WINFOONG INTERNATIONAL LIMITED
(榮豐國際有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock code: 63)

2009 INTERIM RESULTS ANNOUNCEMENT
SIX MONTHS ENDED 30 JUNE 2009

The Board of Directors of Winfoong International Limited (the "Company") announces that the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2009 are as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2009

		Unaudited six months ended 30 June	
		2009	2008
	Note	***HK$'000***	*HK$'000*
Turnover	*3*	**2,883**	46,721
Cost of sales		**(921)**	(44,547)
Gross profit		**1,962**	2,174
Valuation gains on investment property		**101,990**	–
Other revenue		**1**	109
Other net income/(loss)		**78**	(678)
Operating and administrative expenses		**(12,706)**	(9,043)
Profit/(loss) from operating activities		**91,325**	(7,438)
Finance costs	*4*	**(179)**	(161)
Profit/(loss) before taxation	*5*	**91,146**	(7,599)
Income tax (expense)/credit	*6*	**(9,916)**	440
Profit/(loss) for the period		**81,230**	(7,159)
Attributable to:			
Equity shareholders of the Company		**81,230**	(7,159)
Minority interests		**–**	–
		81,230	(7,159)
Basic and diluted earnings/(loss) per share	*7*	**3.40 cents**	(0.30 cents)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2009

		Unaudited six months ended 30 June	
		2009	2008
	Note	***HK$'000***	*HK$'000*
Profit/(loss) for the period		**81,230**	(7,159)
Other comprehensive (loss)/income for the period (after tax and reclassification adjustments):			
Exchange differences on translation of financial statements of overseas subsidiaries		**(613)**	7,640
Available-for-sale unlisted equity securities: net movement in fair value reserve		**(300)**	–
		(913)	7,640
Total comprehensive income for the period		**80,317**	481
Attributable to:			
Equity shareholders of the company		**80,317**	481
Minority interests		**–**	–
Total comprehensive income for the period		**80,317**	481

CONDENSED CONSOLIDATED BALANCE SHEET

30 June 2009

	Note	**Unaudited 30 June 2009 HK$'000**	Audited 31 December 2008 HK$'000
ASSETS			
Non-current assets			
Fixed assets			
Investment property		**464,320**	355,320
Other properties, plant and equipment		**3,535**	4,116
Interests in leasehold land held for own use under operating leases		**434**	440
		468,289	359,876
Pledged bank deposits		**4**	4
Other financial assets		**1,310**	1,610
		469,603	361,490
Current assets			
Inventories		**94,032**	94,531
Trade and other receivables	*9*	**16,149**	2,341
Tax recoverable		**1**	1
Cash and cash equivalents		**7,632**	2,486
		117,814	99,359
Total assets		**587,417**	460,849
EQUITY AND LIABILITIES			
Share capital		**119,620**	119,620
Reserves		**280,481**	200,164
Total equity attributable to equity shareholders of the Company		**400,101**	319,784
Minority interests		**–**	–
Total equity		**400,101**	319,784

CONDENSED CONSOLIDATED BALANCE SHEET

30 June 2009

	Note	Unaudited 30 June 2009 HK$'000	Audited 31 December 2008 HK$'000
Non-current liabilities			
Bank borrowings		**149,177**	130,306
Deferred tax liabilities		**9,978**	83
		159,155	130,389
Current liabilities			
Trade and other payables	*10*	**13,499**	9,937
Deposits received from disposal of investment property		**13,929**	–
Deposits received from sale of properties held for sale		**198**	–
Bank borrowings		**242**	235
Tax payables		**293**	504
		28,161	10,676
Total liabilities		**187,316**	141,065
Total equity and liabilities		**587,417**	460,849

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2009

1. BASIS OF PREPARATION

The interim condensed consolidated financial statements are unaudited, but has been reviewed by the Company's audit committee. The interim condensed consolidated financial statements have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting", issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The interim condensed consolidated financial statements have been prepared in accordance with the same accounting policies adopted in the 2008 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2009 annual financial statements. Details of these changes in accounting policies are set out in note 2.

