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## CHEVALIER INTERNATIONAL HOLDINGS LIMITED

### 其士國際集團有限公司\*

(Incorporated in Bermuda with limited liability)

(Stock code: 25)

## INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2011

### INTERIM RESULTS

The Directors of Chevalier International Holdings Limited (the “Company”) are pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2011, together with the comparative figures for the corresponding period in 2010 as follows:

### CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2011

|  | Note | Unaudited six months<br>ended 30 September |                  |
|--|------|--|------------------|
|  |      | 2011<br>HK\$'000                           | 2010<br>HK\$'000 |
| <b>Revenue</b>   | 3    | <b>1,791,848</b>                           | 1,672,899        |
| Cost of sales  |      | <b>(1,366,017)</b>                         | (1,384,063)      |
| Gross profit   |      | <b>425,831</b>                             | 288,836          |
| Other expenses, net  | 4    | <b>(52,112)</b>                            | (25,577)         |
| Other gains, net   | 5    | <b>183,319</b>                             | 184,006          |
| Selling and distribution costs   |      | <b>(245,232)</b>                           | (206,424)        |
| Administrative expenses  |      | <b>(69,907)</b>                            | (66,114)         |
| Operating profit   |      | <b>241,899</b>                             | 174,727          |
| Share of results of associates   |      | <b>44,427</b>                              | 51,649           |
| Share of results of jointly controlled entities                                |      | <b>(11,642)</b>                            | 10,115           |
| Gain on disposal of subsidiaries and their related jointly controlled entities |      | –  | 377,652          |
|  |      | <b>274,684</b>                             | 614,143          |
| Finance income   | 6    | <b>4,737</b>                               | 5,523            |
| Finance costs  | 6    | <b>(13,593)</b>                            | (6,768)          |
| Finance costs, net   | 6    | <b>(8,856)</b>                             | (1,245)          |
| Profit before taxation   | 7    | <b>265,828</b>                             | 612,898          |
| Income tax expenses  | 8    | <b>(26,414)</b>                            | (14,971)         |
| <b>Profit for the period</b>   |      | <b>239,414</b>                             | 597,927          |
| <b>Attributable to:</b>  |      |  |                  |
| Equity holders of the Company  |      | <b>221,990</b>                             | 513,727          |
| Non-controlling interests  |      | <b>17,424</b>                              | 84,200           |
|  |      | <b>239,414</b>                             | 597,927          |
| <b>Earnings per share</b>  |      |  |                  |
| – basic and diluted (HK\$ per share)   | 9    | <b>0.80</b>                                | 1.85             |
| <b>Dividends</b>   | 10   | <b>55,513</b>                              | 166,538          |

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the six months ended 30 September 2011

|  | <b>Unaudited six months<br/>ended 30 September</b> |                 |
|--|--|-----------------|
|  | <b>2011</b>  | <b>2010</b>     |
|  | <b>HK\$'000</b>                                    | <b>HK\$'000</b> |
| <b>Profit for the period</b>   | <b>239,414</b>                                     | <b>597,927</b>  |
| <b>Other comprehensive income for the period</b>   |  |                 |
| Exchange difference on translation of operations of overseas subsidiaries,<br>associates and jointly controlled entities | <b>24,428</b>                                      | 55,168          |
| Change in fair value of available-for-sale investments, net  | <b>5,402</b>                                       | (3,376)         |
| Impairment loss on available-for-sale investments transferred to<br>consolidated income statement                        | <b>2,129</b>                                       | –               |
| (Gain)/loss on disposal of available-for-sale investments transferred to<br>consolidated income statement                | <b>(8,669)</b>                                     | 1,107           |
| Other comprehensive income for the period, net of tax  | <b>23,290</b>                                      | 52,899          |
| <b>Total comprehensive income for the period</b>   | <b>262,704</b>                                     | <b>650,826</b>  |
| <b>Attributable to:</b>  |  |                 |
| Equity holders of the Company  | <b>243,070</b>                                     | 564,458         |
| Non-controlling interests  | <b>19,634</b>                                      | 86,368          |
|  | <b>262,704</b>                                     | <b>650,826</b>  |

Note: Items shown within other comprehensive income have no tax effect.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 30 September 2011

|  | Unaudited<br>30 September<br>2011<br>HK\$'000 | Audited<br>31 March<br>2011<br>HK\$'000 |
|--|---|---|
|  | Note  |   |
| <b>Non-current assets</b>                        |   |   |
| Investment properties                            | 2,733,565                                     | 1,718,530                               |
| Property, plant and equipment                    | 1,041,882                                     | 814,215                                 |
| Prepaid lease payments                           | 3,382   | 3,564                                   |
| Goodwill and other intangible assets             | 186,556                                       | 178,500                                 |
| Interests in associates                          | 736,516                                       | 624,002                                 |
| Interests in jointly controlled entities         | 695,805                                       | 507,157                                 |
| Available-for-sale investments                   | 235,113                                       | 238,085                                 |
| Properties under development                     | 735,972                                       | 690,878                                 |
| Deferred tax assets                              | 11,532  | 12,378                                  |
| Other non-current assets                         | 80,796  | 186,266                                 |
|  | <u>6,461,119</u>                              | <u>4,973,575</u>                        |
| <b>Current assets</b>                            |   |   |
| Amounts due from associates                      | 129,478                                       | 137,836                                 |
| Amounts due from jointly controlled entities     | 267,482                                       | 216,897                                 |
| Amounts due from non-controlling interests       | 1,175   | –                                       |
| Investments at fair value through profit or loss | 352,116                                       | 361,388                                 |
| Inventories                                      | 145,205                                       | 176,656                                 |
| Properties for sale                              | 116,051                                       | 132,682                                 |
| Debtors, deposits and prepayments                | 1,145,006                                     | 1,030,210                               |
| Amounts due from customers for contract work     | 76,012  | 56,055                                  |
| Derivative financial instruments                 | 29,552  | 29,087                                  |
| Prepaid tax                                      | 7,536   | 4,583                                   |
| Bank balances and cash                           | 1,102,390                                     | 1,476,407                               |
|  | <u>3,372,003</u>                              | <u>3,621,801</u>                        |
| <b>Current liabilities</b>                       |   |   |
| Amounts due to associates                        | –   | 293                                     |
| Amounts due to non-controlling interests         | –   | 4,699                                   |
| Amounts due to customers for contract work       | 608,109                                       | 613,503                                 |
| Derivative financial instruments                 | 53,205  | 19,472                                  |
| Dividend payable                                 | 23,824  | –                                       |
| Creditors, bills payable, deposits and accruals  | 915,181                                       | 897,409                                 |
| Unearned insurance premiums                      | 43,710  | 61,438                                  |
| Outstanding insurance claims                     | 174,081                                       | 153,918                                 |
| Deferred income                                  | 17,592  | 18,439                                  |
| Current income tax liabilities                   | 79,442  | 63,330                                  |
| Bank borrowings                                  | 546,407                                       | 371,740                                 |
|  | <u>2,461,551</u>                              | <u>2,204,241</u>                        |
| <b>Net current assets</b>                        | <u>910,452</u>                                | <u>1,417,560</u>                        |
| <b>Total assets less current liabilities</b>     | <u>7,371,571</u>                              | <u>6,391,135</u>                        |

