value through profit or loss	4,954	5,170
Corporate and unallocated assets	84,141	72,547
Consolidated total assets	436,812	454,384
Segment liabilities		
Health and beauty services	(1,114)	(1,244)
Money lending	(44)	(82)
Stock broking	(16,833)	(4,978)
Property investments	(66,367)	(103,661)
Total segment liabilities	(84,358)	(109,965)
Provision for taxation	(2,203)	(2,203)
Deferred tax liabilities	(7,688)	(7,093)
Corporate and unallocated liabilities	(1,385)	(1,352)
Consolidated total liabilities	95,634	(120,613)

2. Segment Information (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 provision for taxation, deferred tax liabilities and corporate liabilities.

Other segment information

	Change in fair value of investment properties		Finance costs		Additions to non-current assets		Depreciation and amortisation	
	(Restated)		(Restated)		(Restated)		(Restated)	
	2011	2010	2011	2010	2011	2010	2011	2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Health and beauty services	-	-	-	-	1	245	(61)	(242)
Money lending	-	-	-	-	-	-	-	-
Stock broking	-	-	-	-	50	3	(12)	(8)
Property investments	11,632	19,700	(690)	(827)	8,753	4	(399)	(264)
	11,632	19,700	(690)	(827)	8,804	252	(472)	(514)
Unallocated	-	-	(5)	(10)	8	56	(30)	(281)
Total	11,632	19,700	(695)	(837)	8,812	308	(502)	(795)

2. Segment Information (Continued)

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 2011 HK\$'000	As at 31 December 2010 HK\$'000	Six months ended 30 June 2011 HK\$'000	2010 HK\$'000
Hong Kong (domicile)	176,943	156,625	12,204	13,191
Macau	49,694	50,070	795	725
	226,637	206,695	12,999	13,916

3. Profit before Income Tax

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

	Six months ended 30 June	
	2011 (Unaudited) HK\$'000	2010 (Unaudited) HK\$'000
(a) Finance costs		
Interest on borrowings	690	827
Other finance costs	5	10
Total finance costs recognized in profit or loss	695	837
(b) Other items		
Interest income	(459)	(166)
Fair value loss on financial assets at fair value through profit or loss	211	415
Depreciation	502	795

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 2011 and 2010.

The Group has available tax losses as at 31 December 2010 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.

The deferred tax liabilities in respect of the change in fair value of investment properties recognized in the condensed consolidated statement of comprehensive income for the period is HK\$595,000 (six months ended 2010: HK\$3,250,000).

5. Dividends

The Board has resolved not to declare the payment of an interim dividend for the six months ended 30 June 2011 (six months ended 30 June 2010: Nil).

6. 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 owners of HK\$7,206,000 (six months ended 30 June 2010: HK\$13,286,000) and the weighted average of 297,669,597 (six months ended 30 June 2010: 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\$7,206,000 (six months ended 30 June 2010: HK\$13,286,000) and the weighted average number of 304,401,584 (six months ended 30 June 2010: 306,668,553) ordinary shares after adjusting for the effects of all dilutive potential ordinary shares under the Company's share option scheme.

7. Property, Plant and Equipment

(a) Acquisitions of plant and equipment

During the six months ended 30 June 2011, the Group acquired items of plant and machinery with a cost of HK\$64,000 (six months ended 30 June 2010: HK\$308,000).

(b) Write-off of property, plant and equipment

There is no property, plant and equipment being written off during the six months ended 30 June 2011 (six months ended 30 June 2010: Nil).

8. Investment Properties

During the six months ended 30 June 2011, the Group acquired an investment property with a cost of HK\$8,748,000 (six months ended 30 June 2010: Nil).

9. Prepaid land lease payments

There is no acquisition of prepaid land lease payment for the six months ended 30 June 2011. (six months ended 30 June 2010: Nil).

10. Available-For-Sale Financial Assets

	30 June 2011 (Unaudited) HK\$'000	31 December 2010 (Audited) HK\$'000
Listed equity investments in Hong Kong, at fair value	<u>20,637</u>	<u>21,399</u>

11. Loan Receivables

	30 June 2011 (Unaudited) HK\$'000	31 December 2010 (Audited) HK\$'000
Gross loan receivables in respect of personal and commercial loans – unsecured (<i>Note</i>)	42,665	43,728
Less: Provision for impairment	<u>(1,700)</u>	<u>(1,700)</u>
Net carrying amounts	40,965	42,028
Less: Amounts due within one year classified as current assets	<u>(40,836)</u>	<u>(41,833)</u>
Amounts due after one year classified as non-current assets	<u>129</u>	<u>195</u>

