
THIRD QUARTER AND THE NINE MONTHS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2010

PART I – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

- 1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	3 months ended		Group Increase / (Decrease) %	9 months ended		Increase / (Decrease) %
	30.09.2010 RMB'000	30.09.2009 RMB'000		30.09.2010 RMB'000	30.09.2009 RMB'000	
TURNOVER	5,186	12,889	(59.8)	13,372	34,590	(61.3)
Cost of services provided	(1,874)	(7,722)	(75.7)	(4,270)	(18,821)	(77.3)
Gross profit	3,312	5,167	(35.9)	9,102	15,769	(42.3)
Other income	3,174	4,113	(22.8)	10,513	11,338	(7.3)
Administrative expenses	(3,929)	(1,971)	99.3	(11,070)	(6,288)	76.0
Other operating expenses	(3,964)	(2,011)	97.1	(9,193)	(5,992)	53.4
Profit/(loss) from operations	(1,407)	5,298	NM	(648)	14,827	NM
Share of profit /(loss) of a jointly controlled entity	4,671	(306)	NM	11,119	(656)	NM
Finance costs	(4)	(13)	(69.2)	(30)	(35)	(14.3)
PROFIT BEFORE TAX	3,260	4,979	(34.5)	10,441	14,136	(26.1)
Income tax expense	(908)	(976)	(7.0)	(2,123)	(2,608)	(18.6)
PROFIT FOR THE PERIOD	<u>2,352</u>	<u>4,003</u>	(41.2)	<u>8,318</u>	<u>11,528</u>	(27.8)
PROFIT ATTRIBUTABLE TO:						
Owners of the parent	1,787	3,459	(48.3)	7,167	9,518	(24.7)
Non-controlling interests	<u>565</u>	<u>544</u>	3.9	<u>1,151</u>	<u>2,010</u>	(42.7)
	<u>2,352</u>	<u>4,003</u>	(41.2)	<u>8,318</u>	<u>11,528</u>	(27.8)

Consolidated statements of comprehensive income for the period ended 30 September 2010

	3 months ended		Increase /	9 months ended		Increase /
	30.09.2010	30.09.2009	(Decrease)	30.09.2010	30.09.2009	(Decrease)
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Net profit for the period	<u>2,352</u>	<u>4,003</u>	(41.2)	<u>8,318</u>	<u>11,528</u>	(27.8)
Total comprehensive income for the period	<u>2,352</u>	<u>4,003</u>	(41.2)	<u>8,318</u>	<u>11,528</u>	(27.8)

TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:

Owners of the parent	1,787	3,459	(48.3)	7,167	9,518	(24.7)
Non-controlling interests	565	544	3.9	1,151	2,010	(42.7)
	<u>2,352</u>	<u>4,003</u>	(41.2)	<u>8,318</u>	<u>11,528</u>	(27.8)

The Group's statement of comprehensive income before tax is arrived at after crediting / (charging):

	3 months ended		9 months ended	
	30.09.2010	30.09.2009	30.09.2010	30.09.2009
	RMB'000	RMB'000	RMB'000	RMB'000
Interest income	2,122	3,297	4,872	10,352
Depreciation	(517)	(379)	(1,229)	(1,119)
Amortisation of intangible assets	(468)	(4,649)	(1,222)	(9,532)
Gain/(Loss) on exchange, net	65	(60)	(107)	(864)
Share of (loss) / profit of a jointly controlled entity	4,671	(306)	11,119	(656)
Gain/(Loss) on disposal of property, plant and equipment	-	(15)	2	(15)
Auditors' remuneration	(145)	(154)	(671)	(682)
Gain on disposal of a subsidiary	-	-	3,911	-
Gain on bargain purchase of a subsidiary	783	-	783	-