|   | Unaudited<br>30 September<br>2011<br>HK\$'000 | Audited<br>31 March<br>2011<br>HK\$'000 |
|---|---|---|
|   | Note  |   |
| <b>Capital and reserves</b>                     |   |   |
| Share capital                                   | 346,955                                       | 346,955                                 |
| Reserves  | 4,225,168                                     | 4,132,610                               |
|   | <u>4,572,123</u>                              | <u>4,479,565</u>                        |
| Shareholders' funds                             |   |   |
| Non-controlling interests                       | 296,674                                       | 399,833                                 |
|   | <u>4,868,797</u>                              | <u>4,879,398</u>                        |
| <b>Total equity</b>                             |   |   |
| <b>Non-current liabilities</b>                  |   |   |
| Dividend payable to non-controlling interests   | 9,094   | 8,925                                   |
| Unearned insurance premiums                     | 88,599  | 52,189                                  |
| Bank borrowings                                 | 2,248,439                                     | 1,298,725                               |
| Deferred tax liabilities                        | 156,642                                       | 151,898                                 |
|   | <u>2,502,774</u>                              | <u>1,511,737</u>                        |
| <b>Total equity and non-current liabilities</b> | <u>7,371,571</u>                              | <u>6,391,135</u>                        |

## NOTES

### 1 Basis of preparation

The unaudited condensed consolidated financial statements have been prepared in accordance with applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and with Hong Kong Accounting Standard ("HKAS") 34, "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2011, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS").

### 2 Principal accounting policies

Except as described below, the accounting policies applied in these interim financial statements are consistent with those of the annual financial statements for the year ended 31 March 2011, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

The following revised standard, and amendments and interpretation to standards, that are relevant to the Group's operation, are mandatory for the financial year of the Group beginning on 1 April 2011.

- HKAS 24 (Revised), "Related party disclosures"
- HK(IFRIC) – Int 14 (Amendment), "Prepayments of a minimum funding requirement"
- HK(IFRIC) – Int 19, "Extinguishing financial liabilities with equity instruments"
- Third improvements to HKFRSs (2010)

The adoption of these revised standard, amendments and interpretation does not have significant impact on the Group's consolidated results and financial position nor any substantial changes in the Group's accounting policies and the presentation of the consolidated financial statements.

The following new or revised standards and amendments to existing standards relevant to the Group's operation have been issued, but not yet effective for the financial year beginning on 1 April 2011 and have not been early adopted:

- HKAS 1 (Amendment), "Presentation of items of other comprehensive income"
- HKAS 19 (2011), "Employee benefits"
- HKAS 27 (2011), "Separate financial statements"
- HKAS 28 (2011), "Investments in associates and joint ventures"
- HKFRS 7 (Amendment), "Disclosures – Transfers of financial assets"

- HKFRS 9, “Financial instruments”
- HKFRS 10, “Consolidated financial statements”
- HKFRS 11, “Joint arrangements”
- HKFRS 12, “Disclosure of interests in other entities”
- HKFRS 13, “Fair value measurement”

The Group is in the process of assessing the related impact of these new or revised standards and amendments to the Group but is not yet in a position to state whether there will be any substantial changes to the Group’s significant accounting policies and presentation of financial information.

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, and income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended 31 March 2011.

### 3 Segment information

#### Revenue and results

For management purposes, the Group is organised on a worldwide basis into five divisions. These divisions are the basis on which the Group reports its segment information.

Reportable segment information is presented below.

|  | Construction<br>and<br>engineering<br>HK\$’000 | Insurance<br>and<br>investment<br>HK\$’000 | Property<br>HK\$’000 | Food and<br>beverage<br>HK\$’000 | Computer and<br>information<br>communication<br>technology<br>and others<br>HK\$’000 | Total<br>HK\$’000 |
|--|--|--|----------------------|----------------------------------|--|-------------------|
| <b>For the six months ended</b>  |  |  |                      |                                  |  |                   |
| <b>30 September 2011</b>   |  |  |                      |                                  |  |                   |
| <b>REVENUE</b>   |  |  |                      |                                  |  |                   |
| Total revenue  | 744,499  | 103,019                                    | 286,144              | 285,961                          | 407,334  | 1,826,957         |
| Inter-segment revenue  | –  | (10,050)                                   | (22,788)             | –                                | (2,271)  | (35,109)          |
| Group revenue  | 744,499  | 92,969                                     | 263,356              | 285,961                          | 405,063  | 1,791,848         |
| Share of revenue from external<br>customers derived by associates<br>and jointly controlled entities | 922,383  | –  | 16,603               | 46,528                           | 242,458  | 1,227,972         |
| Proportionate revenue from a jointly<br>controlled entity eliminated                                 | (26,408)                                       | –  | –                    | –                                | –  | (26,408)          |
| <b>Segment revenue</b>   | <b>1,640,474</b>                               | <b>92,969</b>                              | <b>279,959</b>       | <b>332,489</b>                   | <b>647,521</b>   | <b>2,993,412</b>  |
| <b>RESULTS</b>   |  |  |                      |                                  |  |                   |
| <b>Segment profit/(loss)</b>   | <b>78,004</b>                                  | <b>(60,281)</b>                            | <b>88,066</b>        | <b>6,240</b>                     | <b>1,137</b>   | <b>113,166</b>    |
| Included in segment profit/(loss) are:   |  |  |                      |                                  |  |                   |
| Share of results of associates   | 52,055   | –  | 2,322                | (2,744)                          | (7,206)  | 44,427            |
| Share of results of jointly controlled<br>entities   | 274  | –  | (11,916)             | –                                | –  | (11,642)          |
| Depreciation and amortisation, net of<br>capitalisation  | (2,999)  | (844)                                      | (14,385)             | (13,766)                         | (1,222)  | (33,216)          |
| Impairment loss on property, plant<br>and equipment  | –  | –  | –                    | (518)                            | –  | (518)             |
| Impairment loss on available-for-sale<br>investments   | –  | (2,129)                                    | –                    | –                                | –  | (2,129)           |
| Unrealised loss on investments at fair<br>value through profit or loss, net                          | –  | (44,373)                                   | –                    | –                                | –  | (44,373)          |
| Write back/(down) of inventories to<br>net realisable value, net                                     | 1,974  | –  | –                    | –                                | (1,721)  | 253               |
| Unrealised loss on derivative<br>financial instruments, net  | –  | (9,710)                                    | –                    | –                                | –  | (9,710)           |

