



Multifield International Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 0898)

Multifield
Interim Report 2009

INTERIM RESULTS

The Board of Directors (the "Board") of Multifield International Holdings Limited (the "Company") announces the unaudited interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2009 (the "Period"), together with the unaudited comparative figures as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2009

	<i>Notes</i>	For the six months ended 30 June	
		2009	2008
		HK\$'000	HK\$'000
		(Unaudited)	(Unaudited and Restated)
REVENUE	3	119,947	50,288
Cost of sales		<u>(10,026)</u>	<u>(10,608)</u>
Gross profit		109,921	39,680
Other income and gains	3	3,989	16,527
Operating and administrative expenses		<u>(38,929)</u>	<u>(19,474)</u>
Finance costs	5	<u>(3,301)</u>	<u>(10,354)</u>
PROFIT BEFORE TAX	4	71,680	26,379
Tax	6	<u>(6,164)</u>	<u>(5,935)</u>
PROFIT FOR THE PERIOD		<u>65,516</u>	<u>20,444</u>
OTHER COMPREHENSIVE INCOME/(LOSS)			
Exchange difference arising from translation of foreign operations		–	(5,893)
Change in fair value of available-for-sale investments		3,917	–
Impairment of available-for-sale investments		<u>613</u>	<u>–</u>
Total comprehensive income for the period		<u>70,046</u>	<u>14,551</u>
PROFIT FOR THE PERIOD ATTRIBUTABLE TO:			
Equity holders of the Company		57,646	15,054
Minority interests		<u>7,870</u>	<u>5,390</u>
		<u>65,516</u>	<u>20,444</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Equity holders of the Company		60,501	15,054
Minority interests		<u>9,545</u>	<u>(503)</u>
		<u>70,046</u>	<u>14,551</u>
INTERIM DIVIDEND PER SHARE	7	<u>0.3 cents</u>	<u>0.3 cents</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic	8	<u>1.38 cents</u>	<u>0.36 cents</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2009

	<i>Notes</i>	As at 30 June 2009 <i>HK\$'000</i> <i>(Unaudited)</i>	As at 31 December 2008 <i>HK\$'000</i> <i>(Audited)</i>
NON-CURRENT ASSETS			
Property, plant and equipment		341,473	341,454
Prepaid land lease payments		455	459
Investment properties		2,979,828	3,024,870
Available-for-sale investments		<u>33,742</u>	<u>38,572</u>
Total non-current assets		<u>3,355,498</u>	<u>3,405,355</u>
CURRENT ASSETS			
Inventories		320	595
Properties held for sale		281,851	281,851
Trade receivables	9	9,464	7,767
Prepayments, deposits and other receivables		38,884	55,078
Equity investments at fair value through profit or loss		116,411	57,985
Equity-linked notes		–	11,668
Pledged deposits	10	81,222	133,202
Cash and cash equivalents	10	<u>176,859</u>	<u>136,210</u>
Total current assets		<u>705,011</u>	<u>684,356</u>
TOTAL ASSETS		<u>4,060,509</u>	<u>4,089,711</u>
CURRENT LIABILITIES			
Trade payables	11	613	1,427
Other payables and accruals		222,355	232,668
Deposits received		45,130	46,043
Derivative financial instruments		4,984	21,222
Interest-bearing bank and other borrowings		132,648	172,581
Tax payable		20,852	19,798
Dividend payable		<u>18,823</u>	<u>–</u>
Total current liabilities		<u>445,405</u>	<u>493,739</u>
NET CURRENT ASSETS		<u>259,606</u>	<u>190,617</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,615,104</u>	<u>3,595,972</u>
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		526,305	558,255
Due to a director		33,458	33,610
Deferred tax liabilities		<u>439,354</u>	<u>439,354</u>
Total non-current liabilities		<u>999,117</u>	<u>1,031,219</u>
Net assets		<u>2,615,987</u>	<u>2,564,753</u>
CAPITAL AND RESERVES			
Equity attributable to equity holders of the Company			
Issued capital	12	41,804	41,804
Reserves		1,872,407	1,811,906
Proposed final dividend		–	18,812
		<u>1,914,211</u>	<u>1,872,522</u>
Minority interests		<u>701,776</u>	<u>692,231</u>
Total equity		<u>2,615,987</u>	<u>2,564,753</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2009

