

The Board of Directors of China Haida Ltd. is pleased to announce the consolidated results of the Group for the half year ended 30 June 2010.

PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, & Q3) HALF-YEAR AND FULL YEAR RESULTS
1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
合并利润报表
(Amounts expressed in thousands of Chinese Renminbi
Renminbi ("RMB") currency)
These figures have not been audited

Revenue	销售收入
Cost of sales	销售成本
Gross profit	毛利
Gross profit margin	毛利率
Other income	其他收入
Selling and distribution expenses	营业收入
Administrative expenses	管理费用
Finance costs	财务费用
Profit before taxation	税前利润
Taxation	所得税
Profit after taxation	净利润
Other Comprehensive income/(expenses) :	其他收入和费用
Currency translation differences	汇兑损益
Total comprehensive income attributable to equity holders of the company	股东应得总净利

THE GROUP		
1 Jan 10 to 30 Jun 10 HY2010	1 Jan 09 to 30 Jun 09 HY2009	Variance Increase / (Decrease)
RMB'000	RMB'000	%
139,458	145,967	(4.5)%
(125,035)	(130,811)	(4.4)%
14,423	15,156	(4.8)%
10.3%	10.4%	(0.4)%
1,304	1,126	15.8 %
(3,361)	(3,181)	5.7 %
(7,450)	(6,905)	7.9 %
(856)	(1,095)	(21.8)%
4,060	5,101	(20.4)%
(1,644)	(1,850)	(11.1)%
2,416	3,251	(25.7)%
11	(112)	(109.8)%
2,427	3,139	(22.7)%

Explanatory Notes
A Profit before taxation

The following items have been included in arriving at profit before taxation:

		THE GROUP	
		1 Jan 10 to 30 Jun 10 HY 2010 RMB '000	1 Jan 09 to 30 Jun 09 HY 2009 RMB '000
Other income:	Note		
- Interest income on bank deposits	(1) 其他收入 利息收入	307	474
- Sales of scraps	(2) 废料收入	739	627
- Government Grant/Incentive	(3) 政府津贴	253	-
- Others	其他	5	25
		1,304	1,126
Interest expenses	(4) 利息费用	(856)	(1,095)
Foreign exchange loss - net	(5) 外汇损益	(182)	(15)
Amortisation of lease prepayments	分摊预付土地使用费	(150)	(150)
PPE written off	固定资产报废	-	(111)
Depreciation of property, plant and equipment (PPE)	固定资产折旧费	(4,561)	(4,596)

- (1) Lower interest income attributed to lower bank deposits and lower bank deposit rates. Bank deposit interest was credited at a weighted average rate of 2.5% per annum for period under review as compared to 3.0% per annum for the period ended 30 June 2009.
- (2) Sales of scrap increased due to the sale of aluminium panel waste derived from cutting the aluminium panels according to customers' specifications.
- (3) This comprised of a grant RMB196,000 provided by the PRC government to the wholly-owned subsidiary, Jiangyin Litai Decorative Materials Co. Ltd. ("Litai") to support a local charity, government subsidy RMB47,000 to encourage global expansion and a job credit incentive RMB10,000 from the Singapore government.
- (4) Lower interest expenses due to lower bank interest rate and the repayment of RMB10 million short-term bank loans. Interest was charged at a weighted average rate of 5.31% per annum for the period under review as compared to 5.60% per annum for the corresponding period ended 30 June 2009.
- (5) Higher net foreign exchange loss was registered during the period under review attributed mainly to the stronger RMB versus the weaker US dollars and SGD dollars.

1(b)(i) A statement of financial position (for the Issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

- (1) Inventory as at 30 June 2010 has increased due to increase in customers' specifications and anticipation of customers' orders.
- (2) With relatively higher sales in the last three months of April, May and June, higher Trade receivables were recorded as at 30 June 2010 as compared to the balance as at 31 December 2009. Day Sales Outstanding (DSO) had increased from 51 days as at 31 December 2009 to 67 days for the current period under review.
- (3) As at 30 June 2010, the advance to related party for the purchase of raw materials amounted to approximately RMB15.7 million. (31 December 2009 : RMB20.2 million)
- (4) Decrease in cash and bank balances due to repayment of short-term bank loans RMB10 million and also cash utilized in operating activities.
- (5) Decrease in short-term bank loans due to repayment of RMB10 million during the period under review.