The preparation of interim condensed consolidated financial statements in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim condensed consolidated financial statements contain condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated balance sheet and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2008 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with HKFRSs.

The financial information relating to the financial year ended 31 December 2008 that is included in the interim condensed consolidated financial statements as being previously reported information does not constitute the Company's statutory financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 December 2008 are available from the Company's registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 27 February 2009.

2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued one new HKFRS, a number of amendments to HKFRSs and new Interpretations that are first effective for the current accounting period of the Group and the Company. The following of these developments are relevant to the Group's financial statements:

- HKFRS 8, Operating segments
- HKAS 1 (revised 2007), Presentation of financial statements
- Improvements to HKFRSs (2008)
- HKAS 27, Consolidated and separate financial statements – cost of an investment in a subsidiary, jointly controlled entity or associate
- HKAS 23 (Revised), Borrowing costs
- HKFRS 2, Share-based payment – vesting conditions and cancellations
- 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 amendments to HKAS 23 and HKFRS 2 and Interpretations HK(IFRIC)-Int 15 and HK(IFRIC)-Int 16 have had no material impact on the Group's financial statements as the amendments and interpretations were consistent with policies already adopted by the Group. The impact of the remainder of these developments is as follows:

- HKFRS 8 requires segment disclosure to be based on the way that the group's chief operating decision maker regards and manages the Group, with the amounts reported for each reportable segment being the measures reported to the Group's chief operating decision maker for the purposes of assessing segment performance and making decisions about operating matters. This contrasts with the presentation of segment information in prior years which was based on a disaggregation of the Group's financial statements into segments based on related products and services and on geographical areas. The adoption of HKFRS 8 has resulted in the presentation of segment information in a manner that is more consistent with internal reporting provided to the Group's most senior executive management, and has resulted in additional reportable segments being identified and presented (see note 3). Corresponding amounts have been provided on a basis consistent with the revised segment information.

- As a result of the adoption of HKAS 1 (revised 2007), details of changes in equity during the period arising from transactions with equity shareholders in their capacity as such have been presented separately from all other income and expenses in a revised consolidated statement of changes in equity. All other items of income and expense are presented in the consolidated income statement, if they are recognised as part of profit or loss for the period, or otherwise in a new primary statement, the consolidated statement of comprehensive income. Corresponding amounts have been restated to conform to the new presentation. This change in presentation has no effect on reported profit or loss, total income and expense or net assets for any period presented.

- The "Improvements to HKFRSs (2008)" comprise a number of minor and non-urgent amendments to a range of HKFRSs which the HKICPA has issued as an omnibus batch of amendments. Of these, the following two amendments have resulted in changes to the Group's accounting policies:

  – As a result of amendments to HKAS 28, Investments in associates, impairment losses recognised in respect of the associates and jointly controlled entities carried under the equity method are no longer allocated to the goodwill inherent in that carrying value. As a result, when there has been a favourable change in the estimates used to determine the recoverable amount, the impairment loss will be reversed. Previously, the Group allocated impairment losses to goodwill and, in accordance with the accounting policy for goodwill, did not consider the loss to be reversible. In accordance with the transitional provisions in the amendment, this new policy will be applied prospectively to any impairment losses that arise in the current or future periods and previous periods have not been restated.

  – As a result of amendments to HKAS 40, Investment property, investment property which is under construction will be carried at fair value at the earlier of when the fair value first becomes reliably measurable and the date of completion of the property. Any gain or loss will be recognised in profit or loss, consistent with the policy adopted for all other investment properties carried at fair value. Previously such property was carried at cost until the construction was completed, at which time it was fair valued with any gain or loss being recognised in profit or loss. As the Group does not currently have any investment property under construction, this change in policy has no impact on net assets or profit for loss for any of the periods presented.