|  | Construction<br>and<br>engineering<br>HK\$'000 | Insurance<br>and<br>investment<br>HK\$'000 | Property<br>HK\$'000 | Food and<br>beverage<br>HK\$'000 | Computer and<br>information<br>communication<br>technology<br>and others<br>HK\$'000 | Total<br>HK\$'000 |
|--|--|--|----------------------|----------------------------------|--|-------------------|
| For the six months ended<br>30 September 2010  |  |  |                      |                                  |  |                   |
| <b>REVENUE</b>   |  |  |                      |                                  |  |                   |
| Total revenue  | 837,496  | 93,553                                     | 213,426              | 196,554                          | 370,417  | 1,711,446         |
| Inter-segment revenue  | —  | (9,843)                                    | (23,749)             | —                                | (4,955)  | (38,547)          |
| Group revenue  | 837,496  | 83,710                                     | 189,677              | 196,554                          | 365,462  | 1,672,899         |
| Share of revenue from external<br>customers derived by associates<br>and jointly controlled entities | 758,877  | —  | 65,255               | 18,556                           | 220,573  | 1,063,261         |
| Proportionate revenue from a jointly<br>controlled entity eliminated                                 | (47,582)                                       | —  | —                    | —                                | —  | (47,582)          |
| <b>Segment revenue</b>   | <b>1,548,791</b>                               | <b>83,710</b>                              | <b>254,932</b>       | <b>215,110</b>                   | <b>586,035</b>   | <b>2,688,578</b>  |
| <b>RESULTS</b>   |  |  |                      |                                  |  |                   |
| <b>Segment profit/(loss)</b>   | <b>35,877</b>                                  | <b>(68,949)</b>                            | <b>107,444</b>       | <b>(29,645)</b>                  | <b>(14,398)</b>  | <b>30,329</b>     |
| Included in segment profit/(loss) are:   |  |  |                      |                                  |  |                   |
| Share of results of associates   | 50,310   | —  | 2,221                | 934                              | (1,816)  | 51,649            |
| Share of results of jointly controlled<br>entities   | 466  | —  | 9,649                | —                                | —  | 10,115            |
| Depreciation and amortisation, net of<br>capitalisation  | (2,624)  | (766)                                      | (12,821)             | (13,618)                         | (1,214)  | (31,043)          |
| Impairment loss on goodwill  | —  | —  | —                    | (30,218)                         | (5,117)  | (35,335)          |
| Unrealised loss on investments at fair<br>value through profit or loss, net                          | —  | (11,029)                                   | —                    | —                                | —  | (11,029)          |
| Write back/(down) of inventories to<br>net realisable value, net                                     | 629  | —  | —                    | —                                | (260)  | 369               |
| Unrealised loss on derivative<br>financial instruments, net  | —  | (49,904)                                   | —                    | —                                | —  | (49,904)          |

Note: Inter-segment revenue is charged at prices determined by management with reference to market prices.

Reconciliation of segment profit to profit before taxation is provided as follows:

|  | Six month ended 30 September |                  |
|--|------------------------------|------------------|
|  | 2011<br>HK\$'000             | 2010<br>HK\$'000 |
| Segment profit   | 113,166                      | 30,329           |
| Gain on disposal of a listed subsidiary  | 138,426                      | —                |
| Gain on disposal of interests in subsidiaries                                  | —                            | 217,348          |
| Gain on disposal of subsidiaries and their related jointly controlled entities | —                            | 377,652          |
| Gain on a bargain purchase of a subsidiary                                     | 35,500                       | —                |
| Unallocated corporate expenses   | (12,408)                     | (11,186)         |
| Finance income   | 4,737                        | 5,523            |
| Finance costs  | (13,593)                     | (6,768)          |
| Profit before taxation   | <b>265,828</b>               | <b>612,898</b>   |