Note:

The repayment terms of loans receivable are negotiated on an individual basis. The maturity profile of loans receivables, which is analysed by the remaining periods to their contractual maturity dates, is as follows:

	30 June 2011 (Unaudited) HK\$'000	31 December 2010 (Audited) HK\$'000
On demand	5	6
Three months or less	32	30,031
Over three months but below one year	40,799	11,796
One to four years	<u>129</u>	<u>195</u>
	<u>40,965</u>	<u>42,028</u>

12. Trade and Other Receivables and Prepayments

	30 June 2011 (Unaudited) HK\$'000	31 December 2010 (Audited) HK\$'000
Trade receivables (<i>Note</i>)	22,721	9,313
Less: provision for impairment	(325)	(373)
Net carrying amount of trade receivables	22,396	8,940
Other receivables and deposits	2,568	2,586
	24,964	11,526

Note:

The Group's trade receivable as at 30 June 2011 mainly represented the receivable balances in respect of the Group's stock broking business. The Group allows a credit period normally 2 business days after trade dates for settlement of the respective transaction 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 2011, the ageing analysis of the trade receivables net of provision for impairment was as follows:

	30 June 2011 (Unaudited) HK\$'000	31 December 2010 (Audited) HK\$'000
Repayable on demand – margin receivables	2,528	1,411
0-30 days	18,473	6,359
31-60 days	678	242
61-90 days	1	143
Over 90 days	716	785
	22,396	8,940

13. Cash and Cash Equivalents

	30 June 2011 (Unaudited) HK\$'000	31 December 2010 (Audited) HK\$'000
Cash at banks and in hand	17,679	21,859
Short-term bank deposits	100,390	67,205
	118,069	89,064

14. Trade Payables

As at 30 June 2011, the ageing of the trade payables was as follows:

	30 June 2011 (Unaudited) HK\$'000	31 December 2010 (Audited) HK\$'000
0-30 days	16,693	4,693
31-60 days	48	36
	16,741	4,729

15. Share Capital

	Number of shares 30 June 2011 And 31 December 2010 '000	Share Capital 30 June 2011 And 31 December 2010 HK\$'000
Authorised:		
Ordinary shares of HK\$0.2 each	2,000,000	400,000
Issued and fully paid:		
Ordinary shares of HK\$0.2 each	297,670	59,534

16. Operating Lease Commitments

At 30 June 2011, the total future aggregate minimum lease payments under non-cancellable operating leases falling due as follows:

	Buildings		Motor vehicles	
	30 June 2011 (Unaudited) HK\$'000	31 December 2010 (Audited) HK\$'000	30 June 2011 (Unaudited) HK\$'000	31 December 2010 (Audited) HK\$'000
Within one year	2,877	3,319	285	–
In the second to fifth years (inclusive)	1,350	2,567	–	–
	4,227	5,886	285	–

The Group leases certain of its office premises and motor vehicles under operating leases. The leases run for an initial period of one to three years, with options to renew the lease terms at the expiry dates or at dates as mutually agreed between the Group and the respective landlords/lessors. None of the leases include contingent rentals.

17. Related Party Transactions

In addition to the transactions and balances disclosed elsewhere in the interim financial report, the Group had the following significant transactions with related parties:

Compensation of key management personnel

Included in staff costs are key management personnel compensation and comprises the following categories:

	30 June 2011 (Unaudited) HK\$'000	30 June 2010 (Unaudited) HK\$'000
Short term employee benefits	3,498	3,428
Post-employment benefits	117	105
	3,615	3,533

18. Subsequent Event

On 18 July 2011, the Group entered into a sale and purchase agreement to acquire a residential property located in Taikoo Shing, Quarry Bay, Hong Kong for a total consideration of HK\$6,190,000.

SECTION C: BUSINESS REVIEW AND PROSPECTS

I. Overall Performance

For the six months ended 30 June 2011, the Group recorded a turnover of HK\$13,000,000, representing a 6.6% decrease from the corresponding period of last year (1H2010: HK\$13,918,000). Gross profit for the period under review was HK\$8,737,000, representing a 4.9% decrease from the corresponding period of last year. (1H2010: HK\$9,185,000).

The Group delivered a net profit of HK\$7,207,000 compared to a net profit of HK\$13,286,000 from the corresponding period of last year. The decrease in profit was mainly attributed to decrease in gain from revaluation of investment properties of HK\$8,068,000. Before the gain from revaluation and its related income tax expense the Group incurred loss of HK\$3,830,000.