	Attributable to equity holders of the Company								
	Issued capital HK\$'000 (Unaudited)	Share premium HK\$'000 (Unaudited)	Contributed surplus HK\$'000 (Unaudited)	Available-for-sale investment revaluation reserve HK\$'000 (Unaudited)	Exchange fluctuation reserve HK\$'000 (Unaudited)	Retained profits HK\$'000 (Unaudited)	Proposed final dividend HK\$'000 (Unaudited)	Minority interests HK\$'000 (Unaudited)	Total equity HK\$'000 (Unaudited)
At 1 January 2008	41,804	39,116	293,372	7,323	234,223	1,128,902	18,812	726,306	2,489,858
Exchange realignment	-	-	-	-	-	-	-	(5,893)	(5,893)
Total income and expense for the period recognised directly in equity	-	-	-	-	-	-	-	(5,893)	(5,893)
Profit for the period	-	-	-	-	-	15,054	-	5,390	20,444
Total income and expense for the period	-	-	-	-	-	15,054	-	(503)	14,551
Final 2007 dividend declared	-	-	-	-	-	-	(18,812)	-	(18,812)
At 30 June 2008	<u>41,804</u>	<u>39,116</u>	<u>293,372</u>	<u>7,323</u>	<u>234,223</u>	<u>1,143,956</u>	<u>-</u>	<u>725,803</u>	<u>2,485,597</u>
At 1 January 2009	41,804	39,116	293,372	4,002	326,942	1,148,474	18,812	692,231	2,564,753
Changes in fair value of available-for-sale investments	-	-	-	2,481	-	-	-	1,436	3,917
Impairment of available-for-sale investments	-	-	-	374	-	-	-	239	613
Total income and expense for the period recognised directly in equity	-	-	-	2,855	-	-	-	1,675	4,530
Profit for the period	-	-	-	-	-	57,646	-	7,870	65,516
Total income and expense for the period	-	-	-	2,855	-	57,646	-	9,545	70,046
Final 2008 dividend declared	-	-	-	-	-	-	(18,812)	-	(18,812)
At 30 June 2009	<u>41,804</u>	<u>39,116</u>	<u>293,372</u>	<u>6,857</u>	<u>326,942</u>	<u>1,206,120</u>	<u>-</u>	<u>701,776</u>	<u>2,615,987</u>

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June 2009

	For the six months ended 30 June	
	2009	2008
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
NET CASH INFLOW FROM OPERATING ACTIVITIES	30,070	57,667
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	106,912	(86,356)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	(96,333)	(84,116)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	40,649	(112,805)
Cash and cash equivalents at beginning of period	<u>136,210</u>	<u>299,411</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>176,859</u>	<u>186,606</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	<u>176,859</u>	<u>186,606</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial statements are prepared in accordance with the applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Exchange”) and with Hong Kong Accounting Standard (“HKAS”) 34 “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The accounting policies and basis of preparation used in the preparation of the interim financial statements are the same as those used in the annual financial statements for the year ended 31 December 2008.

In the current period, the Group has applied, for the first time, the following new or revised standards, amendments and interpretations issued by the HKICPA, which are effective for the Group’s financial year beginning on 1 January 2009.

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008, except for the amendment to HKFRS 5 that is effective for annual periods beginning or after 1 July 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendment to paragraph 80 of HKAS 39
HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 32 and HKAS 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKFRS 1 and HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HK(IFRIC) – Int 9 and HKAS 39 (Amendments)	Embedded Derivatives
HK(IFRIC) – Int 13	Customer Loyalty Programmes
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation

The adoption of these new or revised standards, amendments and interpretations had no material effect on the results and financial position of the Group for the current and/or prior accounting periods. Accordingly, no prior period adjustment has been required.

The Group has not early applied the following new or revised standards, amendments and interpretations that have been issued but are not yet effective. The Directors of the Company anticipate that the application of these standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of Improvements to HKFRSs issued in 2008 ¹
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 ²
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ¹
HKAS 39 (Amendment)	Eligible Hedged Items ¹
HKFRS 2 (Amendments)	Group Cash-settled Share-based Payment Transactions ³
HKFRS 3 (Revised)	Business Combinations ¹
HK(IFRIC) – Int 17	Distribution of Non-cash Assets to Owners ¹
HK(IFRIC) – Int 18	Transfers of Assets from Customers ⁴

¹ Effective for annual periods beginning on or after 1 July 2009.

² Amendments that are effective for annual periods beginning on or after 1 July 2009 or 1 January 2010, as appropriate.

³ Effective for annual periods beginning on or after 1 January 2010.

⁴ Effective for transfers on or after 1 July 2009.