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30.09.2010	31.12.2009	30.09.2010	31.12.2009
	RMB'000	RMB'000	RMB'000	RMB'000
ASSETS				
Non-Current Assets				
Property, plant and equipment	13,031	11,514	-	-
Intangible assets	21,307	22,529	-	-
Investment properties	14,583	24,770	-	-
Interest in jointly controlled entity	44,960	33,841	-	-
Interest in subsidiaries	-	-	205,430	220,049
	93,881	92,654	205,430	220,049
Current Assets				
Accounts receivable, prepayments and other receivables	7,415	493,066	983	193,789
Deposits for land development projects	107,996	-	-	-
Refundable deposits	10,000	10,000	-	-
Due from a jointly controlled entity	-	6,176	-	-
Due from related companies	207	12,815	-	781
Due from subsidiaries	-	-	412,626	343,302
Due from minority shareholders	10,456	7,506	-	-
Cash and bank balances	559,687	171,119	1	1
	695,761	700,682	413,610	537,873
Total Assets	789,642	793,336	619,040	757,922
EQUITY AND LIABILITIES				
Non-Current Liabilities				
Deferred tax liabilities	2,782	3,973	-	-
Total Non-Current Liabilities	2,782	3,973	-	-
Current Liabilities				
Due to PRC JV partner	21,098	-	-	-
Due to a jointly controlled entity	-	7,500	-	-
Due to related companies	-	1,001	-	-
Due to subsidiaries	-	-	-	130,600
Accounts payable, other payables and accruals	16,381	16,938	567	870
Due to minority shareholders	26,000	26,000	-	-
Current tax liabilities	6,476	17,782	-	-
Total Current Liabilities	69,955	69,221	567	131,470
Total Liabilities	72,737	73,194	567	131,470
Equity attributable to owners of the parent				
Share capital	219,943	218,820	219,943	218,820
Reserves	454,166	459,618	398,530	407,632
	674,109	678,438	618,473	626,452
Non-controlling interests	42,796	41,704	-	-
Total Equity	716,905	720,142	618,473	626,452
Total Equity and Liabilities	789,642	793,336	619,040	757,922

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 30.09.2010 (RMB'000)		As at 31.12.2009 (RMB'000)	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Amount repayable after one year

As at 30.09.2010 (RMB'000)		As at 31.12.2009 (RMB'000)	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral

Not applicable

1 (c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	3 months ended		9 months ended	
	30.09.2010	30.09.2009	30.09.2010	30.09.2009
	RMB'000	RMB'000	RMB'000	RMB'000
Cash flows from operating activities				
Profit before tax	3,260	4,979	10,441	14,136
Adjustments for:				
Amortisation of intangible assets	468	4,649	1,222	9,532
Depreciation of property, plant and equipment	517	379	1,229	1,119
Interest income	(2,122)	(3,297)	(4,872)	(10,352)
Share options granted to employees and directors	1,039	69	2,215	313
(Gain) / loss on disposal of property, plant & equipment	-	15	(2)	15
Gain on bargain purchase of a subsidiary	(783)	-	(783)	-
Gain on disposal of a subsidiary	-	-	(3,911)	-
Gain on fair value changes of investment properties	-	-	(123)	-
Share of (profit) / loss of a jointly controlled entity	(4,671)	306	(11,119)	656
Operating profit before working capital changes	(2,292)	7,100	(5,703)	15,419
Increase in deposits for land development projects	(108,010)	-	(108,010)	-
(Increase) / Decrease in accounts receivable, prepayments and other receivables	(878)	(1,740)	(2,140)	101
(Increase) / Decrease in due from related companies	(89)	(67)	(222)	986
(Decrease) / Increase in accounts payables, other payables and accruals	1,215	(45)	(5,148)	(1,584)
Cash generated from operations	(110,054)	5,248	(121,223)	14,922
PRC income tax paid	(1,219)	(970)	(2,505)	(2,300)
Net cash (used in) / generated from operating activities	(111,273)	4,278	(123,728)	12,622
Cash flows from investing activities				
Additions to construction in progress	-	(120)	-	(120)
Interest received	2,133	8	11,777	16,633
Payment of property, plant and equipment	(1,881)	(785)	(1,905)	(815)
Refund of refundable deposits paid on land development projects	-	-	150,000	-
Proceeds on disposal of operating right of a toll bridge and its ancillary facilities	-	-	140,000	-
Proceeds on disposal of property, plant & equipment	-	12	5	12
Payment of investment property	(813)	-	(813)	-
Payment for acquisition of a subsidiary	(9,500)	-	(9,500)	-
Proceeds on disposal of a subsidiary	-	-	12,000	-
Proceeds on disposal of a jointly controlled entity	-	-	-	75,000
Payment of land auction deposit	(25,000)	-	(101,000)	-
Refund of land auction deposit	25,000	-	101,000	-
Cash reduction on disposal of a subsidiary	-	-	(8,142)	-
Cash received on acquisition of a subsidiary	13,901	-	13,901	-
Net cash generated from / (used in) investing activities	3,840	(885)	307,323	90,710