## Assets

|  | Construction<br>and<br>engineering<br>HK\$'000 | Insurance<br>and<br>investment<br>HK\$'000 | Property<br>HK\$'000 | Food and<br>beverage<br>HK\$'000 | Computer and<br>information<br>communication<br>technology<br>and others<br>HK\$'000 | Total<br>HK\$'000 |
|--|--|--|----------------------|----------------------------------|--|-------------------|
| <b>As at 30 September 2011</b>               |  |  |                      |                                  |  |                   |
| <b>SEGMENT ASSETS</b>                        | <b>1,032,818</b>                               | <b>983,190</b>                             | <b>6,601,255</b>     | <b>392,401</b>                   | <b>679,077</b>   | <b>9,688,741</b>  |
| Included in segment assets are:              |  |  |                      |                                  |  |                   |
| Interests in associates                      | 324,714  | –  | 110,748              | 81,188                           | 219,866  | 736,516           |
| Interests in jointly controlled entities     | 12,680   | –  | 683,125              | –                                | –  | 695,805           |
| Amounts due from associates                  | 21,548   | –  | –                    | 225                              | 107,705  | 129,478           |
| Amounts due from jointly controlled entities | –  | –  | 267,482              | –                                | –  | 267,482           |
| Additions to non-current assets (note)       | 3,599  | 27   | 1,203,558            | 20,527                           | 4,509  | 1,232,220         |
| <b>As at 31 March 2011</b>                   |  |  |                      |                                  |  |                   |
| <b>SEGMENT ASSETS</b>                        | <b>1,071,943</b>                               | <b>959,792</b>                             | <b>4,867,662</b>     | <b>375,397</b>                   | <b>608,419</b>   | <b>7,883,213</b>  |
| Included in segment assets are:              |  |  |                      |                                  |  |                   |
| Interests in associates                      | 292,290  | –  | 108,530              | 57,056                           | 166,126  | 624,002           |
| Interests in jointly controlled entities     | 12,405   | –  | 494,752              | –                                | –  | 507,157           |
| Amounts due from associates                  | 19,276   | –  | –                    | 556                              | 118,004  | 137,836           |
| Amounts due from jointly controlled entities | –  | –  | 216,897              | –                                | –  | 216,897           |
| Additions to non-current assets (note)       | 7,272  | 69   | 444,228              | 107,026                          | 989  | 559,584           |

Note:

In this analysis, the non-current assets exclude financial instruments (including interests in associates and jointly controlled entities) and deferred tax assets.

## Geographical information

The Group's operations in construction and engineering are located in Hong Kong, Mainland China, Macau and Australia. Insurance and investment business is conducted in Hong Kong. Property operations are mainly carried out in Hong Kong, Mainland China, Canada and USA. Food and beverage business is carried out in Hong Kong, Mainland China, Macau, Singapore and Australia. Computer and information communication technology operations are mainly carried out in Hong Kong, Mainland China and Thailand. Other operations are carried out in Canada and USA.

The associates' and jointly controlled entities' operations in construction and engineering are mainly located in Hong Kong, Mainland China, Singapore, USA, Australia and Europe. Property operations are mainly carried out in Hong Kong and Mainland China. Food and beverage business is carried out in Hong Kong, Mainland China and Singapore. Other operations are carried out in Mainland China.

|                | Segment revenue by geographical market  |   |                                       |            |   |   |                                       |            |  |
|----------------|---|---|---------------------------------------|------------|---|---|---------------------------------------|------------|--|
|                | Company and<br>subsidiaries<br>HK\$'000 | Associates<br>and jointly<br>controlled<br>entities<br>HK\$'000 | Six months ended<br>30 September 2011 |            |   | Associates<br>and jointly<br>controlled<br>entities<br>HK\$'000 | Six months ended<br>30 September 2010 |            |  |
|                |   | Total<br>HK\$'000   | Total<br>HK\$'000                     | %          | Company and<br>subsidiaries<br>HK\$'000 | Total<br>HK\$'000   | Total<br>HK\$'000                     | %          |  |
| Hong Kong      | 1,163,470                               | 222,103*  | 1,385,573                             | 46         | 1,157,794                               | 217,713*  | 1,375,507                             | 51         |  |
| Mainland China | 28,737                                  | 737,453   | 766,190                               | 26         | 30,253                                  | 636,768   | 667,021                               | 24         |  |
| Canada         | 210,856                                 | –   | 210,856                               | 7          | 189,693                                 | –   | 189,693                               | 7          |  |
| Macau          | 177,900                                 | 6,616   | 184,516                               | 6          | 210,875                                 | 4,337   | 215,212                               | 8          |  |
| Singapore      | 5,777                                   | 141,726   | 147,503                               | 5          | 8,121                                   | 69,881  | 78,002                                | 3          |  |
| USA            | 104,954                                 | 4,952   | 109,906                               | 4          | 55,993                                  | 4,889   | 60,882                                | 2          |  |
| Australia      | 62,592                                  | 26,172  | 88,764                                | 3          | 1,360                                   | 25,456  | 26,816                                | 1          |  |
| Europe         | –                                       | 59,821  | 59,821                                | 1          | –                                       | 55,986  | 55,986                                | 2          |  |
| Thailand       | 30,791                                  | –   | 30,791                                | 1          | 14,023                                  | –   | 14,023                                | 1          |  |
| Others         | 6,771                                   | 2,721   | 9,492                                 | 1          | 4,787                                   | 649   | 5,436                                 | 1          |  |
|                | <b>1,791,848</b>                        | <b>1,201,564</b>  | <b>2,993,412</b>                      | <b>100</b> | <b>1,672,899</b>                        | <b>1,015,679</b>  | <b>2,688,578</b>                      | <b>100</b> |  |

\* The proportionate revenue from a jointly controlled entity is eliminated.

The Group maintains healthy and balanced portfolio of customer basis. No customer accounted for 10% or more of the total revenue of the Group for the periods ended 30 September 2011 and 2010.

4 **Other expenses, net**

|   | <b>Six months ended 30 September</b> |                 |
|---|--------------------------------------|-----------------|
|   | <b>2011</b>                          | <b>2010</b>     |
|   | <b>HK\$'000</b>                      | <b>HK\$'000</b> |
| Included in other expenses, net are:                                  |                                      |                 |
| (Loss)/gain on investments at fair value through profit or loss, net  |                                      |                 |
| – held-for-trading  | (61,272)                             | (11,597)        |
| – designated upon initial recognition                                 | (4,913)                              | 919             |
| Loss on derivative financial instruments, net                         | (14,987)                             | (62,827)        |
| Interest income from associates                                       | 3,685                                | 2,092           |
| Interest income from jointly controlled entities                      | –                                    | 8,053           |
| Management fee income from associates and jointly controlled entities | 12,454                               | 25,181          |
| Sales and marketing services income from an associate                 | 10,671                               | 9,684           |
|   | <u>10,671</u>                        | <u>9,684</u>    |