The interim results are unaudited, but have been reviewed by the Audit Committee which is of the opinion that such financial statements complied with the applicable accounting standards, and that adequate disclosures have been made.

2. SEGMENT INFORMATION

An analysis of the business segments and geographical segments of the operation of the Group during the period is as follows:

(a) Business segments

	Property investment		Provision of service apartment and property management service		Trading and investments		Electronic products		Corporate and others		Consolidated	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	For the six months ended 30 June											
	(Unaudited) (Unaudited) (Unaudited) (Unaudited) (Unaudited) (Unaudited) (Unaudited) (Unaudited) (Unaudited) (Unaudited) (Unaudited) (Unaudited) (Unaudited) and Restated)											
Segment revenue												
Sales to external customers	74,510	71,726	8,536	10,834	36,687	(35,738)	214	3,466	-	-	119,947	50,288
Segment results	30,566	50,323	(3,684)	855	35,458	(40,891)	(2,117)	(467)	10,769	10,386	70,992	20,206
Other income and gains											3,989	16,527
Finance costs											(3,301)	(10,354)
Profit before tax											71,680	26,379
Tax											(6,164)	(5,935)
Profit for the period											65,516	20,444

(b) Geographical segments

	Hong Kong		Elsewhere in the PRC		Consolidated	
	2009	2008	2009	2008	2009	2008
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	For the six months ended 30 June					
	(Unaudited) (Unaudited) (Unaudited) (Unaudited) (Unaudited) (Unaudited) and Restated)					
Segment revenue						
Sales to external customers	49,391	(23,387)	70,556	73,675	119,947	50,288
Segment results	40,708	(20,148)	30,284	40,354	70,992	20,206

3. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue, other income and gains is as follows:

	For the six months ended 30 June	
	2009	2008
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited and Restated)
Revenue		
Rental income from property letting	74,510	71,726
Service apartment and property management	8,536	10,834
Sales of goods	214	3,466
Fair value gains/(losses), net		
Equity investments at fair value through profit or loss	15,632	(33,337)
Equity-linked notes	(94)	(5,196)
Derivative financial instruments	16,238	–
Interest income from available-for-sale investments	1,547	–
Dividend income from listed investments	1,544	2,695
Gain on disposal of equity investments at fair value through profits or loss	1,820	100
	<u>119,947</u>	<u>50,288</u>
Other income and gains		
Interest income from loans and receivables	464	10,015
Others	3,525	6,512
	<u>3,989</u>	<u>16,527</u>
	<u><u>123,936</u></u>	<u><u>66,815</u></u>

4. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2009	2008
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited and Restated)
Cost of inventories sold	294	1,340
Depreciation of owned assets	1,462	1,273
Amortisation of land lease payments	4	4
Foreign exchange differences, net	(1,111)	(441)
	<u><u>7,701</u></u>	<u><u>7,291</u></u>
Employee benefits expense, including directors' remuneration:		
Salaries, wages and other benefits	7,701	7,291
Pension scheme contributions (defined contribution scheme)	21	29
	<u><u>7,722</u></u>	<u><u>7,320</u></u>

5. FINANCE COSTS

	For the six months ended 30 June	
	2009	2008
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited and Restated)
Interest on bank loans, overdrafts and other loans wholly repayable within five years	3,110	10,354
Interest on bank loans not wholly repayable within five years	191	–
	<u>3,301</u>	<u>10,354</u>

6. TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2008: 16.5%) on the estimated assessable profits arising in Hong Kong for the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	For the six months ended 30 June	
	2009	2008
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current tax		
Charge for the period	6,164	5,935
Underprovision/(overprovision) in prior years	–	–
Total tax charge for the period	<u>6,164</u>	<u>5,935</u>

7. INTERIM DIVIDEND PER SHARE

At the meeting held on 18 September 2009, the Board of Directors has resolved to distribute an interim dividend of 0.3 HK cents (2008: 0.3 HK cents) per ordinary share to shareholders whose names appear on the Register of Members of the Company on 9 October 2009. The interim dividend will be distributed to the shareholders on 16 October 2009.

8. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the net profit for the period attributable to ordinary equity holders of the Company for the period of approximately HK\$57,646,000 (2008: HK\$15,054,000) and the weighted average number of 4,180,371,092 (2008: 4,180,371,092) ordinary shares in issue during the period under review.

Diluted earnings per share for the six months ended 30 June 2009 and 2008 have not been disclosed as no diluting event existed during both periods.

