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

(Incorporated in Bermuda with limited liability)

(Stock code: 63)

2010 INTERIM RESULTS ANNOUNCEMENT
SIX MONTHS ENDED 30 JUNE 2010

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 2010 are as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2010

		Unaudited six months ended 30 June	
		2010	2009
	Note	***HK$'000***	*HK$'000*
Turnover	*3*	**1,552**	2,883
Cost of sales		**(273)**	(921)
Gross profit		**1,279**	1,962
Valuation gains on investment property		**–**	101,990
Other revenue		**151**	1
Other net (loss)/income		**(680)**	78
Operating and administrative expenses		**(12,225)**	(12,706)
(Loss)/profit from operating activities		**(11,475)**	91,325
Gain on disposal of subsidiaries	*11*	**12,461**	–
Finance costs	*4*	**(31)**	(179)
Profit before taxation	*5*	**955**	91,146
Income tax expense	*6*	**–**	(9,916)
Profit for the period		**955**	81,230
Attributable to:			
Owners of the Company		**955**	81,230
Non-controlling interests		**–**	–
		955	81,230
Basic and diluted earnings per share	*7*	**0.04 cents**	3.19 cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2010

		Unaudited six months ended 30 June	
		2010	2009
	Note	***HK$'000***	*HK$'000*
Profit for the period		**955**	81,230
Other comprehensive (expense)/income for the period (net of nil tax):			
Exchange differences on translation of financial statements of overseas subsidiaries		**–**	(613)
Reclassification adjustments relating to foreign operations disposed of during the period	*11*	**(9,386)**	–
		(9,386)	(613)
Available-for-sale securities: net movement in fair value reserve (net of nil tax) – change in fair value recognised during the period		**800**	(300)
		(8,586)	(913)
Total comprehensive (expense)/income for the period		**(7,631)**	80,317
Attributable to:			
Owners of the company		**(7,631)**	80,317
Non-controlling interests		**–**	–
Total comprehensive (expense)/income for the period		**(7,631)**	80,317

CONDENSED CONSOLIDATED BALANCE SHEET

30 June 2010

	Note	Unaudited 30 June 2010 HK$'000	Audited 31 December 2009 HK$'000
ASSETS			
Non-current assets			
Fixed assets			
Investment property		**320**	320
Interests in leasehold land held for own use		**422**	428
Other properties, plant and equipment		**2,286**	2,813
		3,028	3,561
Pledged bank deposits		**14**	7
Other financial assets		**4,900**	4,780
		7,942	8,348
Current assets			
Inventories		**548,872**	487,398
Trade and other receivables	*9*	**73,173**	123,502
Cash and cash equivalents		**70,971**	25,016
		693,016	635,916
Assets of disposal group classified as held for sale		–	73,433
		693,016	709,349
Total assets		**700,958**	717,697
EQUITY AND LIABILITIES			
Share capital		**131,582**	131,582
Reserves		**280,848**	288,479
Total equity attributable to owners of the Company		**412,430**	420,061
Non-controlling interests		–	–
Total equity		**412,430**	420,061

CONDENSED CONSOLIDATED BALANCE SHEET

30 June 2010

	Note	**Unaudited 30 June 2010 HK$'000**	Audited 31 December 2009 HK$'000
Non-current liabilities			
Bank borrowings		**312**	441
Current liabilities			
Trade and other payables	*10*	**150,269**	150,168
Bank borrowings		**137,947**	145,741
		288,216	295,909
Liabilities of disposal group classified as held for sale		**–**	1,286
		288,216	297,195
Total liabilities		**288,528**	297,636
Total equity and liabilities		**700,958**	717,697

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2010

1. BASIS OF PREPARATION

The interim condensed consolidated financial statements are unaudited, but have 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 2009 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2010 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 2009 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 2009 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 2009 are available from the Company's registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 26 February 2010.

2. CHANGES IN ACCOUNTING POLICIES

In the current period, the Group has applied, for the first time, a number of new and revised standards, amendments and interpretations ("new and revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), which are effective for the Group's financial year beginning on 1 January 2010. Except as describes below, the same accounting policies, presentation and methods of computation have been followed in these condensed consolidated financial statements as were applied in the preparation of the Group's annual financial statements for the year ended 31 December 2009.

HKFRS 3 (Revised) Business Combinations and HKAS 27 (Revised) Consolidated and Separate Financial Statements

The Group applies HKFRS 3 (Revised) Business Combinations prospectively to business combinations for which the acquisition date is on or after 1 January 2010. The requirements in HKAS 27 (Revised) Consolidated and Separate Financial Statements in relation to accounting for changes in ownership interests in a subsidiary after control is obtained and for loss of control of a subsidiary are also applied prospectively by the Group on or after 1 January 2010.

As there was no acquisition during the current interim period in which HKFRS 3 (Revised) and HKAS 27 (Revised) are applicable, the application of HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to other HKFRSs had no effect on the condensed consolidated financial statements of the Group for the current or prior accounting periods.

Results of the Group in future periods may be affected by future transactions for which HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to the other HKFRSs are applicable.