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

THE GROUP			
As at 30 Jun 10		As at 31 Dec 09	
Secured	Unsecured	Secured	Unsecured
RMB '000	RMB '000	RMB '000	RMB '000
7,000	15,000	7,000	25,000

Details of any collateral

As at 30 June 2010, bank loans totaling RMB7,000,000 were secured by leasehold building and land use rights with net carrying values of approximately RMB8,014,000 and RMB1,442,000 respectively (net carrying values as at 31 Dec 2009 were RMB8,322,000 and RMB1,460,000 respectively). Interest was charged at a weighted average rate of 5.31% (31 Dec 2009: 5.58%) per annum.

- 1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED CASH FLOW STATEMENT
(Amounts expressed in thousands of Chinese
Renminbi ("RMB") currency)
These figures have not been audited.
Cash flows from operating activities

Profit before taxation

Adjustments for:

Amortisation of lease prepayment

Depreciation of property, plant and equipment

PPE written off

Interest expenses

Interest income

Unrealise translation loss

Operating profit before working capital changes

Inventories

Trade and bills receivables

Other debtors, deposits and prepayments

Trade and other payables

Balances with related parties

Cash (used in) /generated from operations

Income tax paid

Interest income received

Interest paid

Net cash (used in) /generated from operating activities

Cash flows from investing activity:

Purchase of property, plant and equipment

Net cash used in investing activity

Cash flows from financing activity:

Repayment of short-term bank loans

Net cash used in financing activity

Net (decrease)/increase in cash and bank balances

Cash and bank balances at beginning of period

Cash and bank balances at end of period

THE GROUP	
6 months ended 30 June	
2010	2009
RMB'000	RMB'000
4,060	5,101
150	150
4,561	4,596
-	111
856	1,095
(307)	(474)
-	(169)
<u>9,320</u>	<u>10,410</u>
(10,262)	(5,168)
(9,836)	(15,586)
(1,678)	(2,435)
(4,542)	1,934
2,545	26,423
<u>(14,453)</u>	<u>15,578</u>
(1,007)	(1,773)
307	474
(856)	(1,095)
<u>(16,009)</u>	<u>13,184</u>
<u>(114)</u>	<u>(755)</u>
<u>(114)</u>	<u>(755)</u>
<u>(10,000)</u>	<u>-</u>
<u>(10,000)</u>	<u>-</u>
(26,123)	12,429
<u>86,515</u>	<u>67,955</u>
<u>60,392</u>	<u>80,384</u>

STATEMENTS OF CHANGES IN EQUITY
(Amount expressed in thousands of Chinese Renminbi (“RMB”) currency).

1(d)(i) **A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

GROUP	Attributable to equity holders of the Company					Total
	Share capital	Statutory reserve fund	Currency translation reserve	Capital reserve	Revenue reserve	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1.1.2009	140,543	17,259	(1,048)	18,230	85,563	260,547
Total comprehensive (expenses)/income for the period	-	-	(112)	-	3,251	3,139
Balance at 30.06.2009	140,543	17,259	(1,160)	18,230	88,814	263,686
Balance at 1.1.2010	140,543	17,894	(990)	47,946	56,722	262,115
Total comprehensive income for the period	-	-	11	-	2,416	2,427
Balance at 30.06.2010	140,543	17,894	(979)	47,946	59,138	264,542

COMPANY	Share capital	Currency translation reserve	Accumulated losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1.1.2009	140,543	(6,821)	(14,007)	119,715
Total comprehensive expenses for the period	-	(889)	(2,121)	(3,010)
Balance at 30.06.2009	140,543	(7,710)	(16,128)	116,705
Balance at 1.1.2010	140,543	(3,832)	(18,461)	118,250
Total comprehensive income/(expenses) for the period	-	125	(2,523)	(2,398)
Balance at 30.06.2010	140,543	(3,707)	(20,984)	115,852