- The amendments to HKAS 27 have removed the requirement that dividends out of pre-acquisition profits should be recognised as a reduction in the carrying amount of the investee, rather than as income. Consequently, as a result, all dividends receivable from subsidiaries, associates and jointly controlled entities, whether out of pre- or post-acquisition profits, will be recognised in the Company's profit or loss. In accordance with the transitional provisions in the amendment, this new policy will be applied prospectively to any dividends receivable in the current or future periods and previous periods have not been restated.

3. SEGMENT REPORTING

The Group manages its businesses by divisions, which are organized by a mixture of both products and services and geography. On first-time adoption of HKFRS 8, Operating Segments and in a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

Property investment and management: the leasing of properties to generate rental income and to gain from the appreciation in the properties' value in the long term, and the provision of building management services.

Property construction and development: the development, construction and sale of properties, and project management.

Horticultural services: the provision of horticultural services.

(a) Segment results

In accordance with HKFRS 8, segment information disclosed in the interim condensed consolidated financial statements has been prepared in a manner consistent with the information used by the Group's most senior executive management for the purposes of assessing segment performance and allocating resources between segments. In this regard, the group's senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit is "adjusted EBITDA" i.e. "adjusted earnings before interest, taxes, depreciation and amortisation", where "interest" is regarded as including investment income and "depreciation and amortisation" is regarded as including impairment losses on non-current assets. To arrive at "adjusted EBITDA" the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as directors' and auditors' remuneration and corporate administration costs.

In addition to receiving segment information concerning adjusted EBITDA, management is provided with segment information concerning revenue (including inter segment sales), interest income and expense from cash balances and borrowings managed directly by the segments, depreciation, amortisation and impairment losses and additions to non-current segment assets used by the segments in their operations. Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below.

	Property construction and development				Property investment and management		Horticultural services		Total	
	Hong Kong		Singapore							
For the six months ended	**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*
Revenue from external customers	**–**	–	**1,099**	44,852	**149**	137	**1,635**	1,732	**2,883**	46,721
Inter-segment revenue	**4,869**	4,653	**–**	–	**–**	–	**17**	7	**4,886**	4,660
Reportable segment revenue	**4,869**	4,653	**1,099**	44,852	**149**	137	**1,652**	1,739	**7,769**	51,381
Reportable segment profit/(loss) (adjusted EBITDA)	**(81)**	(401)	**366**	1,066	**101,479**	(987)	**365**	141	**102,129**	(181)

(b) Reconciliations of reportable segment revenues and profit or loss

	Six months ended 30 June	
	2009	2008
	HK$'000	*HK$'000*
Revenue		
Reportable segment revenue	**7,769**	51,381
Elimination of inter-segment revenue	**(4,886)**	(4,660)
Consolidated turnover	**2,883**	46,721

	Six months ended 30 June	
	2009	2008
	HK$'000	*HK$'000*
Profit/(Loss)		
Reportable segment profit/(loss)	**102,129**	(181)
Elimination of inter-segment profit	**(703)**	(530)
Reportable segment profit/(loss) derived from group's external customers	**101,426**	(711)
Other revenue and net income	**79**	(404)
Depreciation and amortisation	**(616)**	(524)
Finance costs	**(179)**	(161)
Unallocated corporate expenses	**(9,564)**	(5,799)
Consolidated profit/(loss) before taxation	**91,146**	(7,599)

4. FINANCE COSTS

	Unaudited six months ended 30 June	
	2009	2008
	HK$'000	*HK$'000*
Interest on bank borrowings	**809**	1,961
Less: Interest expense capitalized into properties under development*	**(630)**	(1,800)
	179	161

* The borrowing costs have been capitalised at a rate of 0.88%-1.18% (2008: 2.04%-4.47%) per annum.