	3 months ended		9 months ended	
	30.09.2010 RMB'000	30.09.2009 RMB'000	30.09.2010 RMB'000	30.09.2009 RMB'000
Cash flows from financing activities				
Share issued for exercised options	-	-	1,123	-
Dividend paid to equity holders of the Company	-	-	(14,833)	(13,578)
Loans granted to minority shareholders	(700)	-	(2,950)	(8,573)
Loans repaid from minority shareholders	-	-	1,098	100
Short term loans granted to a third party	-	(500)	-	(500)
Settlement of loans due from third parties	-	500	191,899	27,978
Short term loan advanced by a third party	-	10,800	150,215	10,800
Short term loan repaid to a third party	-	(10,800)	(150,700)	(10,800)
Remittance for dividend payment and others	-	-	-	(17,300)
Remittance received for dividend payment and others	-	1-	-	15,433
Cash received on behalf of a PRC JV partner	-	-	20,000	-
Cash advanced from related companies	-	-	13,537	974
Cash repaid to related companies	(30)	-	(14,567)	(974)
Loans advanced to related companies	-	(50)	(1,000)	(17,150)
Loans repaid from related companies	48	50	13,077	10,150
Settlement of amounts due to a related company	-	-	-	(951)
Loan advanced by a director	-	-	1,752	-
Loan repaid to a director	-	-	(1,752)	(905)
Short term working capital loan to a subsidiary	-	-	(50,000)	-
Short term working capital loan repaid by a subsidiary	50,000	-	50,000	-
Loan repaid to a jointly controlled company	(1,325)	-	(1,325)	-
Dividends paid to minority shareholders	-	(400)	(601)	(9,337)
Net cash generated from / (used in) financing activities	47,993	(400)	204,973	(14,633)
Net increase in cash and cash equivalents	(59,440)	2,993	388,568	88,699
Cash and cash equivalents at beginning of period	619,127	117,558	171,119	31,852
Cash and cash equivalents at end of period	559,687	120,551	559,687	120,551
Analysis of Balances of Cash and Cash Equivalents				
Cash and bank balances	559,687	120,551	559,687	120,551

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

GROUP

	Attributable to Owners of the Parent											Non-controlling Interests	Total Equity
	Share capital RMB'000	Share premium RMB'000	Contributed surplus RMB'000	Capital reserve RMB'000	Statutory Reserves RMB'000	Capital redemption reserve RMB'000	Exchange reserve RMB'000	Share option reserve RMB'000	Accumulated loss RMB'000	Proposed final dividend RMB'000	Subtotal RMB'000	RMB'000	RMB'000
At 1 Jan 2009	218,820	44,553	565,589	6,955	12,095	8,324	(8)	13,818	(213,521)	13,578	670,203	72,681	742,884
Total comprehensive income for the period	-	-	-	-	-	-	-	-	9,518	-	9,518	2,010	11,528
Share options lapsed	-	-	-	-	-	-	-	(12,891)	12,891	-	-	-	-
Payment of dividends	-	-	-	-	-	-	-	-	-	(13,578)	(13,578)	(9,337)	(22,915)
Transfer	-	-	-	-	685	-	-	-	(685)	-	-	-	-
Recognition of share-based payment	-	-	-	-	-	-	-	313	-	-	313	-	313
At 30 Sep 2009	218,820	44,553	565,589	6,955	12,780	8,324	(8)	1,240	(191,797)	-	666,456	65,354	731,810
At 1 Jan 2010	218,820	44,553	565,589	6,955	13,084	8,324	(8)	1,280	(194,916)	14,757	678,438	41,704	720,142
Total comprehensive income for the period	-	-	-	-	-	-	-	-	7,167	-	7,167	1,152	8,319
Share options exercised	1,123	759	-	-	-	-	-	(759)	-	-	1,123	-	1,123
Dividend on share options exercised	-	-	-	-	-	-	-	-	(77)	77	-	-	-
Payment of dividends	-	-	-	-	-	-	-	-	-	(14,834)	(14,834)	(601)	(15,435)
Transfer	-	-	-	-	316	-	-	-	(316)	-	-	-	-
Share of net asset on acquisition	-	-	-	-	-	-	-	-	-	-	-	541	541
Recognition of share-based payment	-	-	-	-	-	-	-	2,215	-	-	2,215	-	2,215
At 30 Sep 2010	219,943	45,312	565,589	6,955	13,400	8,324	(8)	2,736	(188,142)	-	674,109	42,796	716,905