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no outstanding convertibles as well as treasury shares and there has been no change in the Company's issued and paid-up share capital for the half year ended 30 June 2010. As at 30 June 2010, the share capital of the Company was RMB140,543,000 comprising 254,880,660 shares.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	THE COMPANY	
	As at 30 Jun 10	As at 31 Dec 09
Total number of issued shares	254,880,660	254,880,660
less: Treasury shares	-	-
Total number of shares excluding treasury shares	254,880,660	254,880,660

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation as in the last audited financial statements for the year ended 31 December 2009.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

None.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	THE GROUP	
	1 Jan 10 to 30 Jun 10 RMB'000	1 Jan 09 to 30 Jun 09 RMB'000
Profit after taxation	2,416	3,251
Weighted average number of ordinary shares in issue applicable to earnings	254,880,660	254,880,660
Earnings per ordinary share (RMB cents)		
- Basic	0.9	1.3
- Diluted	0.9	1.3

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:

- (a) current financial period reported on; and
(b) Immediately preceding financial year.

Net assets (RMB'000)

Net asset value per ordinary share based on the total number of issued shares excluding treasury shares as at the end of the respective periods (RMB cents)

The Group		The Company	
As at 30 Jun 2010	As at 31 Dec 2009	As at 30 Jun 2010	As at 31 Dec 2009
264,542	262,115	115,852	118,250
103.8	102.8	45.5	46.4

Net asset value per ordinary share was calculated based on the 254,880,660 issued ordinary shares excluding treasury shares as at 30 June 2010 and 31 December 2009 respectively.

- 8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

REVIEW OF PERFORMANCE

A Consolidated Comprehensive Statement of Income (HY2010 vs HY2009)

(i) Revenue

Compared to HY2009, the Group's total revenue declined 4.5% or RMB6.5 million, from approximately RMB146.0 million to RMB139.5 million. Total revenue comprised of domestic sales RMB84 million or 60.2% of aluminium composite panels ("ACP"), aluminium single panels ("ASP") and revenue from paint-spray services and export sales of ACP RMB55.4 million or 39.8%. Corresponding to the same period last year, the Group registered an increase in export sales of 6.8% or RMB3.5 million and a decrease in domestic sales of 10.7% or RMB10 million.

Export revenue has increased as a result of enhanced marketing efforts by the Group and its overseas distribution agents to promote and create awareness of the competitive, reliable and quality Haida brand aluminium panels.

The fall in domestic sales of ACP and ASP was attributed mainly to keen competition and also the Group's focus to maintain sales of quality and high end panels to the credit worthy customers. Revenue from domestic sale of paint spray services of approximately RMB12.4 million or 8.9% of total revenue has been increasing steadily.

(ii) **Gross Profit**

With lower revenue, gross profit also fell marginally by 4.8% or approximately RMB700,000, from RMB15.1 million to RMB14.4 million. Current gross profit margin of over 10% was comparable to the corresponding period.

Operating Expenses

Total operating expenses increased by 7.2%, or approximately RMB700,000, from RMB10.1 million to RMB10.8 million. The increase was attributed to higher Selling and distribution and Administrative expenses.

Selling and distribution expenses increased 5.7% or RMB180,000. The net increase was due mainly to higher transportation and inspection expenses offset by lower advertisement and other marketing related costs.

Administrative expenses increased 7.9% or RMB545,000. The increase was mainly attributed to higher payroll related expenses and foreign exchange losses due to the strong RMB versus US dollars and SGD dollars. The increase was offset by the decrease in general repairs & maintenance, travelling, entertainment, insurance, and quality surveillance expenses.

(iii) **Other Income**

Please see explanatory note A to Part 1(a).