9. TRADE RECEIVABLES

An aged analysis of trade receivables as at the balance sheet date, based on invoice date, is as follows:

	As at 30 June 2009 HK\$'000 (Unaudited)	As at 31 December 2008 HK\$'000 (Audited)
Aged:		
Within 1 month	2,685	1,859
1 to 2 months	1,085	1,586
2 to 3 months	1,138	596
Over 3 months	4,556	3,726
	<u>9,464</u>	<u>7,767</u>

For the Group's property rental business, the tenants are usually required to settle the rental payments on the first day of the rental period, and are required to pay rental deposits with two months rentals in order to secure any default in their rental payments.

The Group's trading terms with customers are mainly on credit. Invoices are normally payable within two months of issuance, except for certain well established customers, where the terms are extended to three to six months in some cases, subject to the approval of senior management. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are regularly reviewed by senior management. Trade receivables are non-interest-bearing.

10. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

	As at 30 June 2009 HK\$'000 (Unaudited)	As at 31 December 2008 HK\$'000 (Audited)
Cash and bank balances	86,171	83,281
Time deposits	171,910	186,131
	<u>258,081</u>	<u>269,412</u>
Less: Pledged deposits	(81,222)	(133,202)
Cash and cash equivalents	<u>176,859</u>	<u>136,210</u>

The deposits of approximately HK\$81,222,000 (2008: HK\$133,202,000) were pledged as security for banking facilities granted.

At the balance sheet date, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to approximately HK\$70,900,000 (2008: HK\$60,304,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at bank earns interest at floating rates based on daily bank deposits rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

11. TRADE PAYABLES

An aged analysis of trade payables as at the balance sheet date, based on invoice date is as follows:

	As at 30 June 2009 HK\$'000 (Unaudited)	As at 31 December 2008 HK\$'000 (Audited)
Aged:		
Within 1 month	571	1,219
1 to 2 months	–	52
Over 2 months	42	156
	<u>613</u>	<u>1,427</u>

Trade payables are non-interest-bearing and are normally settled on 60-day terms.

12. SHARE CAPITAL

	As at 30 June 2009 HK\$'000 (Unaudited)	As at 31 December 2008 HK\$'000 (Audited)
Authorised:		
50,000,000,000 (2008: 50,000,000,000) shares of HK\$0.01	<u>500,000</u>	<u>500,000</u>
Issued and fully paid:		
4,180,371,092 (2008: 4,180,371,092) shares of HK\$0.01	<u>41,804</u>	<u>41,804</u>

13. SHARE OPTION SCHEME

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the Company's directors, other employees, adviser, consultant, agent, contractor, client or customer, or supplier of any member of the Group. The Scheme became effective on 27 June 2003 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The total number of securities available for issue under the Scheme is 400,052,632, which is equivalent to 10% of the issued share capital of the Company as at the date of approval of the Scheme. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period, is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's share at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

13. SHARE OPTION SCHEME *(Continued)*

The offer of a grant of share options may be accepted within 5 days from the date of the offer upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, which is not later than 10 years from the date of offer of the share options or the expiry date of the Scheme, if earlier.

The exercise price of the share options is determinable by the Board of Directors, but may not be less than the higher of (i) the nominal value of the shares; (ii) the Stock Exchange closing price of the Company's shares on the date at offer of the share options and (iii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the offer.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

No share options have been granted, exercised, lapsed or cancelled since the establishment of the Scheme.

14. COMMITMENTS

As at balance sheet date, the Group had the following capital commitments in respect of investment properties:

	As at 30 June 2009 HK\$'000 (Unaudited)	As at 31 December 2008 HK\$'000 (Audited)
Contracted but not provided for	—	403

15. SIGNIFICANT RELATED PARTY TRANSACTIONS

During the period, a subsidiary sold finished goods of HK\$197,000 (2008: HK\$2,064,000) to a related company of Alpha Japan Limited, the minority shareholder of a subsidiary of the Group. These transactions were based on published prices and conditions normally offered by the Group to third party customers in the ordinary course of business of the Group.

16. CORPORATE GUARANTEES

At 30 June 2009, the Company has given corporate guarantees in favour of banks for banking facilities granted to its subsidiaries to the extent of approximately HK\$640,000,000, of which HK\$632,459,431 was utilised. In the opinion of the directors, no material liability will arise from the above corporate guarantees which arose in the ordinary course of business of the Group and the fair values of the corporate guarantees granted by the Company are immaterial.

17. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The condensed interim financial statements were approved and authorised for issue by the Board of Directors on 18 September 2009.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 8 October 2009 to 9 October 2009, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 7 October 2009.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF OPERATION

The Group continued to focus principally on its core business of properties investment. During the first half of 2009, the Group recorded a net profit attributable to equity holders of the Company of approximately HK\$58 million (2008: HK\$15 million), an increase of 287% as compared with the corresponding period of 2008.

PROPERTY INVESTMENT

Hong Kong

During the period under review, the investment properties in Hong Kong maintained an occupancy rate of approximately 75% and contributed stable rental income of approximately HK\$14 million (2008: HK\$12 million) with an increase of 16.67% as compared with 2008.

Shanghai, PRC

Our serviced apartment chain in Shanghai, operating under the name of "Windsor Renaissance", maintained a stable rental revenue with an occupancy rate of approximately 80%. Our trademark, "Windsor Renaissance", is a symbol of high quality villas and serviced apartments in Shanghai and they are well accepted by the expatriate community in Shanghai, PRC.

Zhuhai, PRC

The Group holds two land banks in Zhuhai, PRC. The first land of about 36,808 square metres located at Qianshan commercial business district is for commercial and shopping usages. Another land of about 94,111 square metres in Doumen commercial business district is at planning stage. This land is for hotel and shopping usages. Both land banks are still in the process of demolition and removal of existing constructions. The Group believes that these acquisitions of land will further strengthen the business of property investment in the PRC and will bring remarkable return to the Group upon completion of development.

TRADING AND INVESTMENTS

The performance of trading and investments segment improved significantly as a result of the strong backing of the various local governments in financial markets. Indeed, in terms of market capitalization, the Hang Seng Index have risen around 60% from the trough in October 2008. As a result, the Group's portfolio investment recorded a net fair value gains of HK\$32 million when marking the portfolio investment to market as at 30 June 2009.

ELECTRONICS

The electronics division reported a net loss of approximately HK\$2 million based on a turnover of HK\$0.2 million.

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cash flow and banking facilities provided by principal bankers in Hong Kong. As at 30 June 2009, the Group had total outstanding bank and other borrowings of approximately HK\$659 million which were secured by legal charges on certain investment properties in Hong Kong and Shanghai, cash deposits and securities investment. As at 30 June 2009, about HK\$133 million out of HK\$659 million is repayable within one year. Based on the total bank loans of HK\$659 million and the aggregate of the shareholder fund, minority interest and total bank loans of approximately HK\$3,275 million, the Group's gearing ratio as at 30 June 2009 is 20.12%.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2009, the Group had approximately 300 employees, of whom 250 were based in the PRC and 50 in Hong Kong. Remuneration policy of the Group for rewarding its employees is based on their performance, qualifications and competency displayed. In addition to the basic salaries, the Group also provides other staff benefits including discretionary bonus, provident fund schemes, medical insurance and training subsidies to the competent employees.

OUTLOOK

With the strong backing of the various local governments, the global economy started to show signs of stabilization in the second quarter of 2009 although the remainder of the year is expected to continue to be challenging.

In the Mainland, the Central Government's fiscal stimulus and monetary easing boost abundant liquidity in the economic system. According to the National Bureau of Statistics of China, China's gross domestic product (GDP) amounted to RMB13,986.2 billion in the first half of 2009, representing a year-on-year increase of 7.1% based on comparable price level. The growth rates in the first quarter and second quarter were 6.1% and 7.9% respectively. In view of these policies, China is well placed to recover at a faster pace than other countries. Being stimulated by positive policies, the property market is on track to achieve an impressive recovery in the first half of 2009.

Hong Kong's economy is poised to benefit from the Mainland's supportive policies including the Individuals Visits Scheme and further economic integration with the Pearl River Delta. The Group is positive about the Hong Kong property market because of the low interest environment and the relatively lack of supply of land and buildings.

Nevertheless, the directors and management will adhere to the prudent financial policy and maintain high liquidity and low gearing. The Group will continue to monitor market conditions and capture attractive investment opportunities. We strongly believe that we can maximize our shareholders' wealth through our proven expertise and the necessary skills.

DIRECTORS' INTERESTS IN SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATION

As at 30 June 2009, the interests of the directors of the Company (the "Director(s)") in the share capital and underlying shares of the Company or its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of the Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Rules Governing the Listing of Securities on the Stock Exchange (the "Model Code"), were as follows:

Long position in ordinary shares of the Company

Name of Director	Capacity and nature of interest	Number of shares held	Percentage of the Company's issued share capital
Lau Chi Yung, Kenneth	Corporate	2,797,055,712	66.91

The above shares are ultimately controlled by Power Resources Holdings Limited as the trustee of the Power Resources Discretionary Trust, a family discretionary trust, the discretionary objects of which include Mr. Lau Chi Yung, Kenneth and his family.