II. Property Investment Business

According to the latest analysis from some real estate agents, both Hong Kong and Macau property sectors have experienced accelerated growth since last year on the back of strong consumption, corporate expansion, sustained low interest rates and low space availability. Nonetheless, slowdown in the sales volume in the first half of the year resulted from the various regulatory measures introduced by the governments of the two regions to curb speculative activities and to ensure a healthy development of the real estate market. In spite of the relative slowdown in the sales market, developers remained active in bidding for greenfield sites. With the strong and healthy fundamentals of the local Hong Kong economy and low holding costs even though mortgage interest rates have slightly edged up recently, the Group believes that the property market will sustain its growth in the long run. During the reviewing period, the Group further acquired two residential properties in Taikoo Shing with one of them to complete on 18 August 2011.

The Group's existing properties portfolio in Macau remains unchanged comprising of an office premise and a retail shop in prime locations. In Hong Kong, the Group currently owns one commercial property, which is a 13-storey boutique hotel and 4 residential properties including one to be completed on 18 August 2011. These properties are anticipated to provide capital appreciation potential and serve as a stable stream of income to the Group.

During the first half of 2011, our properties portfolio in Macau and Hong Kong contributed desirable rental income of HK\$3,401,000 to the Group while fair value of our investment properties increased HK\$11,632,000 as of 30 June 2011.

III. Health and Beauty Business

With the success in optimizing operation efficiency, health and beauty business remained a stable and strong contributor to the revenue of the Group. For the first half of 2011, the Health and Beauty business segment reported a turnover and net profit of HK\$7,322,000 and HK\$918,000 respectively, representing 8.1% and 3.7% decrease when compared to that of the same period in 2010. As this is a typically labour intensive business with many employee trainees (usually known as “juniors”) earning below average wage by historical common practice throughout the industry, the enactment of minimum wage of HK\$28 per hour has immensely increased labour cost and whittled away part of business profits. To keep our competitive edge, management team will further step up its effort in enhancing operational efficiency and cost structure as well as exploring new service and marketing strategies.

IV. Other Business Segments

During the first half of 2011, the stock brokerage business segment recorded a turnover and segment profits in respect amount of HK\$1,370,000 and HK\$416,000, representing 16.1% increment in turnover and double the segment profits compared to the same period last year. Encouraged by the business results despite that severe competition in the industry has led to thinner gross profit margin, in the second half of the year the Group will strenuously look into expanding the operations geographically outside Hong Kong to enlarge the income base.

Money lending business remained stable during the first half of 2011. It contributed a turnover of HK\$906,000 during the first six months of 2011, up 24.3% compared to the same period last year. The segment recorded a profit of HK\$797,000, compared to a profit of HK\$620,000 same period last year. To fully utilize the surplus fund under the low interest rate environment, more short term loan had been extended during the period under review.

V. Prospects

Looking forward to the latter half of the year, the Group will continue its consistent prudent investment and management strategy in operating its businesses.

The property markets in both Hong Kong and Macau have accumulated substantial capital value appreciation in residential, commercial or retail sectors since last year. In this regard, both Hong Kong and Macau governments have launched various measures to cool off the property market. These measures, which are mainly aiming at the residential market, could rein in the surging property prices in short and medium term. Given the Group's investment property portfolio, its core investment targets are not in the residential market, as such, those measures have relatively insignificant effect on the Group. However, some of the funds which are originally investing in the residential market had switched into the commercial and retail properties markets not impacted by the government's austerity measures, which results in the related properties prices to sustain at rocketing level. As a result, the Group expected to deal with difficulties in terms of pricing when identifying new acquisition targets in the latter half of the year. On the other hand, banks have been tightening their loans to property market in response to the various cooling measures imposed by the government, but with relatively abundant cash on hand, the Group could retain some comparative advantages in terms of funding flexibility when making investment decisions. In general, we are optimistic towards the property investment opportunities in the latter half of the year and by leveraging on the Group's healthy financial position, we are positioned to capture suitable investment opportunities in the market as they arised. In addition, among the Group's property investment portfolio, there are leases for certain core investment properties which will expire in succession in 2012. As such, the Group's another key task in the remaining year will be the renewal of these leases as they mature. Considering the renewed rental level will impact the Group's fixed income in the foreseeable future and the latest valuation of those relevant properties, the Group will use its best efforts to manipulate the most accurate property rental market information in determining the new rental levels, so as to maximize the beneficial interests for the Group and its shareholders.