COMPANY

	Share Capital RMB'000	Share premium RMB'000	Contributed surplus RMB'000	Capital reserve RMB'000	Capital redemption reserve RMB'000	Share option reserve RMB'000	Accumulated loss RMB'000	Proposed final dividend RMB'000	Total RMB'000
At 1 Jan 2009	218,820	44,553	565,589	479	8,324	13,818	(231,847)	13,578	633,314
Total comprehensive income for the period	-	-	-	-	-	-	3,892	-	3,892
Share options lapsed	-	-	-	-	-	(12,891)	12,891	-	-
Payment of dividends	-	-	-	-	-	-	-	(13,578)	(13,578)
Recognition of share-based payment	-	-	-	-	-	313	-	-	313
At 30 Sep 2009	218,820	44,553	565,589	479	8,324	1,240	(215,064)	-	623,941
At 1 Jan 2010	218,820	44,553	565,589	479	8,324	1,280	(227,350)	14,757	626,452
Total comprehensive income for the period	-	-	-	-	-	-	3,517	-	3,517
Share options exercised	1,123	759	-	-	-	(759)	-	-	1,123
Dividend on share options exercised	-	-	-	-	-	-	(77)	77	-
Payment of dividends	-	-	-	-	-	-	-	(14,834)	(14,834)
Recognition of share-based payment	-	-	-	-	-	2,215	-	-	2,215
At 30 Sep 2010	219,943	45,312	565,589	479	8,324	2,736	(223,910)	-	618,473

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Pursuant to the exercise of options granted under the CIHL Share Option Scheme 2004 adopted by shareholders of the Company on 10 May 2004, a total of 4,500,000 ordinary shares in the capital of the Company (the "Option Shares") were issued on April 27, 2010 at the subscription price of S\$0.05 each. Upon the issue of the Option Shares, the number of issued and paid-up shares in the capital of the Company is increased to 874,603,750 ordinary shares. As at 30 September 2010, 27.5 million options issued in accordance with CIHL Share Option Scheme ("the Scheme") are outstanding for conversion into 27.5 million shares in the capital of the Company (9 million as at 31 December 2009). According to the Scheme, 1.8 million options, representing approximately 6.55% options granted, could be exercised as at 30 September 2010 (6.3 million as at 30 September 2009). The Company did not hold any of its issued shares as treasury shares as at 30 September 2010 and as at 31 December 2009.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

As at 30 September 2010, the number of issued shares excluding treasury shares was 874,603,750 ordinary shares (870,103,750 ordinary shares as at 31 December 2009).

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable

- 2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable

- 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The same accounting policies and methods of computation have been applied since the last audited annual financial statements.

- 5 If there are any changes in the accounting policies and method of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable

- 6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	3 months ended		9 months ended	
	30.09.2010	30.09.2009	30.09.2010	30.09.2009
Earnings per share based on weighted average number of ordinary shares in issue (RMB fen)	0.20	0.40	0.82	1.09
Weighted average number of ordinary shares ('000)	872,692	870,104	872,692	870,104
Earnings per share based on fully diluted basis (RMB fen)	0.20	0.40	0.82	1.09
Weighted average number of diluted ordinary shares ('000)	872,692	870,278	872,692	870,278

- 7 Net asset value (for issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-
 (a) current financial period reported on; and
 (b) immediately preceding financial year.

	GROUP		COMPANY	
	30.09.2010	31.12.2009	30.09.2010	31.12.2009
Net asset value (RMB'000)	674,109	678,438	618,473	626,452
Number of shares ('000)	874,604	870,104	874,604	870,104
Net asset per share (RMB)	0.771	0.780	0.707	0.720

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
 (a) any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Profit and Loss Analysis

The Group recorded a turnover of RMB5.18 million for the third quarter ended 30 September 2010 (Q3 2010), representing a decrease of 59.8% as compared to that in the same quarter of last year due to the termination of the management fee for Haihe Bridge and the operating income of Haimen Bridge after the compulsory acquisition by the local government on 31 December 2009. This amount therefore represents the turnover at Andi Bridge for Q3 2010, an increase of RMB2.38 million or 85.0% compared with corresponding period in 2009 due to increased traffic.

In line with the lower turnover, cost of services provided in Q3 2010 decreased by 75.7% to RMB1.87 million, as compared to RMB7.72 million in Q3 2009.

The gross profit of Q3 2010 of the Group was RMB3.31 million, a decrease of RMB1.85 million compared with the gross profit of RMB5.16 million in Q3 2009, representing a reduction of 35.9%.

Other income decreased in Q3 2010 to RMB3.17 million, representing a decrease of 22.8% as compared to RMB4.11 million for Q3 2009 mainly due to the decrease of interest income.

Administrative expenses in Q3 2010 were RMB3.92 million, representing an increase of 99.3% as compared to RMB1.97 million for Q3 2009. The increase was mainly due to increased travel and option expenses.