The adoption of the remaining new and revised HKFRSs had no material effect on the results or financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been recognised.

3. SEGMENT REPORTING

The Group manages its businesses by divisions, which are organized by a mixture of both products and services and geography. 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: this segment leases the Group's 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. Currently the Group's investment property portfolio is located entirely in Hong Kong

Property development: this segment develops and sells the Group's residential properties. Currently the Group's activities in this regard are carried out in Hong Kong.

Horticultural services: this segment provides horticultural services. Currently the Group's activities in this regard are carried out in Hong Kong.

(a) Segment results

For the purposes of assessing segment performance and allocating resources between segments, 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.

For the six months ended (Unaudited)	Property investment and management 2010 HK$'000	Property investment and management 2009 HK$'000	Property construction and development Hong Kong 2010 HK$'000	Property construction and development Hong Kong 2009 HK$'000	Property construction and development Singapore 2010 HK$'000	Property construction and development Singapore 2009 HK$'000	Horticultural services 2010 HK$'000	Horticultural services 2009 HK$'000	Total 2010 HK$'000	Total 2009 HK$'000
Revenue from external customers	**128**	149	**–**	–	**–**	1,099	**1,424**	1,635	**1,552**	2,883
Inter-segment revenue	**–**	–	**5,373**	4,869	**–**	–	**–**	17	**5,373**	4,886
Reportable segment revenue	**128**	149	**5,373**	4,869	**–**	1,099	**1,424**	1,652	**6,925**	7,769
Reportable segment (loss)/ profit (adjusted EBITDA)	**(829)**	101,479	**(663)**	(81)	**–**	366	**199**	365	**(1,293)**	102,129

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

	Unaudited six months ended 30 June 2010 HK$'000	Unaudited six months ended 30 June 2009 HK$'000
Revenue		
Reportable segment revenue	**6,925**	7,769
Elimination of inter-segment revenue	**(5,373)**	(4,886)
Consolidated turnover	**1,552**	2,883

	Unaudited six months ended 30 June 2010 HK$'000	Unaudited six months ended 30 June 2009 HK$'000
Profit		
Reportable segment (loss)/profit	**(1,293)**	102,129
Elimination of inter-segment profit	**(24)**	(703)
Reportable segment (loss)/profit derived from group's external customers	**(1,317)**	101,426
Other revenue and net (loss)/income	**(529)**	79
Depreciation and amortisation	**(535)**	(616)
Finance costs	**(31)**	(179)
Gain on disposal of subsidiaries	**12,461**	–
Unallocated corporate expenses	**(9,094)**	(9,564)
Consolidated profit before taxation	**955**	91,146

4. FINANCE COSTS

	Unaudited six months ended 30 June	
	2010	2009
	HK$'000	*HK$'000*
Interest on bank borrowings	**406**	809
Less: Interest expense capitalised into properties under development*	**(375)**	(630)
	31	179

* The borrowing costs have been capitalised at a rate of 0.86%-1.01% (2009: 0.88%-1.18%) per annum.

5. PROFIT BEFORE TAXATION

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

	Unaudited six months ended 30 June	
	2010	2009
	HK$'000	*HK$'000*
Depreciation and amortisation	**535**	616
Cost of inventories	**273**	251
Rental receivable from properties held for sale less direct outgoing of HK$Nil (2009: HK$670,000)	**–**	(429)
Interest income	**(150)**	(1)
Impairment loss on available-for-sale securities	**680**	–

6. INCOME TAX

	Unaudited six months ended 30 June	
	2010	2009
	HK$'000	*HK$'000*
Current taxation – Singapore Income Tax	**–**	(21)
Deferred taxation – origination and reversal of temporary difference	**–**	(9,895)
Income tax expense	**–**	(9,916)

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

The provision for Singapore Income Tax for 2009 is calculated at 17% of normal chargeable income.

7. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of HK$955,000 (2009: HK$81,230,000) for the period and the weighted average number of 2,631,652,084 (2009: 2,544,353,000) ordinary shares in issue during the period.

In December 2009, the Company completed a rights issue. The effect of the bonus element included within the rights issue has been included within the calculation of basic earnings per share for the period ended 30 June 2009. The effect of the rights issue was to increase the weighted average number of ordinary shares by approximately 151,942,000 for the period ended 30 June 2009.

(b) Diluted earnings per share

Diluted earnings per share is the same as basic earnings per share as the Company does not have dilutive potential ordinary shares for the six months ended 30 June 2010 and 2009.

8. INTERIM DIVIDEND

The directors do not recommend the payment of any interim dividend for the six months ended 30 June 2010 (2009: Nil).