V. Prospects (Continued)

We will also actively study the feasibility of opening up the Macau market for the Group's securities brokerage business in the latter half of the year. The competition in securities brokerage business in Hong Kong has been very intensive with the gross profit margin of the business continuously narrowed down and sustained at a relatively low level. In comparison, competition is less intensive in the Macau market and coupled with the rising demand for various investment services driven by the continuous improvements of the living standard and income of Macau citizens, Macau is deemed a promising market once business opened up to enable us to create a new source of income for our securities brokerage business and improve its revenue margin simultaneously. However, the related feasibility study is still in process currently, and it is uncertain that whether such business development could be materialized in the latter half of the year.

Apart from those businesses above mentioned, 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 could be achieved as scheduled by the year end. Nevertheless, the management will cautiously review our businesses status on regular intervals and make relevant adjustments as and when it is appropriate.

SECTION D: FINANCIAL REVIEW

I. Liquidity and Financial Resources

As at 30 June 2011, the Group had a cash and bank balance of HK\$118,399,000 and net current assets of HK\$157,397,000. The current ratio (calculated as the current assets to the current liabilities) of the Group as at 30 June 2011 was approximately 5.9 (31 December 2010 (revised): 1.5). 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 investment properties were pledged to banks to secure the bank borrowing of approximately HK\$63,573,000, 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 2011 (31 December 2010: Nil). The Group had no significant capital commitments as at 30 June 2011 (31 December 2010: Nil).

II. Capital Structure of the Group

During the period under review, the Group had total equity HK\$341,178,000, HK\$100,000 fixed rate liability, HK\$63,573,000 floating rate liability and HK\$31,960,000 interest-free liabilities, representing 0.03%, 18.6% and 9.4% 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 2011 was approximately 1.8% (31 December 2010: 1.9%).

III. Post Balance Sheet Events

On 18 July, 2011, the Group entered into a sale and purchase agreement to acquire a residential property located in Taikoo Shing, being a prime private housing estate in Quarry Bay, Hong Kong for a total consideration of HKD6,190,000. The acquisition would provide capital appreciation potential and generate stable revenue to the Group.

IV. Interim Dividend

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2011.

SECTION E: EMPLOYEE AND REMUNERATION POLICY

For the period ended, the Group employed approximately a total of 44 employees (30 June 2010: 51) with staff costs excluding directors' emoluments amounted to HK\$4,159,000 (30 June 2010: HK\$3,956,000).

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.

SECTION F: CORPORATE GOVERNANCE

I. Directors' and Chief Executives' Interests and Short Positions in the Shares, underlying Shares and Debentures of the Company or any of its Associated Corporation

As at 30 June 2011, the interests and short positions of each of the Directors and Chief Executives in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which (i) were required to be notified to the Company and The Stock Exchange of Hong Kong Limited ("the Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (ii) were recorded in the register required to be kept under Section 352 of the SFO, or (iii) have to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange ("the Listing Rules") were as follows:

(i) Interests in shares and underlying shares of the Company

Long position in shares

Name of Director	Nature of interest	Name of company in which ordinary shares/ securities are held	Number of Ordinary shares/ securities held	Approximate percentage of total shareholding
Mr. TSANG Chiu Ching	Beneficial interest	The Company	749,250	0.25%
	Interest of controlled corporate	The Company	40,794,195 <i>(Note 1 and 3)</i>	13.70%
	Interest of controlled corporate	The Company	88,275,577 <i>(Note 2 & 3)</i>	29.66%
Mr. TSANG Chiu Mo Samuel	Interest of controlled corporate	The Company	40,794,195 <i>(Note 1 & 3)</i>	13.70%
	Interest of controlled corporate	The Company	88,275,577 <i>(Note 2 & 3)</i>	29.66%
Ms. TSANG Chiu Yuen Sylvia	Interest of controlled corporate	The Company	40,794,195 <i>(Note 1 & 3)</i>	13.70%
	Interest of controlled corporate	The Company	88,275,577 <i>(Note 2 & 3)</i>	29.66%

Notes

1. These shares were beneficially owned by Barsmark Investments Limited.
2. These shares were beneficially owned by ST (79) Investment Limited.
3. The issued share capital of Barsmark Investments Limited and ST (79) Investment Limited are both wholly and beneficially owned by ST Investments Holding Limited ("ST Investments"), the issued share capital of which is beneficially owned to one-third by each of Fortune Ocean Limited (a company wholly and beneficially owned by Mr. TSANG Chiu Ching), Conba Investments Limited (a company wholly and beneficially owned by Mr. TSANG Chiu Mo Samuel) and Ssky Investments Limited (a company wholly and beneficially owned by Ms. TSANG Chiu Yuen Sylvia. Mr. TSANG Chiu Ching, Mr. TSANG Chiu Mo Samuel and Ms. TSANG Chiu Yuen Sylvia are directors of Barsmark Investments Limited, ST (79) Investment Limited and ST Investments. Mr. TSANG Chiu Ching is a director of Fortune Ocean Limited. Mr. TSANG Chiu Mo Samuel is a director of Conba Investments Limited. Ms. TSANG Chiu Yuen Sylvia is a director of Ssky Investments Limited.

