



中國基建港口有限公司*
CIG Yangtze Ports PLC

(incorporated in the Cayman Islands with limited liability Stock Code: 8233)

3Q 2010



THIRD QUARTERLY REPORT
2010

UTILIZE THE GOLDEN WATERWAY ALONG
YANGTZE RIVER TO DEVELOP
THE BIGGEST HUB-PORT AND LOGISTICS
BASE IN CENTRAL CHINA

* For identification only

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This report, for which the directors (the “Directors”) of CIG Yangtze Ports PLC (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange of the Hong Kong Limited (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this report is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this report misleading; and (iii) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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HIGHLIGHTS

For the three months ended 30 September 2010

Comparing to corresponding three months in 2009:

- Container throughput decreased by 3% to 68,540 TEUs
- Market share of container throughput in Wuhan decreased from 46% to 41%
- Revenue decreased by 3% to HK\$14.10 million
- Gross profit decreased by 3% to HK\$5.73 million.
- EBITDA decreased by 29% to HK\$1.25 million
- Net loss attributable to shareholders increased from HK\$3.95 million to HK\$4.54 million

For the nine months ended 30 September 2010

Comparing to corresponding nine months in 2009:

- Container throughput increased by 2% to 187,784 TEUs
- Market share of container throughput in Wuhan decreased from 45% to 40%
- Revenue decreased by 2% to HK\$40.86 million
- Gross profit decreased by 5% to HK\$16.79 million
- EBITDA decreased by 35% to HK\$5.23 million
- Net loss attributable to shareholders increased from HK\$8.84 million to HK\$11.77 million

MANAGEMENT COMMENTARY

RESULTS

	Nine months ended 30 September		Three months ended 30 September	
	2010 <i>HK\$'000</i> <i>(Unaudited)</i>	2009 <i>HK\$'000</i> <i>(Unaudited)</i>	2010 <i>HK\$'000</i> <i>(Unaudited)</i>	2009 <i>HK\$'000</i> <i>(Unaudited)</i>
Revenue	40,862	41,519	14,104	13,629
Cost of services rendered	(24,068)	(22,902)	(8,378)	(7,732)
Gross profit	16,794	18,617	5,726	5,897
Other income	461	384	3	120
General and administrative and other operating expenses	(12,029)	(11,020)	(4,482)	(4,270)
Operating Profit/EBITDA	5,226	7,981	1,247	1,747
Finance costs	(9,990)	(9,381)	(3,541)	(3,363)
EBTDA	(4,764)	(1,400)	(2,294)	(1,616)
Depreciation and amortisation	(8,108)	(8,119)	(2,682)	(2,655)
Loss for the period	(12,872)	(9,519)	(4,976)	(4,271)
Minority interests	1,107	678	432	322
Loss attributable to Shareholders	(11,765)	(8,841)	(4,544)	(3,949)

REVIEW OF OPERATION

The Group's principal activities are investment in and the development, operation and management of container ports which are conducted through the WIT Port, which is 85% owned by the Group.

Container throughput

Throughput achieved for the nine months ended 30 September 2010 was 187,784 TEUs, an increase of 3,414 TEUs or 2% over that of 184,370 TEUs for the same period in 2009. Of the 187,784 TEUs handled, 43,308 TEUs or 23% (2009: 45,227 TEUs or 25%) and 144,476 TEUs or 77% (2009: 139,143 TEUs or 75%) were attributed to Wuhan sourced and transshipment cargos respectively. Throughput for the three months ended 30 September 2010 was 68,540 TEUs, a decrease of 1,956 TEUs or 3% on the 70,496 TEUs achieved for the same period in 2009. Of the 68,540 TEUs handled, 13,887 TEUs or 20% (2009: 16,151 TEUs or 23%) and 54,653 TEUs or 80% (2009: 54,345 TEUs or 77%) were attributable to Wuhan sourced and transshipment cargos respectively.