5 **Other gains, net**

|   | <b>Six months ended 30 September</b> |                 |
|---|--------------------------------------|-----------------|
|   | <b>2011</b>                          | <b>2010</b>     |
|   | <b>HK\$'000</b>                      | <b>HK\$'000</b> |
| Included in other gains, net are:   |                                      |                 |
| Gain on disposal of   |                                      |                 |
| – CPHL (note)   | 138,426                              | –               |
| – 80% interest in Pacific Coffee Group  | –                                    | 217,348         |
| Gain on a bargain purchase of a subsidiary  | 35,500                               | –               |
| Gain on disposal of property, plant and equipment and prepaid lease payments, net | 11,726                               | 917             |
| Impairment loss on property, plant and equipment                                  | (518)                                | –               |
| Impairment loss on goodwill   | –                                    | (35,335)        |
| Impairment loss on available-for-sale investments                                 | (2,129)                              | –               |
| Gain/(loss) on disposal of available-for-sale investments                         | 8,669                                | (1,107)         |
| Acquisition-related costs   | (11,931)                             | –               |
| Exchange gain, net  | 1,184                                | 2,033           |
|   | <u>1,184</u>                         | <u>2,033</u>    |

Note:

**Disposal of the Group's entire interest in CPHL**

On 17 June 2011, the Company entered into an agreement with Wincon Capital Investment Limited (“Wincon”), an independent third party, to sell its entire interest of approximately 54.14% in Chevalier Pacific Holdings Limited (“CPHL”, the Company's subsidiary with its shares listed on the Stock Exchange) to Wincon at a cash consideration of HK\$243,622,000 upon completion of the asset reorganisation of CPHL described below.

On 17 June 2011, the Company entered into an agreement with CPHL to acquire CPHL's entire interest in Sharp Rise Limited (“Sharp Rise”) at a cash consideration of HK\$246,000,000 (the “Asset Reorganisation of CPHL”). Sharp Rise holds (i) a 20% interest in Pacific Coffee Holdings Limited, together with its subsidiaries engaging in branded coffee shop business; (ii) a 60% interest in Cafe Deco Holdings Limited (“Cafe Deco”), together with its subsidiaries engaging in restaurant and bar business; and (iii) other investments in venture capital fund. After the Asset Reorganisation of CPHL, CPHL continues to hold a 100% interest in World Pointer Limited which in turn holds 51% interests in 3 subsidiaries (the “World Pointer Group Companies”) owning 9 restaurants and bars and 3 kiosks (including Watermark, The Boathouse, Pier 7 Cafe & Bar and Cafe de Paris (Soho)). The remaining 49% interests of the World Pointer Group Companies are indirectly held by Cafe Deco.

The completion of the disposal of CPHL and the Asset Reorganisation of CPHL took place on 28 September 2011.



## 6 Finance costs, net

|  | Six months ended 30 September |                     |
|--|-------------------------------|---------------------|
|  | 2011<br>HK\$'000              | 2010<br>HK\$'000    |
| Interest expenses on bank overdrafts and borrowings wholly repayable within five years | 20,378                        | 10,253              |
| Less: Amount capitalised to properties under development (note)                        | <u>(6,785)</u>                | <u>(3,485)</u>      |
|  | 13,593                        | 6,768               |
| Less: Interest income from bank deposits   | <u>(4,737)</u>                | <u>(5,523)</u>      |
|  | <u><b>8,856</b></u>           | <u><b>1,245</b></u> |

Note:

The capitalisation rate applied to funds borrowed and used for the development of properties was between 6.1% and 7.6% (six months ended 30 September 2010: 4.8% and 4.9%) per annum during the period.

## 7 Profit before taxation

|  | Six months ended 30 September |                  |
|--|-------------------------------|------------------|
|  | 2011<br>HK\$'000              | 2010<br>HK\$'000 |
| Profit before taxation has been arrived at after charging/(crediting) the following: |                               |                  |
| Cost of inventories recognised as expenses   | 261,574                       | 210,116          |
| Write back of inventories to net realisable value, net                               | <u>(253)</u>                  | <u>(369)</u>     |
| Staff costs  | 323,766                       | 267,244          |
| Less: Amount capitalised to contract work  | <u>(48,622)</u>               | <u>(41,941)</u>  |
|  | 275,144                       | 225,303          |
| Operating lease payments in respect of leasing of                                    |                               |                  |
| – premises   |                               |                  |
| – under minimum lease payments   | 45,190                        | 50,330           |
| – under contingent rent  | 499                           | 2,590            |
| – equipment  | <u>809</u>                    | <u>781</u>       |
|  | 46,498                        | 53,701           |
| Depreciation of property, plant and equipment  | 30,451                        | 28,735           |
| Less: Amount capitalised to contract work  | <u>(833)</u>                  | <u>(916)</u>     |
|  | 29,618                        | 27,819           |
| Amortisation of prepaid lease payments   | 208                           | 197              |
| Amortisation of other intangible assets  | 3,390                         | 3,027            |
| Share options granted by a listed subsidiary – consultancy services received         | <u>5,558</u>                  | <u>3,210</u>     |

## 8 Income tax expenses

|   | Six months ended 30 September |                      |
|---|-------------------------------|----------------------|
|   | 2011<br>HK\$'000              | 2010<br>HK\$'000     |
| Current tax   |                               |                      |
| – Hong Kong   | 18,529                        | 13,322               |
| – Overseas  | <u>9,191</u>                  | <u>4,954</u>         |
|   | 27,720                        | 18,276               |
| Deferred tax  |                               |                      |
| – Origination and reversal of temporary differences | <u>(1,306)</u>                | <u>(3,305)</u>       |
|   | <u><b>26,414</b></u>          | <u><b>14,971</b></u> |

Hong Kong profits tax is calculated at the rate of 16.5% (2010: 16.5%) on the estimated assessable profit. Taxation on overseas profit has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates.

## 9 Earnings per share

### (a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company of HK\$221,990,000 (2010: HK\$513,727,000) by the weighted average number of 277,564,090 (2010: 277,564,090) ordinary shares in issue during the period.