Other operating expenses increased by RMB1.95 million in Q3 2010 to RMB3.96 million compared with RMB2.01 million in Q3 2009.

Share of profit in CIHL (Tianjin) Water Development Company Limited increased to RMB4.67 million in Q3 2010 compared to the share of losses of RMB0.30 million in Q3 2009, mainly due to the increase in water pipe installation fee income.

The total comprehensive income for Q3 2010 decreased to RMB2.35 million compared with the total comprehensive income of RMB4.00 million in Q3 2009.

Balance Sheet Analysis

Accounts receivable, prepayments and other receivables decreased from RMB493 million as at 31 December 2009 to RMB7.4 million as at 30 September 2010 subsequent to the refund of the tender deposit of RMB150 million, the repayment of RMB 198 million from the purchasers for the disposal of China Bridges Investment Limited and the two payments totaling RMB140 million from the compulsory acquisition of Haimen Bridge.

The amount due from minority shareholders increased by RMB2.95 million from RMB7.51 million to RMB10.45 million. Of the increase of RMB2.95 million, RMB0.95 million was the cash advanced by CCI Andi Bridges Co. Ltd to its minority shareholder 张家口安地道桥有限责任公司, and RMB2 million was cash advanced by Haimen Bridge to its minority shareholder 天津市塘沽城市建设投资公司.

The amount of RMB21.1 million due to PRC JV partner represents the collection of the portion of compensation from compulsory acquisition of Haimen Bridge on behalf of the PRC JV partner.

The cash and bank balance as at 30 September 2010 was RMB559.68 million.

Cashflow Analysis

The net cash used in operating activities of RMB111.2 million for Q3 2010 was mainly due to deposits made for Jixian land development project in the amount of RMB108 million.

The net cash generated from investing activities of RMB3.8 million for Q3 2010 was mainly due to interest income received and cash received on the acquisition of a subsidiary Beijing Shiji Longquan Real Estate Development Co., Ltd (北京世纪龙泉房地产开发有限公司) (“BJSJLQ”).

The net cash generated from financing activities of RMB47.9 million for Q3 2010 was mainly due to short term working capital loan repaid by a subsidiary in the amount of RMB50 million.

- 9 [Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.](#)

Not applicable

- 10 [A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.](#)

The Company has on 30 July 2010 announced that it has been awarded by 天津市国土资源和房屋管理局蓟县国土资源分局 the tender for the acquisition of land use right for a parcel of land located in the North Shore of Cui Ping Lake Tourist District in Tianjin Ji County for a total consideration of RMB200 million. The land use right is for 70 years from the signing date of land use right grant agreement signed on 30 August 2010. As of 30 September 2010, the Company has paid RMB 100 million of the total consideration of RMB200 million and plans to pay off the remaining balance of RMB100 million in November 2010. The land can be developed into residential and accommodative commercial areas according to the regulatory plan. The Company plans to carry out the development of this real estate property in the next three years.

The Company acquired 95% of the registered share capital of Beijing Shiji Longquan Real Estate Development Co., Ltd (北京世纪龙泉房地产开发有限公司) (“BJSJLQ”) on 20 August 2010 for a total consideration of RMB9.5 million. BJSJLQ is in the business of real estate development focusing on preliminary land development projects in Beijing. The Company expects this acquisition to complement its existing real estate business.

Pursuant to contractual arrangement dated 30 November 2009, the Company has a 25% investment in an associate named Future Trillion Holdings Limited (incorporated in the British Virgin Islands) and its subsidiaries (“FTL Group”). FTL Group is engaged in natural gas exploration business in Papua New Guinea. The total investment cost of the Company in proportion to its respective interest in the associate is US\$6,000,000. The Company fulfilled its investment obligation in the FTL Group on 27 October 2010.

Barring unforeseen circumstances, the Group expects the full year to be profitable.

- 11 [Dividend](#)

- (a) [Current Financial Period Reported On](#)
[Any dividend declared for the current financial period reported on?](#)

None

- (b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediately preceding financial year?

None

- (c) Date Payable

Not applicable

- (d) Books closure date

Not applicable

12 If no dividend has been declared / recommended, a statement to that effect.

The directors do not recommend any dividend for the third quarter and the nine months financial period ended 30 September 2010.

Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial results of the Group and of the Company for the third quarter and the nine months financial period ended 30 September 2010 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Zhang Rong Xiang
Managing Director

Zhu Jun
Executive Director

Shen Xia
Executive Director

BY ORDER OF THE BOARD

Zhang Rong Xiang
Managing Director
10 November 2010