The slight decrease in Wuhan sourced containers for the nine months ended 30 September 2010 was mainly due to the drop in the volume of recycled papers being imported from America which was marginally offset by the increase in export bound containers. The increase in transshipment container throughput for the nine months ended 30 September 2010 was mainly due to higher level of containers from upstream of the Yangtze River for transshipment at the WIT Port.

General and bulk cargo

Throughputs of general and bulk cargo for the nine months and three months ended 30 September 2010 were 39,206 tons and 9,240 tons, a decrease of 69% and 64% over the same period of 2009 respectively as export bound cargo continued to drop.

Agency & Logistics

The agency business and the integrated logistics business continue to make important contributions to the revenue of the Group during the first nine months of 2010. Revenue from these sources accounted for 50% and 52% of turnover for the nine months and three months ended 30 September 2010 respectively. The increase in agency service revenue was as a result of new agency agreements signed while the decrease in integrated logistics services revenue reflected the significant drop in quantity of fertilizers imported requiring break-bulk and storage services during the nine months ended 30 September 2010.

OPERATING RESULTS

Revenue

	Nine months ended 30 September					
	2010		2009		Increase/(Decrease)	
	<i>HK\$'000</i>	%	<i>HK\$'000</i>	%	<i>HK\$'000</i>	%
Container handling service	19,449	48	20,393	49	(944)	(5)
General and bulk cargo handling service	923	2	2,319	6	(1,396)	(60)
Agency service	14,414	35	11,593	28	2,821	24
Integrated logistics services	6,076	15	7,214	17	(1,138)	(16)
	40,862	100	41,519	100	657	

For the nine months ended 30 September 2010, the Group's revenue amounted to HK\$40.86 million, representing a decrease of HK\$0.66 million or 2% from that of HK\$41.52 million for the corresponding period of 2009. The decrease in revenue was mainly attributable to the drop in revenue from the container handling service, general and bulk cargo handling service and integrated logistics service segments, which was partially offset by the increase in revenue from the agency service segment. The drop in container handling service income despite higher container throughput was a result of a higher mix of transshipment and domestic containers handled which commanded lower tariffs while the reduction in export bound cargoes and less fertilizers being imported for break-bulk and storage had respectively resulted in the drop in general and bulk cargo handling service and integrated logistics services income. The increase in agency service income was attributable to the signing of new agency agreements. For the three months ended 30 September 2010, the Group's revenue amounted to HK\$14.10 million, representing an increase of HK\$0.47 million from that of HK\$13.63 million for the corresponding period of 2009.

In respect of revenue contributions for the nine months ended 30 September 2010, container handling service accounted for 48% (2009: 49%), general and bulk cargo handling service accounted for 2% (2009: 6%), agency income accounted for 35% (2009: 28%) and integrated logistics services accounted for 15% (2009: 17%) of revenue for the nine months ended 30 September 2010.

Container Throughput

	Nine months ended 30 September					
	2010		2009		Increase/(Decrease)	
	<i>TEUs</i>	%	<i>TEUs</i>	%	<i>TEUs</i>	%
Wuhan sourced	43,308	23	45,227	25	(1,919)	(4)
Transshipment	144,476	77	139,143	75	5,333	4
	187,784	100	184,370	100	3,414	

The volume of throughput achieved for the nine months ended 30 September 2010 was 187,784 TEUs, an increase of 3,414 TEUs or 2% over that of 184,370 TEUs for the same period in 2009. The volume of throughput achieved for the three months ended 30 September 2010 was 68,540 TEUs, a decrease of 1,956 TEUs or 3% over that of 70,496 TEUs for the same period in 2009.

In terms of market share, for the nine months ended 30 September 2010, the market share of the Group decreased from 45% to 40% with a total of 468,696 TEUs (2009: 410,565 TEUs) handled for the whole of Wuhan.

Gross Profit and Gross Profit Margin

Gross profit for the nine months ended 30 September 2010 was HK\$16.79 million, a reduction of HK\$1.82 million on the corresponding period of 2009. Gross profit for the three months ended 30 September 2010 was HK\$5.73 million, a reduction of HK\$0.17 million on the corresponding period of 2009. Gross profit margins achieved were 41% for both the nine months and three months ended 30 September 2010 periods compared with a gross profit margin of 45% and 43% in the respective corresponding periods in 2009. These mainly reflected the drop in revenue and higher operating costs.