### (b) Diluted

For the periods ended 30 September 2011 and 2010, as the adjusted exercise price of the share options granted by CPHL was higher than the relevant average market price of CPHL's shares, the outstanding share options granted had no dilutive effect on earnings per share. After the share options granted by CPHL were cancelled on 15 July 2011, the Company did not have any dilutive equity instruments as at 30 September 2011.

## 10 Dividends

|   | Six months ended 30 September |                  |
|---|-------------------------------|------------------|
|   | 2011<br>HK\$'000              | 2010<br>HK\$'000 |
| Interim dividend of HK\$0.20 (2010: HK\$0.20) per share | 55,513                        | 55,513           |
| No special dividend (2010: HK\$0.40 per share)          | —                             | 111,025          |
|   | <u>55,513</u>                 | <u>166,538</u>   |

On 28 November 2011, the Board of Directors declared an interim dividend of HK\$0.20 per ordinary share. The interim dividend is not reflected as a dividend payable in these condensed consolidated financial statements, but will be reflected as an appropriation of the retained profits for the year ending 31 March 2012.

The 2010/11 final dividend of HK\$0.55 per ordinary share, totalling HK\$152,660,000, were approved at the annual general meeting held on 9 September 2011 and paid on 23 September 2011. It has been reflected as an appropriation of the retained profits for the six months ended 30 September 2011.

## 11 Debtors, deposits and prepayments

|  | As at<br>30 September<br>2011<br>HK\$'000 | As at<br>31 March<br>2011<br>HK\$'000 |
|--|---|---------------------------------------|
|  | Trade debtors                             | 360,982                               |
| Less: Provision for impairment   | (9,362)                                   | (8,268)                               |
| Trade debtors, net   | <u>351,620</u>                            | <u>371,067</u>                        |
| Other debtors, deposits and prepayments  | 605,233                                   | 392,145                               |
| Retention receivables  | 188,153                                   | 207,454                               |
| Receivables on disposal of Smartco Holdings Limited, its subsidiary<br>and jointly controlled entity |   |                                       |
| – consideration  | —   | 36,900                                |
| – loan   | —   | 22,644                                |
|  | <u>1,145,006</u>                          | <u>1,030,210</u>                      |

The Group has established different credit policies for customers in each of its core businesses. The average credit period granted to trade debtors was 60 days.

The ageing analysis of trade debtors is as follows:

|              | As at<br>30 September<br>2011<br>HK\$'000 | As at<br>31 March<br>2011<br>HK\$'000 |
|--------------|---|---------------------------------------|
| 0 – 60 days  | 282,419                                   | 300,650                               |
| 61 – 90 days | 17,852                                    | 27,285                                |
| Over 90 days | 51,349                                    | 43,132                                |
|              | <u>351,620</u>                            | <u>371,067</u>                        |

## 12 Creditors, bills payable, deposits and accruals

|  | As at<br>30 September<br>2011<br>HK\$'000 | As at<br>31 March<br>2011<br>HK\$'000 |
|--|---|---------------------------------------|
| Trade creditors and bills payable      | 171,581                                   | 177,025                               |
| Accrued contract costs                 | 252,605                                   | 198,204                               |
| Other creditors, deposits and accruals | 384,663                                   | 396,681                               |
| Retention payables                     | 106,332                                   | 125,499                               |
|  | <u>915,181</u>                            | <u>897,409</u>                        |

The ageing analysis of trade creditors and bills payable is as follows:

|              | As at<br>30 September<br>2011<br>HK\$'000 | As at<br>31 March<br>2011<br>HK\$'000 |
|--------------|---|---------------------------------------|
| 0 – 60 days  | 151,944                                   | 141,684                               |
| 61 – 90 days | 2,310                                     | 1,117                                 |
| Over 90 days | 17,327                                    | 34,224                                |
|              | <u>171,581</u>                            | <u>177,025</u>                        |

## 13 Acquisition of subsidiaries and business

### (a) Acquisition of a company owning a property in Kwai Chung

Pursuant to an agreement dated 6 January 2011, the Group, through a non-wholly owned subsidiary, acquired 100% equity interest in a company owning a property in Kwai Chung from an independent third party at a cash consideration of HK\$675,985,000. The acquisition was completed on 1 April 2011 and the company has become a subsidiary of the Group.

### (b) Acquisition of a group of companies owning a property in Tsing Yi Island

Pursuant to an agreement dated 27 May 2011, the Group, through a non-wholly owned subsidiary, acquired 100% equity interest in a group of companies owning a property in Tsing Yi Island from independent third parties at an aggregated cash consideration of HK\$297,915,000. The acquisition was completed on 15 June 2011 and the group of companies has become a group of subsidiaries of the Group.

### (c) Acquisition of senior housing business

Pursuant to agreements dated 31 May 2011, the Group acquired a business operating senior housing communities in Oregon, USA, from independent third parties at an aggregated cash consideration of US\$34,338,000 (equivalent to approximately HK\$267,496,000). The acquisition was completed on 30 June 2011.

The fair values of the identifiable assets acquired as at the date of acquisition are provisional pending receipt of the final valuations for those assets.

The goodwill is attributable to the acquired workforce and the profitability of the acquired business.

## 14 Contingent liabilities

The Group had contingent liabilities in respect of guarantees issued for utilised borrowings in relation to:

|   | As at<br>30 September<br>2011<br>HK\$'000 | As at<br>31 March<br>2011<br>HK\$'000 |
|---|---|---------------------------------------|
| Banking facilities granted to associates              | 221,811                                   | 218,941                               |
| Banking facilities granted to a joint venture partner | 168,300                                   | 168,300                               |
|   | <u>390,111</u>                            | <u>387,241</u>                        |

The Group's share of contingent liabilities of its jointly controlled entities are as follows:

|  | As at<br>30 September<br>2011<br>HK\$'000 | As at<br>31 March<br>2011<br>HK\$'000 |
|--|---|---------------------------------------|
| Guarantees given to banks for mortgage facilities granted to certain buyers of the jointly controlled entities' properties | <u>73,190</u>                             | <u>151,626</u>                        |