Save as disclosed above, none of the Directors and Chief Executives (including their spouse and children under 18 years of age) of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

(ii) Interests in the Share options of the Company

Name of Director/ chief executive	Date of grant of share options	Exercisable period	Exercise price per share HK\$	Number of options outstanding	Approximate percentage of total shareholding
Ms. CHU Ming Tak Evans Tania	22 May 2009	22 May 2009 to 21 May 2019	0.31	8,930,087	3.0%
Mr. WU Binquan	22 May 2009	22 May 2009 to 21 May 2019	0.31	7,441,739	2.5%
Ms. SZE Tak On	22 May 2009	22 May 2009 to 21 May 2019	0.31	7,441,739	2.5%
Ms. TSANG Chiu Yuen Sylvia	21 April 2011	21 April 2011 to 20 April 2021	0.395	2,970,000	1.0%

II. Substantial Shareholders' Interests and Short Positions in the Shares, underlying Shares and Debentures of the Company or any of its Associated Corporation

The register of substantial shareholders maintained under Section 336 of the SFO shows that as at 30 June 2011, the Company had been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the Directors and Chief Executives.

Long position in shares

Name of shareholder	Nature of interest	Number of shares held	Approximate Percentage of total shareholding
Barsmark Investments Limited (Note 1)	Beneficial interest	40,794,195	13.70%
ST (79) Investment Limited (Note 1)	Beneficial interest	88,275,577	29.66%
ST Investments Holding Limited (Note 1)	Interest of controlled corporation	129,069,772 (Note 2)	43.36%
Conba Investments Ltd. (Note 1)	Interest of controlled corporation	129,069,772 (Note 2)	43.36%

Name of shareholder	Nature of interest	Number of shares held	Approximate Percentage of total shareholding
Ssky Investments Limited (<i>Note 1</i>)	Interest of controlled corporation	129,069,772 (<i>Note 2</i>)	43.36%
Fortune Ocean Limited (<i>Note 1</i>)	Interest of controlled corporation	129,069,772 (<i>Note 2</i>)	43.36%
Szeto Investments Holdings (Amusement) Limited (<i>Note 3</i>)	Beneficial interest	29,531,250	9.92%
Szeto Investments Holdings Ltd. (<i>Note 3</i>)	Interest of controlled corporation	29,531,250	9.92%
Szeto International Holdings Ltd. (<i>Note 3</i>)	Interest of controlled corporation	29,531,250	9.92%
Ms. SZETO Yuk Lin (<i>Note 3</i>)	Interest of controlled corporation	29,531,250	9.92%

Note:

1. Barsmark Investments Limited and ST (79) Investment Limited are both wholly and beneficially owned by ST Investments Holding Limited, the issued share capital of which is beneficially owned as to one-third by each of (i) Conba Investments Ltd. (a company wholly and beneficially owned by Mr. TSANG Chiu Mo Samuel); (ii) Fortune Ocean Limited (a company wholly and beneficially owned by Mr. TSANG Chiu Ching); and (iii) Ssky Investments Limited (a company wholly and beneficially owned by Ms. TSANG Chiu Yuen Sylvia).
2. These shares represent the aggregate number of shares beneficially owned by Barsmark Investments Limited and ST (79) Investment Limited.
3. Szeto Investments Holdings (Amusement) Limited is wholly-owned by Szeto Investments Holdings Ltd., the issued share capital of which is wholly-owned by Szeto International Holdings Ltd. Ms. SZETO Yuk Lin is wholly and beneficially interested in the entire issued share capital of Szeto International Holdings Ltd.

Save as disclosed above, no other person other than the Directors or Chief Executives of the Company had interests or short positions in the Shares or underlying shares as recorded in the register required to be kept by the Company under Section 336 of the SFO.

III. 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.

IV. Compliance with the Code of Best Practice of the Listing rules

None of the Directors of the Company is aware of information that would reasonably indicate that the Company is not, or was not for any part of the six months ended 30 June 2011, in compliance with the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Listing Rules, save for the deviations set out below.

Code A.2.1

As at 30 June 2011, 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.

V. 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 2011 with the directors.

VI. 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 2011.

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

Hong Kong, 15 August 2011