Loss for the Period

Loss for the nine months ended 30 September 2010 amounted to HK\$12.87 million, representing an increase of HK\$3.35 million or 35% on that of HK\$9.52 million for the same period in 2009.

Loss for the three months ended 30 September 2010 amounted to HK\$4.98 million, an increase of HK\$0.71 million on that of HK\$4.27 million for the same period in 2009. These were mainly attributable to the drop in gross profit contributions and the marginal increase in general and administrative compared with the corresponding periods of 2009.

Loss per share for the nine months ended 30 September 2010 was HK1.01 cents compared with HK0.76 cents for the same period in 2009. Loss per share for the three months ended 30 September 2010 was HK0.39 cents compared with HK0.34 cents for the same period in 2009.

Heavy Item Port

The Group has procured 25 mou of the 124 mou of land reserved for the development of the Heavy Item Port and is awaiting the Wuhan Xinzhou District government to complete the relocation of residents on the remaining site to pave the way for the procurement of the remaining land and for the pre-construction activities to take place.

FORWARD LOOKING OBSERVATIONS

The Group sees signs of general recovery from the after effect of the world economic downturn which saw China experienced shrinking demand for exports and economic slowdown. Despite the uncertainty as to whether such recovery could be sustained management is cautiously optimistic that the overall results of the Group in the last quarter of 2010 will show improvement on the currently reported results.

THE FINANCIAL STATEMENTS

Quarterly Results

The Directors are pleased to announce the unaudited consolidated third quarterly results of the Group for the three months and nine months ended 30 September 2010, together with the comparative figures for the corresponding period in 2009 (the "Quarterly Results") which have been reviewed and approved by the Audit and Remuneration Committee, as follows:

Condensed Consolidated Statement of Comprehensive Income

For the three months and nine months ended 30 September 2010

	Notes	Nine months ended 30 September		Three months ended 30 September	
		2010 HK\$'000 (Unaudited)	2009 HK\$'000 (Unaudited)	2010 HK\$'000 (Unaudited)	2009 HK\$'000 (Unaudited)
Revenue	2	40,862	41,519	14,104	13,629
Cost of services rendered		(24,068)	(22,902)	(8,378)	(7,732)
Gross profit		16,794	18,617	5,726	5,897
Other income		461	384	3	120
Other operating expenses		(4,876)	(4,877)	(1,570)	(1,566)
General and administrative expenses		(15,261)	(14,262)	(5,594)	(5,359)
Finance costs		(9,990)	(9,381)	(3,541)	(3,363)
Loss before taxation	3	(12,872)	(9,519)	(4,976)	(4,271)
Taxation	4	—	—	—	—
Loss/Total comprehensive loss for the period		(12,872)	(9,519)	(4,976)	(4,271)
Loss/Total comprehensive loss for the period attributable to:					
Shareholders of the Company		(11,765)	(8,841)	(4,544)	(3,949)
Minority interests		(1,107)	(678)	(432)	(322)
		(12,872)	(9,519)	(4,976)	(4,271)
Dividend	5	—	—	—	—
Loss per share for the period attributable to shareholders of the Company — basic (HK cent)	6	1.01	Restated 0.76	0.39	Restated 0.34

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Consolidated Statement of Changes in Equity

For the nine months ended 30 September 2010

	Attributable to shareholders					Minority	Total equity	
	Share capital	Share premium	Share-based payment reserve	Foreign exchange reserve	Accumulated losses	Total	Total equity	
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	
At 1 January 2009	50,149	98,601	234	15,245	(57,536)	106,693	15,652	122,345
Total comprehensive loss for the period	—	—	—	23	(8,841)	(8,818)	(678)	(9,496)
Issuance of rights and bonus shares	66,866	(33,433)	—	—	—	33,433	—	33,433
Issuing expenses	—	(1,934)	—	—	—	(1,934)	—	(1,934)
Share-based payment transactions	—	—	82	—	—	82	—	82
At 30 September 2009	117,015	63,234	316	15,268	(66,377)	129,456	14,974	144,430
At 1 January 2010	117,015	63,018	386	15,268	(63,517)	132,170	15,689	147,859
Total comprehensive loss for the period	—	—	—	—	(11,765)	(11,765)	(1,107)	(12,872)
Share-based payment transactions	—	—	175	—	—	175	—	175
At 30 September 2010	117,015	63,018	561	15,268	(75,282)	120,580	14,582	135,162