## 15 Commitment

The Group had commitment as follows:

|  | As at<br>30 September<br>2011<br>HK\$'000 | As at<br>31 March<br>2011<br>HK\$'000 |
|--|---|---------------------------------------|
| Contracted but not provided for in the condensed consolidated financial statements in respect of |   |                                       |
| – acquisition of plant and equipment   | 393                                       | 771                                   |
| – a property development project   | 831,386                                   | 101,954                               |
| – acquisition of a subsidiary  | –   | 583,975                               |
|  | <u>831,779</u>                            | <u>686,700</u>                        |
| Authorised but not contracted for in respect of a property development project                   | 2,509,463                                 | 2,513,731                             |
|  | <u>3,341,242</u>                          | <u>3,200,431</u>                      |

The Group's share of the commitment of its jointly controlled entities is as follows:

|                                   | As at<br>30 September<br>2011<br>HK\$'000 | As at<br>31 March<br>2011<br>HK\$'000 |
|-----------------------------------|---|---------------------------------------|
| Contracted but not provided for   | 221,602                                   | 288,756                               |
| Authorised but not contracted for | 364,296                                   | 412,368                               |
|                                   | <u>585,898</u>                            | <u>701,124</u>                        |

## INTERIM DIVIDEND

The Board of Directors has resolved to declare an interim dividend of HK\$0.20 (2010: interim dividend of HK\$0.20 and special dividend of HK\$0.40) per share for the six months ended 30 September 2011 payable on Tuesday, 20 December 2011 to shareholders whose names appear on the Register of Members of the Company on Monday, 19 December 2011.

## **CLOSURE OF REGISTER OF MEMBERS**

The Register of Members of the Company will be closed from Thursday, 15 December 2011 to Monday, 19 December 2011, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the above interim dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrars in Hong Kong, Tricor Standard Limited of 26/F Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 14 December 2011.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

On the whole, the Group's unaudited interim results for the six month period ended 30 September 2011 recorded a substantial decrease in profit corresponding to the same period last year. This is despite a gain on disposal of the Group's 54.14% interest in Chevalier Pacific Holdings Limited ("CPHL") completed before the interim's end date and an overall improvement in Group revenue and operating profit.

The decline in profit is mainly due to the absence of significant one-off gains on disposal entirely of the Group's interests in subsidiaries and their related jointly controlled entities ("JCEs") in property development projects for Shenzhen and Hefei, as well as the disposal of the Group's 80% interest in the Pacific Coffee Group, which were all completed before the end of July of last year for a total gain of HK\$595 million.

Nonetheless, Group revenue did enjoy a net increase of 7.1%, from HK\$1,673 million in the six month period ended 30 September 2010 to HK\$1,792 million during the recorded period, for a profit of HK\$239 million (2010: HK\$598 million). Total segment revenue, which also includes the Group's share of revenue of associates and JCEs, increased to HK\$2,993 million (2010: HK\$2,689 million) as well. This brought profit attributable to the Company's equity holders to HK\$222 million (2010: HK\$514 million) and earnings per share to HK\$0.80 (2010: HK\$1.85) for the period.

### **Construction and Engineering**

As the construction industry continues to weather the effects of a chronic skilled labour shortage, the added challenge of higher material costs has also made its influence felt in the period under review. Segment revenue reached HK\$1,640 million, an increase of 5.9% from HK\$1,549 million from the same period last year. While this segment did see an increase in revenue from its associates in the lift and escalator business in Singapore and Mainland China, revenue from its subsidiaries remained down due to the completion of several large projects during the last financial year.

Throughout the six month period ended 30 September 2011, the segment saw a profit of HK\$78.0 million, up 117.4% over 2010. Profits benefited from the absence of material loss provision for a construction project in Macau.

Total outstanding construction and engineering contracts as at the period end date were valued at HK\$2,675 million. The segment secured new major contracts during the period, including:

- Design, supply and installation of curtain walls for projects at Mongkok and Ma On Shan
- Supply of prestige kitchen cabinets for luxurious residential projects at Shum Wan, Aberdeen and the waterfront area of Pak Shek Kok, Tai Po

## **Insurance and Investment**

Revenue for the Insurance and Investment segment rose by 11.1% during the recorded period, to HK\$93.0 million from HK\$83.7 million in 2010. Due to the increase in construction projects in the market, turnover of the Property Insurance and Employees' Compensation Insurance categories of the Group's insurance arm increased; the gross premiums written by the Group increased during the period under review as well. In addition, dividends from fund investments also increased.

Helped by a rigorous portfolio restructuring exercise over the last financial year, fair value loss on derivative financial instruments has fallen, albeit offset by increased net loss on investments at fair value through profit or loss due to a downturn in the investment market since March 2011. The segment has also enjoyed steady income from its general insurance business overall. Thus, the segment has a measured decrease in loss by 12.5% to HK\$60.3 million this period as compared to HK\$68.9 million in the previous period.

## **Property**

Property segment revenue rose to HK\$280 million, or an additional 9.8% over the same time last year, primarily from income derived through the acquisition of US senior housing and investment properties. These results were offset by a lack of revenue recognition for sales in Chengdu of property developed by the Group's JCEs, which contributed to a decrease of segment profit from HK\$107 million last period to HK\$88.1 million for the six month period ended 30 September 2011.

2011 saw the Group's first entrance into the US senior housing market. Spread over 3 locations, the project covers a total area of 479,000 sq. ft., offering 336 beds and a wide variety of assisted living services and care. For this period, this venture has recorded a 90% occupancy rate with an expected annual cash yield of over 10%. Total rental space for the Group also increased by 380,000 sq. ft. with the acquisition of property in Kwai Chung. This has provided a steady rental income stream to the Group during the recorded period.

During the period under review, slow progress was recorded in the sale of the properties in Beijing. Property projects in Chengdu and Changchun are in the development phase. After difficulties in obtaining financing from financial institutions, those projects were funded using the Group's resources. Depending on the market, we hope to time the pre-sale kick-off of the residential project in Chengdu at the end of 2012.