5. PROFIT/(LOSS) BEFORE TAXATION

Profit/(loss) before taxation is arrived at after charging /(crediting):

	Unaudited six months ended 30 June	
	2009	2008
	HK$'000	*HK$'000*
Depreciation and amortisation	**616**	524
Cost of inventories	**251**	43,979
Rental receivable from properties held for sale less direct outgoing of HK$670,000 (2008: HK$568,000)	**(429)**	(83)
Interest income	**(1)**	(18)

6. INCOME TAX

	Unaudited six months ended 30 June	
	2009	2008
	HK$'000	*HK$'000*
Current taxation – Singapore		
Income Tax	**(21)**	(655)
Deferred taxation – origination and reversal of temporary difference	**(9,895)**	1,095
Income tax (expense)/credit	**(9,916)**	440

No provision for Hong Kong Profits Tax has been made as the Group has no assessable profits arising in Hong Kong for the period.

The provision for Singapore Income Tax for 2009 is calculated at 17% (2008: 18%) of normal chargeable income.

7. EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of HK$81,230,000 (2008: loss of HK$7,159,000) for the period and the weighted average number of 2,392,410,986 (2008: 2,392,410,986) ordinary shares in issue during the period.

(b) Diluted earnings/(loss) per share

Diluted earnings/(loss) per share is the same as basic earnings/(loss) per share as the Company does not have dilutive potential ordinary shares for the six months ended 30 June 2009 and 2008.

8. INTERIM DIVIDEND

The directors do not recommend the payment of any interim dividend for the six months ended 30 June 2009 (2008: Nil).

9. TRADE AND OTHER RECEIVABLES

	Unaudited 30 June 2009	Audited 31 December 2008
	HK$'000	*HK$'000*
Trade receivables		
Within 1 month	**211**	342
After 1 month but within 3 months	**123**	150
More than 3 months but less than 12 months	**11**	6
	345	498
Other debtors	**14,182**	321
Loans and receivables	**14,527**	819
Deposits and prepayments	**1,622**	1,522
	16,149	2,341

The Group's trade receivables are due within 30 days from the date of billing.

10. TRADE AND OTHER PAYABLES

	Unaudited 30 June 2009 *HK$'000*	Audited 31 December 2008 *HK$'000*
Trade payables		
Within 1 month	**58**	32
After 1 month but within 3 months	**15**	37
After 3 months but within 6 months	**33**	6
Over 1 year	**26**	24
	132	99
Other creditors and accrued charges	**5,824**	4,487
Amount due to the ultimate holding company	**211**	152
Amount due to a related company	**5,419**	2,997
Financial liabilities measured at amortised cost	**11,586**	7,735
Retentions payable	**1,469**	1,847
Deposits received	**444**	355
	13,499	9,937

11. COMPARATIVE FIGURES

As a result of the application of HKAS 1 (revised 2007), *Presentation of financial statements*, and HKFRS 8, *Operating segments*, certain comparative figures have been adjusted to confirm to current period's presentation and to provide comparative amounts in respect of items disclosed for the first time in 2009. Further details of these developments are disclosed in note 2.

BUSINESS REVIEW

During the period, the Group continued to engage in property related businesses and provision of horticultural services. The decrease in turnover was mainly due to the decrease in revenue from disposal of properties in Singapore. The Group's revenue in the period represented rental income from the properties in Singapore.

The Group recorded net profit of approximately HK$81.2 million in the period which was mainly due to the valuation gains on investment property, net of deferred tax liability, of approximately HK$92.1 million.

As the redevelopment of the investment property, THE ICON, No. 38 Conduit Road ("THE ICON"), advanced, the Group devoted more resources in the management and administration and operating and administrative expenses increased correspondingly. The redevelopment is expected to be completed in 2010.

From about the end of June 2009 to the date of this statement, provisional agreements for the sale and purchase of certain units of THE ICON were entered into by the Group with independent third parties. The total proceeds from the disposal of these properties is approximately HK$588.0 million. As at 30 June 2009, deposits received amounted approximately HK$13.9 million. Further deposits of approximately HK$102.6 million will be received in the second half of 2009. Deposits received will be applied in the repayment of the project finance and the payment of development costs. Balance payments of approximately HK$471.5 million will be received after completion of the redevelopment of THE ICON.

The net asset value of the Group per share as at 30 June 2009 was approximately HK$0.17 (31 December 2008: HK$0.13) based on the 2,392,410,986 shares issued.