Notes to the Condensed Consolidated Financial Statements

For the three months and nine months ended 30 September 2010

1. BASIS OF PREPARATION

The unaudited consolidated results of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB"). The accounting policies adopted are consistent with those set out in the Group's consolidated financial statements for the year ended 31 December 2009.

The Quarterly Results are unaudited but have been reviewed by the Audit and Remuneration Committee of the Company.

2. REVENUE

Revenue represents the fair value of container handling, general and bulk cargo handling, agency and integrated logistics services rendered for the period.

Analysis of revenue is as follows:

	Nine months ended 30 September		Three months ended 30 September	
	2010 <i>HK\$'000</i>	2009 <i>HK\$'000</i>	2010 <i>HK\$'000</i>	2009 <i>HK\$'000</i>
Container handling service	19,449	20,393	6,502	6,684
General and bulk cargo handling service	923	2,319	201	496
Agency service	14,414	11,593	5,523	4,669
Integrated logistics services	6,076	7,214	1,878	1,780
	40,862	41,519	14,104	13,629

3. LOSS BEFORE TAXATION

Loss before taxation has been arrived at after charging the following:

	Nine months ended 30 September		Three months ended 30 September	
	2010 <i>HK\$'000</i>	2009 <i>HK\$'000</i>	2010 <i>HK\$'000</i>	2009 <i>HK\$'000</i>
Depreciation and amortization	8,108	8,119	2,682	2,655

4. TAXATION

In accordance with the relevant income tax laws applicable to Sino-foreign joint ventures in the PRC engaging in port and dock construction with year which exceeds 15 years, upon approval by the tax bureau, WIT is entitled to exemption from PRC enterprise income tax for five years (the "5-Year Exemption Entitlement") and a 50% reduction for five years thereafter (the "5-Year 50% Tax Reduction Entitlement"). The 5-Year Exemption Entitlement, which commenced on 1 January 2008, will end on 31 December 2012 irrespective of whether WIT is profit-making during this period and the 5-Year 50% Tax Reduction Entitlement will commence from 1 January 2013 to 31 December 2017 and tax payable will be charged at 12.5%.

No provision for Hong Kong Profits Tax has been made as the Company and its subsidiaries which are subject to Hong Kong Profits Tax incurred a loss for taxation purpose for the reporting period.

5. DIVIDEND

The directors do not recommend payment of a dividend in respect of the first nine months of 2010 (2009: Nil).

6. LOSS PER SHARE

The calculation of basic loss per share for the three months and nine months ended 30 September 2010 is based on the net loss for each of the period attributable to shareholders of the Company and on the weighted average number of 1,170,146,564 shares (2009: 1,170,146,564 shares) in issue for the period respectively.

With the Group generated losses for the three months and nine months ended 30 September 2010 and 30 September 2009, no diluted earnings per share has been presented as taking into account of the share options granted under the Share Option Scheme (being the only potential dilutive shares in issue) in the earnings per share calculation would result in decreasing the loss per share of the Company.