## **Food and Beverage**

Food and Beverage saw a significant rise in segment revenue during the current financial period, thanks to the smooth merger of Igor's and Cafe Deco in mid-December 2010, eliminating the effect of the deconsolidation of the Pacific Coffee Group since early July 2010. Total revenue for this segment increased by 54.4% to HK\$332 million, up HK\$117 million from the previous year. Segment results also turned from a loss of HK\$29.6 million to a profit of HK\$6.2 million realised from the absence of impairment loss on goodwill recorded in the last corresponding period. The Cafe Deco Group continues to pick up after the financial crisis in 2009 and experience vigorous expansion into new Asian concept eateries, adding to its portfolio of 44 outlets spanning its subsidiaries and associates, including 8 Wildfire, 33 restaurants and concept bars, and 3 kiosks as of 30 September 2011.

## **Computer and Information Communication Technology ("IT") and Others**

Businesses in this segment experienced improvement over the prior year, generating revenue of HK\$648 million, up by 10.5%. Profit was recorded after the termination of the Philippines' mining project and an absence of goodwill impairment from the crude oil business in the last financial period, resulting in a segment profit of HK\$1.1 million (2010: a loss of HK\$14.4 million).

Share of losses of associates within this segment stem primarily from the car dealership in Mainland China, augmented in part by negative administrative policies imposed by the People's Republic of China (the "PRC") Government regarding the automotive business. In the computer market, prices remain impacted by the March 11 Japanese earthquake and the subsequent delayed launch of new notebook computer products. Nonetheless, prospects for IT and other businesses in this segment remain optimistic in the long term.

## **FUTURE PROSPECTS**

Hong Kong's booming construction industry continues to offer bright prospects for the Group. A variety of large-scale public infrastructure projects initiated by the Government of HKSAR provide ongoing opportunities to explore, even as high material and labour costs as well as a weak US dollar pose a challenge for the industry as a whole. The Group is also optimistic about its recent foray into the US senior housing market and its promising future as a new source of revenue. Due to the tight lending policy imposed by the PRC Government on property development projects, the Group's plans to expand in this sector will continue to be relatively conservative.

The investment sector faces numerous tests in the coming months, as growth throughout the Euro zone is restricted by the widening sovereign debt crisis, the cost of funding has increased and the recovery of the US economy remains sluggish. Widespread concern over a possible hard landing for the PRC puts additional stresses on prospects in the investment sector. To buffer against both this possible hard landing and the ongoing US slump, we are seeking purchasing opportunities that optimise value for investment.

In view of rising food costs and rental hikes, the Group is planning the establishment of a central food processing plant, which will dramatically strengthen backend support for its food and beverage sector. Efforts to further the Food and Beverage segment's diversification into Asian-themed outlets will culminate in the opening of its first robata-yaki-styled store in Shanghai as early as 2012.

Looking ahead, the Group will seek new business opportunities in Hong Kong and abroad while leveraging its vast operational flexibility in order to seize the competitive edge on the global market.

## **FINANCIAL REVIEW**

As at 30 September 2011, the Group's net assets attributable to equity holders of the Company amounted to HK\$4,572 million (HK\$4,480 million as at 31 March 2011), an increase of 2.1%. Such increase was mainly resulted from the profit attributable to equity shareholders of the Company of HK\$222 million, exchange gain on translation of overseas operations of HK\$22.2 million, offsetting by the final dividend of HK\$153 million appropriated during the period. As at 30 September 2011, the Group's bank borrowings increased to HK\$2,795 million (HK\$1,670 million as at 31 March 2011) due to the drawn down of bank loans for financing the acquisitions of subsidiaries and business during the period. Cash and deposits at bank, however, decreased to HK\$1,102 million (HK\$1,476 million as at 31 March 2011) because of the Group's further funding contributions to associates and jointly controlled entities.

## **EMPLOYEES AND REMUNERATION POLICIES**

The Group employed approximately 2,700 full-time staff under its subsidiaries globally as at 30 September 2011. Total staff costs amounted to HK\$324 million for the period under review. The remuneration policies of the Group are reviewed periodically on the basis of the nature of job, market trend, company performance and individual performance. Other staff benefits include bonuses awarded on a discretionary basis, medical schemes, retirement schemes and employees' share option scheme.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

There was no purchase, sale or redemption of listed securities of the Company by the Company or any of its subsidiaries during the six months ended 30 September 2011.

## **CORPORATE GOVERNANCE**

In the opinion of the Directors, the Company has complied with the code provisions as set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Listing Rules throughout the six months ended 30 September 2011, with deviation from code provision A.4.1 which stated that non-executive Directors should be appointed for a specific term and subject to re-election. As stated in the Company's Annual Report 2011, all the non-executive Directors of the Company are not appointed for a specific term but subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Company's Bye-Laws.

## **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules. Following a specific enquiry, each of the Directors confirmed that he has complied with the Model Code throughout the six months ended 30 September 2011.

## **AUDIT COMMITTEE**

During the period, the Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal controls, risk management systems and financial reporting matters including the review of the unaudited condensed consolidated financial statements for the six months ended 30 September 2011 of the Group.

## **PUBLICATION OF INTERIM RESULTS ON THE STOCK EXCHANGE'S WEBSITE**

The interim results announcement of the Company for the six months ended 30 September 2011 is published on the Stock Exchange's website at <http://www.hkexnews.hk> and the Company's website at <http://www.chevalier.com>. The interim report of the Company for the six months ended 30 September 2011 containing all applicable information required by the Listing Rules will be despatched to the shareholders of the Company and published on the above websites in due course.

## **APPRECIATION**

I would like to take this opportunity, on behalf of the Board, to express our sincere gratitude to our customers, suppliers and shareholders for their continuous support, and to the management and all staff for their hard work and dedication throughout this period.

By Order of the Board  
**Chevalier International Holdings Limited**  
**CHOW Yei Ching**  
*Chairman*

Hong Kong, 28 November 2011

*As at the date of this announcement, the Board of the Company comprises Dr Chow Yei Ching (Chairman), Messrs Kuok Hoi Sang (Vice Chairman and Managing Director), Tam Kwok Wing (Deputy Managing Director), Chow Vee Tsung, Oscar, Ho Chung Leung and Ma Chi Wing as executive directors; Dr Chow Ming Kuen, Joseph, Messrs Sun Kai Dah, George and Yang Chuen Liang, Charles as independent non-executive directors and Dr Ko Chan Gock, William as non-executive director.*

\* For identification purpose only