9. TRADE AND OTHER RECEIVABLES

	Unaudited 30 June 2010	Audited 31 December 2009
	HK$'000	*HK$'000*
Trade receivables		
Within 1 month	**178**	381
After 1 month but within 3 months	**111**	118
More than 3 months but less than 12 months	**20**	12
	309	511
Receivables for monies held by solicitor in respect of pre-sale deposit	**61,485**	112,675
Other debtors	**51**	60
Loans and receivables	**61,845**	113,246
Prepaid sales commission	**8,204**	8,204
Deposits and prepayments	**3,124**	2,052
	73,173	123,502

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

10. TRADE AND OTHER PAYABLES

	Unaudited 30 June 2010 *HK$'000*	Audited 31 December 2009 *HK$'000*
Trade payables		
Within 1 month	**12,574**	5,433
After 1 month but within 3 months	**2**	43
After 3 months but within 6 months	**–**	38
Over 6 months	**2,360**	2,436
	14,936	7,950
Retentions payable	**5,778**	4,089
Payable for over-subscription under rights issue	**–**	7,468
Other creditors and accrued charges	**1,617**	3,054
Amount due to substantial shareholder	**3,981**	3,650
Financial liabilities measured at amortised cost	**26,312**	26,211
Forward sales deposits and instalments received	**123,957**	123,957
	150,269	150,168

11. DISPOSAL OF SUBSIDIARIES

On 16 November 2009 , the Group entered into an agreement with Hong Fok Corporation Limited ("HFC"), the ultimate holding company of the Company from 1 August 2007 to 15 December 2009 and a substantial shareholder from 16 December 2009 onwards, pursuant to which the Group agreed to sell and HFC agreed to purchase the Group's interest in Goldease Investments Limited and its subsidiaries (collectively referred to as "Goldease Group") at the cash consideration of S$10,150,000 (equivalent to approximately HK$56,434,000). The transaction was completed on 25 January 2010 and resulted in a gain of approximately HK$12,461,000 on such disposal. In the opinion of the Company's directors, this transaction was conducted in normal commercial terms and in the ordinary course of the Group's business.

On 25 January 2010, the net liabilities of Goldease Group were as follows:

	Unaudited *HK$'000*
Net liabilities disposed of:	
Property, plant and equipment	112
Properties held for sale	69,675
Trade and other receivables	21
Cash and cash equivalents	3,593
Amount due to a substantial shareholder	(216)
Trade and other payables	(114,720)
Tax payable	(430)
Bank borrowings	(20,340)
	(62,305)
Amount due from Goldease Group	114,078
Release of exchange reserve	(9,386)
	42,387
Gain on disposal	12,461
Total net consideration	54,848
Net cash inflow arising on disposal:	
Net cash consideration	54,848
Bank balances and cash disposed of	(3,593)
	51,255

12. CONTINGENT LIABILITIES IN RESPECT OF A CLAIM

A subsidiary of the Company was involved in a dispute in connection with the contract for the foundation work on the redevelopment of residential properties in Hong Kong. As claimed by the contractor, the total expected additional construction costs may amount to approximately HK$16.19 million. The Company is of the view that the claim is based on unreasonable and invalid grounds and therefore unfounded. The directors are of the view that this claim will not have a material adverse impact on the financial position of the Group. No provision has therefore been made in respect of this claim.

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 rental income from properties in Singapore after the completion of the disposal of Goldease Group. The Group's revenue in the period was mainly derived from horticultural services.

The Group's net profit for the period was approximately HK$1 million. During the period, gain on disposal of Goldease Group of approximately HK$12.5 million was recognised.

The decrease in net profit was mainly due to the valuation gains on investment property in 2009.

As at 30 June 2010, deposits received from the pre-sale of certain units of THE ICON amounted approximately HK$124 million. Deposits received are held for the payment of development costs and repayment of project finance before completion of the redevelopment. Balance payments of approximately HK$501 million would be received upon completion of the sale transactions.

The net asset value of the Company per share as at 30 June 2010 was approximately HK$0.16 (31 December 2009: HK$0.16) based on the 2,631,652,084 shares issued.

The redevelopment of the investment property, THE ICON, No. 38 Conduit Road ("THE ICON"), is in progress and expected to be completed in 2010. The Group intends to explore more quality investment opportunities with a view to strengthening its property portfolio in order to enhance the shareholders' value.

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 Company's latest annual report. The Group's monetary assets and liabilities are denominated and the Group conducts its business transactions principally in Hong Kong dollars. The exchange rate risk of the Group is not considered significant, no financial instruments for hedging purpose are employed.

The Group's working capital requirements are met by committed undrawn credit facilities. The Group's banking facilities were denominated in Hong Kong dollars and arranged on a floating rate basis. The end of period gearing ratio was approximately 34% (31 December 2009: 35%) based on bank borrowings less pledged bank deposits to total equity. As at 30 June 2010, the outstanding bank loans amounted approximately HK$138.3 million (31 December 2009: HK$146.2 million). Approximately HK$137.7 million of these loan facilities were secured by the Group's properties and bank deposits of approximately HK$548.6 million and approximately HK$14,000 respectively. The Company has provided guarantees in respect of bank facilities made available to subsidiaries to the extent of approximately HK$197 million (31 December 2009: HK$284 million).

The following is the maturity profile for the Group's bank borrowings as of 30 June 2010:

Within 1 year	100%

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 INTERIM REPORT

The results announcement is published on the Stock Exchange's website (www.hkex.com.hk) and the Company's website (www.winfoong.com). 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, 13 August 2010

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*