DISCLOSURE OF INTERESTS

DIRECTORS', CHIEF EXECUTIVES' INTERESTS IN SHARES AND SHORT POSITIONS IN THE SHARES OF THE COMPANY (THE "SHARE")

The interests or short positions of the Directors and chief executives of the Company in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO")), which were required (a) to be notified to the Company and 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 (b) to be entered into the register required to be kept therein, pursuant to section 352 of the SFO, or (c) to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules relating to securities transactions by directors of listed issuers, were as follows:

Long and short positions in Shares

Name of Director	Capacity	As at 30 September 2010	
		No. of Shares <i>(Note 1)</i>	Approximate percentage of total no. of Shares in issue
Chow Kwong Fai, Edward	Interest by attribution <i>(note 2)</i>	414,723,714 (L)	35.44%
		189,000,000 (S)	16.15%
Lee Jor Hung, Dannis	Interest by attribution <i>(note 3)</i>	11,725,127 (L)	1.00%

Notes:

1. The letter "L" denotes a long position whilst the letter "S" denotes a short position.
2. The 414,723,714 (L) Shares were held as to 278,678,455 Shares by Unbeatable Holdings Limited, as to 82,523,793 Shares by Chow Holdings Limited and as to 53,521,466 Shares by CIG China Holdings Limited, each being a company in respect of which Mr. Chow Kwong Fai, Edward is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of that company. The 189,000,000 (S) Shares were held as to 131,000,000 Shares by Unbeatable Holdings Limited, as to 46,000,000 Shares by Chow Holdings Limited and as to 12,000,000 Shares by CIG China Holdings Limited.
3. These Shares were registered in the name of Ramweath Company Limited, a company in respect of which Mr. Lee Jor Hung, Dannis is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of that company.

Shares options

Pursuant to the share option scheme of the Company, certain directors were granted share options to subscribe for Shares and details of the Directors' interests in share options are set out in the section headed "Share Option Scheme" in this report.

Save as disclosed above, as at 30 September 2010, none of the Directors had any interest or short position in the Shares, underlying shares and debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or were required, pursuant to section 352 of the SFO, to be entered in the register of the Company referred to therein or were required, pursuant to Part XV of the SFO, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

So far as was known to the Directors, as at 30 September 2010, the persons (not being Directors or chief executives of the Company) whose interests in shares of the Company which were notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register to be kept under section 336 of the SFO, or who were interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any member of the Group were as follows:

Long and short positions in Shares

(i) *Interests in the Shares*

Name of Shareholder	Capacity	Number of Shares	Approximate percentage of existing issued share capital of the Company
Unbeatable Holdings Limited (Note 2)	Beneficial owner	278,678,455 (L) 131,000,000 (S)	23.81% 11.19%
Harbour Master Limited (Note 3)	Beneficial owner	246,164,427 L	21.03%
The Yangtze Ventures II Limited (Note 3)	Interest by attribution	246,164,427 (L)	21.03%
Goldcrest Development Limited (Note 4)	Interest by attribution	246,164,427 (L)	21.03%
Shui On Construction and Materials Limited (Note 5)	Interest by attribution	246,164,427 (L)	21.03%
Shui On Company Limited (Note 6)	Interest by attribution	246,164,427 (L)	21.03%



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Name of Shareholder	Capacity	Number of Shares	Approximate percentage of existing issued share capital of the Company
Bosrich Holdings Inc. (Note 7)	Interest by attribution	246,164,427 (L)	21.03%
HSBC International Trustee Limited (Note 8)	Interest by attribution	246,164,427 (L)	21.03%
Lo Hong Sui, Vincent (Note 9)	Interest by attribution	246,164,427 (L)	21.03%
Chu, Loletta (Note 9)	Interest by attribution	246,164,427 (L)	21.03%
Chow Holdings Limited (Note 2)	Beneficial owner	82,523,793 (L)	7.05%
		46,000,000 (S)	3.93%

Notes:

1. The letter "L" denotes a long position whilst the letter "S" denotes a short position.
2. Mr. Chow Kwong Fai, Edward is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of each of Unbeatable Holdings Limited, Chow Holdings Limited and CIG China Holdings Limited.
3. The Yangtze Ventures II Limited is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of Harbour Master Limited.
4. Goldcrest Development Limited is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of The Yangtze Ventures II Limited.
5. Shui On Construction and Materials Limited is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of Goldcrest Development Limited.