Long position in shares of associated corporation

Name of Director	Name of associated corporation	Relationship with the Company	Shares	Number of shares held	Capacity and nature of interest	Percentage of associated corporation's issued share capital
Lau Chi Yung, Kenneth	Oriental Explorer Holdings Limited	Company's subsidiary	Ordinary shares	1,082,326,999	Corporate	60.13

The interest of Mr. Lau Chi Yung, Kenneth in the shares of Oriental Explorer Holdings Limited are ultimately controlled by Power Resources Holdings Limited as the trustee of the Power Resources Discretionary Trust, a family discretionary trust, the discretionary objects of which include Mr. Lau Chi Yung, Kenneth and his family.

In addition to the above, a director has non-beneficial personal equity interests in certain subsidiaries held for the benefit of the Company solely for the purpose of complying with the minimum company membership requirements.

Save as disclosed above, as at 30 June 2009, none of the directors had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporation that was required to be recorded pursuant to Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the heading "Directors' interests in shares of the Company and its associated corporation" above, at no time during the Period were rights to acquire benefits by means of the acquisition of shares in, or debentures of, the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its holding companies or subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2009, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions

Name	Capacity and nature of interest	Number of shares held	Percentage of the Company's issued share capital
Power Resources Holdings Limited*	Through a controlled corporation	2,797,055,712	66.91
Lucky Speculator Limited*	Directly beneficially owned	2,195,424,000	52.52
Desert Prince Limited*	Directly beneficially owned	601,631,712	14.39

* Power Resources Holdings Limited was deemed to have a beneficial interest in 2,797,055,712 ordinary shares of the Company by virtue of its indirect interests through Lucky Speculator Limited and Desert Prince Limited, the wholly-owned subsidiaries, which held shares in the Company.

Save as disclosed above, as at 30 June 2009, no person, other than the Directors, whose interests are set out in the section "Directors' interests in shares of the Company and its associated corporation" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

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

During the Period, there were no purchase, sale or redemption of the Company's listed securities by the Company or by any of its subsidiaries.

REVIEW BY AUDIT COMMITTEE

The audit committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the internal control and financial reporting matters including the review of the Group's unaudited interim results for the Period.

CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the Directors of the Company, save as disclosed below, the Company has complied with the code provisions set out in the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”) throughout the Period.

- (a) Under code provisions of A.4.1 and A.4.2, (i) non-executive directors should be appointed for a specific term and subject to re-election; and (ii) all directors appointed to fill a causal vacancy should be subject to election by shareholders at the first general meeting after their appointment, and every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Non-executive directors do not have a specific term of appointment and under the bye-laws of the Company, at each general meeting, one-third of the directors for the time being, or if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office by rotation save any director holding office as chairman and managing director. The Company intends to propose any amendment of relevant bye-laws of the Company, if necessary, in order to ensure compliance with the Code.

- (b) Under code provision of A.2, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual.

The Company does not at present have any officer with the title of “chief executive officer”. Mr. Lau Chi Yung, Kenneth is the chairman and managing director of the Company. The Board will meet regularly to consider major matters affecting the operations of the Company. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company and is conducive to strong and consistent leadership, enabling the Company to respond promptly and efficiently.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 of the Listing Rules as its own code of conduct regarding directors’ securities transactions. Based on specific enquiry of all the directors of the Company, the directors of the Company have complied with the required standard as set out in the Model Code for the Period.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

The interim results announcement of the Company is published on the websites of the Company (www.irasia.com/listco/hk/multifield/index.htm) and Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk). The interim report of the Company for 2009 containing all the information required by the Listing Rules will be dispatched to the shareholders of the Company and made available on the above websites in due course.

BOARD OF DIRECTORS

As at the date of this report, the executive Directors of the Company are Mr. Lau Chi Yung, Kenneth and Mr. Lau Michael Kei Chi and the independent non-executive directors are Mr. Choy Tak Ho, Mr. Lee Siu Man, Ervin, Mr. Lo Yick Wing and Mr. Wong Yim Sum.

By Order of the Board
Lau Chi Yung, Kenneth
Chairman

Hong Kong, 18 September 2009