The Group will focus its resources on the existing properties.

All the Group's funding and treasury activities are centrally managed and controlled at the corporate level. There is no significant change in respect of treasury and financing policies from the information disclosed in the Group's latest annual report. The Group's monetary assets and liabilities are denominated and the Group conducted its business transactions principally in Hong Kong dollars or Singapore dollars. The Group aims to utilize the fund for transactions that are denominated in the same currency. The exchange rate risk of the Group is not considered significant, no financial instruments for hedging purpose were employed.

The Group's working capital requirements are met by committed undrawn credit facilities. The end of period gearing ratio was approximately 35% (31 December 2008: 40%) based on bank loans less cash and bank balances to total equity. The improvement of gearing ratio was mainly due to the valuation gains on investment property. As at 30 June 2009, the outstanding bank loan amounted approximately HK$149.4 million (31 December 2008: HK$130.5 million). These loan facilities were arranged on a floating rate basis and secured by the Group's properties. The Company has provided guarantees in respect of bank facilities made available to subsidiaries to the extent of approximately HK$317.6 million (31 December 2008: HK$317.9 million).

The following is the maturity profile for the Group's bank borrowings as of 30 June 2009:

Within 1 year	0%
After 1 year but within 2 years	85%
After 2 years but within 5 years	15%

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the period.

CORPORATE GOVERNANCE

The Company has adopted the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Listing Rules with the following deviations:

Under Code A.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Cheong Pin Chuan, Patrick is both the chairman of the board, as well as the Group's chief executive officer ("CEO")/managing director. Given the size and that the Company's and the Group's current business operations and administration have been relatively stable and straightforward, the board is satisfied that one person is able to effectively discharge the duties of both positions. However, going forward, the board will review from time to time, the need to separate the roles of the chairman and the CEO if the situation warrants it.

Under Code A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. Non-executive directors of the Company are not appointed for a specific term although they are subject to retirement and rotation and re-election at the annual general meeting. Under the Company's Bye-laws, except for the chairman of the board and/or the managing director of the Company, each director is effectively appointed under a term of not more than three years.

Under Code A.4.2, every director should be subject to retirement by rotation at least once every three years. The Company's Bye-law 87(1) states that the chairman of the board and/or the managing director of the Company shall not be subject to retirement by rotation and shall not be counted in determining the number of directors to retire in each year. In the opinion of the board, the continuity of leadership role of the chairman is important for the stability of the Company and is considered beneficial to the growth of the Company. The board is of the view that the chairman should not be subject to retirement by rotation at the present time.

Under Code B.1, a remuneration committee should be established with specific written terms of reference which deal clearly with its authority and duties. A majority of the members of the remuneration committee should be independent non-executive directors.

The board has not established a remuneration committee. The board conducts an informal assessment of the individual director's contribution. No director decides his or her own remuneration.

Under Code C.3.3, the audit committee should have the duties to be primarily responsible for making recommendation to the board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of that auditor.

The recommendation on the appointment, reappointment and removal of the external auditor, and to approve the remuneration of the external auditors, and any questions of resignation or dismissal of that auditor of the Company is made by the board to the audit committee for approval.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

The results announcement is published on the Stock Exchange's website (www.hkex.com.hk) and the Company's website (www.equitynet.com.hk/winfoong). The interim report will be dispatched to the shareholders and available on the same websites in due course.

By Order of the Board
Winfoong International Limited
Cheong Pin Chuan, Patrick
Chairman

Hong Kong, 14 August 2009

As at the date of this statement, the Board comprises (i) three executive directors, namely Messrs. Cheong Pin Chuan, Patrick, Cheong Kim Pong and Cheong Sim Eng and; (ii) one non-executive director namely Madam Lim Ghee; and (iii) four independent non-executive directors, namely Messrs. Lai Hing Chiu, Dominic, Kan Fook Yee, Chan Yee Hoi, Robert and Leung Wing Ning.

* *For identification purposes only*