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6. Shui On Company Limited is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of Shui On Construction and Materials Limited.
7. Bosrich Holdings Inc. is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of Shui On Company Limited.
8. HSBC International Trustee Limited is entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of Bosrich Holdings Inc.
9. Mr. Lo Hong Sui, Vincent is interested in the shares of Bosrich Holdings Inc. held by HSBC International Trustee Limited. Ms. Chu, Loletta is interested in the Shares by virtue of her being the spouse of Mr. Lo.

DIRECTOR'S RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the heading "Directors, Chief Executives Interests in Shares and Short Positions in the Shares of the Company" under the Section headed "Disclosure of Interests", during the nine months ended 30 September 2010, none of the Directors was granted any other options to subscribe for the Shares.



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SHARE OPTION SCHEME

Pursuant to the resolution passed by the shareholders of the Company on 2 September 2005, a share option scheme (the “Share Option Scheme”) which provided for, subject to certain terms and conditions, the granting of a maximum of 34,537,974 Shares, representing 10% of the total number of Shares in issue of 345,379,747 as of the Listing Date following the placement and public offer of Shares by the Company upon listing on GEM. Details of options granted under the Share Option Scheme and movements thereon during the period ended 30 September 2010 are set out below:

Name or category of eligible participants	Date of grant	Exercise Price per share HK\$	Number of options				As at 30.06.2010	Conditions and period during which option outstanding as at 30.9.2010 are exercisable
			As at 1.1.2010	Granted during the period	Exercised during the period	Lapsed or cancelled during the period		
Directors								
Mr. Chow Kwong Fai, Edward	10.11.2008	0.100	914,508	—	—	—	914,508	(a)
	13.04.2010	0.182	—	271,360	—	—	271,360	(a)
Wong Yuet Leung, Frankie	10.11.2008	0.100	914,508	—	—	—	914,508	(a)
	13.04.2010	0.182	—	271,360	—	—	271,360	(a)
Lee Jor Hung, Dannis	10.11.2008	0.100	914,508	—	—	—	914,508	(a)
	13.04.2010	0.182	—	271,360	—	—	271,360	(a)
Goh Pek Yang, Michael	10.11.2008	0.100	914,508	—	—	—	914,508	(a)
	13.04.2010	0.182	—	271,360	—	—	271,360	(a)
Lee Kang Bor, Thomas	10.11.2008	0.100	914,508	—	—	—	914,508	(a)
	13.04.2010	0.182	—	271,360	—	—	271,360	(a)
Wong Tin Yau, Kelvin	10.11.2008	0.100	914,508	—	—	—	914,508	(a)
	13.04.2010	0.182	—	271,360	—	—	271,360	(a)
Fan Chun Wah, Andrew	16.11.2009	0.177	914,508	—	—	—	914,508	(b)
	13.04.2010	0.182	—	271,360	—	—	271,360	(b)
Sub-total			6,401,556	1,899,520	—	—	8,301,076	
Employees								
(in aggregate)	10.11.2008	0.100	11,990,216	—	—	—	11,990,216	(a)
	13.04.2010	0.182	—	3,557,839	—	—	3,557,839	(a)
Sub-total			11,990,216	3,557,839	—	—	15,548,055	
Total			18,391,772	5,457,359	—	—	23,849,131	

Notes:

- (a) The right to exercise the options is conditional upon the option holder is an employee of the Group or a director or an alternate director of any company within the Group on the date of exercise of the options. Subject to the afore-mentioned condition, for the options granted on 10 April 2008, no more than 50% of the options may be exercised between 10 April 2010 and 9 April 2011, both dates inclusive and that all options shall lapse on 11 November 2011 and for the options granted on 13 April 2010, no more than 50% of the options may be exercised between 13 April 2010 and 9 April 2011, both dates inclusive and that all options shall lapse on 11 November 2011.

The exercise price of the options granted on 10 November 2008, which was initially set at HK\$0.13 per share, was subsequently adjusted to HK\$0.064 per share in August 2009 and further adjusted to HK\$0.10 per share in April 2010, details of which are set out in the announcements of the Company dated 7 August 2009 and 20 April 2010.

- (b) The right to exercise the options is conditional upon the option holder is an employee of the Group or a director or an alternate director of any company within the Group on the date of exercise of the options. No options may be exercised between the respective grant dates of the options and 16 April 2011, both dates inclusive. Subject to the afore-mentioned condition, no more than 50% of the options may be exercised between 17 April 2011 and 16 April 2012, both dates inclusive and that all options shall lapse on 16 November 2012.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

For the period from 1 January 2010 to 30 September 2010, the Company had adopted a code of conduct regarding securities transactions by directors (“Code of Conduct”) on terms no less stringent than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules (“Required Standard of Dealings”). The Company has also made specific enquiry of all Directors and is not aware of any non-compliance with the Required Standard of Dealings and the Code of Conduct.

COMPETING INTERESTS

During the nine months ended and as at 30 September 2010, save as disclosed in the 2006 half year results announcement of the Company and an announcement of the Company to its shareholders dated 7 June 2006 in relation to Mr. Chow Kwong Fai, Edward's interest in the Logistics Project, none of the Directors, the management shareholders, the significant shareholders or the substantial shareholders as defined in the GEM Listing Rules of the Company had any interest in a business which competes or may compete with the business of the Group.

COMPLIANCE WITH THE BOARD PRACTICES AND PROCEDURES OF THE GEM LISTING RULES

The Company has complied with the board practices and procedures as set out in Rules 5.34 to 5.45 of the GEM Listing Rules at any time during the period from 1 January 2010 to 30 September 2010.

CORPORATE GOVERNANCE PRACTICES

The Company endeavours to adopt prevailing best corporate governance practices.

As at the date of this report, with the exception of Mr. Chow Kwong Fai, Edward who acted as both the Chairman of the Board and the Chief Executive Officer of the Company, the Company has complied with the Code of Corporate Governance Practice contained in Appendix 15 of GEM Listing Rules in all other respects throughout the nine months ended 30 September 2010.

While the Board is aware that it is a recommended best practice to split the role of the Chairman and the Chief Executive, in view of the small size of the Group and the fact that the Group's core business is straight forward and is carried out singularly by its subsidiary, WIT, and the fact that the role of the general manager (de facto chief executive) of WIT is carried out and performed by another person, the Board does not see a need to appoint a person other than the Chairman as Chief Executive at the Company level or at the Group level.

AUDIT AND REMUNERATION COMMITTEE

The Company has established an audit and remuneration committee (the “Audit and Remuneration Committee”) with written terms of reference modeled on the Guide to the Establishment of an Audit Committee published by the Hong Kong Society of Accountants (now known as the Hong Kong Institute of Certified Public Accountants) and in compliance with Rules 5.28 and 5.29 of the GEM Listing Rules. During the nine months ended 30 September 2010, the Audit and Remuneration Committee comprised three independent non-executive Directors, namely Mr. Lee Kang Bor, Thomas (Chairman), Dr. Wong Tin Yau, Kelvin and Mr. Fan Chun Wah, Andrew and one non-executive Director, Mr. Wong Yuet Leung, Frankie. The primary duties of the Audit and Remuneration Committee include reviewing the financial reporting process, the system of internal control and risk management of the Group, the appointment of auditors and the determination of executive Director’s service contract, the review of Directors’ and senior management’s emoluments and the award of discretionary bonuses and share options of the Company.

The Audit and Remuneration Committee has reviewed the results of the Group for the nine months ended 30 September 2010.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

For the period from 1 January 2010 to 30 September 2010, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s shares.

By order of the Board
CIG Yangtze Ports PLC
Edward K. F. Chow
Chairman

Hong Kong, 12 November 2010

As at the date of This report, the Board comprises an executive director namely Mr. Chow Kwong Fai, Edward; three non-executive directors namely Mr. Wong Yuet Leung, Frankie, Mr. Lee Jor Hung, Dannis and Mr. Coh Pek Yang, Michael and three independent non-executive directors namely Mr. Lee Kang Bor, Thomas, Dr. Wong Tin Yau, Kelvin and Mr. Fan Chun Wah, Andrew.