(iv) **Finance Costs**

Compared to HY2009, finance costs decreased 21.8% or RMB239,000, from RMB1.09 million to RMB0.86 million, attributed to the lower bank interest rates and lower short-term bank loans. There was a repayment of RMB10 million short-term bank loan in HY2010. The weighted average interest rate was 5.31% per annum as compared 5.60% per annum for the corresponding period.

(v) **Income Tax**

The income tax rate applicable for Litai is 25%, however for the period under review, the effective tax rate of about 40.5% (HY2009: 36.3%) was recorded due to certain expenses which were not tax deductible and were added back for tax purposes.

(vi) **Net Profit After Taxation**

With lower revenue and lower gross profit, Group net profit after taxation fell 25.7%, from approximately RMB3.3 million to RMB2.4 million.

B Consolidated Balance Sheet (30 June 2010 vs 31 December 2009)

Total current assets decreased by approximately 3.1%, from RMB221.3million as at 31 December 2009 to RMB214.4 million as at 30 June 2010, attributed primarily to the reduction in cash and bank balances. The decrease was due to repayment of bank loans and cash used in operating activities.

The decrease in current assets was partially offset by increases in inventories and trade and bills receivable. The need to keep stock of varying specifications in anticipation of customer's demands and higher sales in the last three months had contributed to the higher inventory and trade and bills receivable balances as at 30 June 2010, respectively.

Total current liabilities amounted to RMB49.9 million as at 30 June 2010, representing a 21.8% decrease compared to 31 December 2009. This was due mainly to decreases in trade payables, other payables and accruals, amounts due to related party and repayment of short-term bank loans RMB10 million.

C Consolidated Cash Flow Statement

Cash and bank balances as at 30 June 2010 saw a decrease of RMB26.1 million to RMB60.4 million as compared to RMB86.5 million as at 31 December 2009, attributed mainly to net cash used in operating activities of RMB16.0 million, purchase of PPE of approximately RMB114,000 and repayment of short-term bank loans of RMB10 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The various government stimulus packages and initiatives within the PRC and abroad helped to smoothen the lingering effects of the global economic and financial meltdown in 2009 and pave the way for the road to recovery in 2010, albeit slow and wrought with uncertainties.

The domestic market with the PRC remains highly competitive and is saddled with rising and fluctuating raw material costs and falling selling prices. Competition from the new and existing low end aluminium panel suppliers are always present, however, Management will continue its strategic focus to target customers who are interested in our high end and high quality panels within the building and construction industry. Innovation and the ability to introduce new quality products are the keys to success in the intensely competitive markets.

Management also recognises the need to establish and maintain a team of professional marketers to service the international markets and also form alliance with experienced overseas distribution agents. The steadily increasing export sales are testimony that this is the right direction going forward.

Management will strive to seize any business opportunities that may arise but remains vigilant and will continue to monitor and manage operating costs and cashflow.

This release contains certain statements that are not statement of historical fact, i.e. forward-looking statements. Readers can identify some of these statements by forward-looking terms such as 'expect', 'believe', 'plan', 'intend', 'estimate', 'anticipate', 'may', 'will', 'would', 'could' or similar words. However, you should note that these words are not the exclusive means of identifying forward-looking statements. Forward-looking statements are made based on current expectations, projections and assumptions about future events. Although China Haida Ltd. believes that these expectations, projections and assumptions are reasonable at the time of making them, these forward-looking statements are subject to risks (known and unknown), uncertainties and certain assumptions about China Haida Ltd., its business operations, and the environment it operates in. Actual future performance, outcomes and results may therefore differ materially from those expressed in forward-looking statements. Representative examples of these risk factors include (without limitation) general industry and economic conditions, interest rate movements, cost of capital and capital availability, competition from other companies and venues for sales/manufacture/distribution of goods and services, shift in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. Readers are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None

(c) **Date payable**
Not applicable.

(d) **Books closure date**
Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared/recommended for the half year ended 30 June 2010.

13. Aggregate value of interested persons transactions conducted pursuant to a shareholders' general mandate for the half year ended 30 June 2010.

Pursuant to Rule 920(1)(a)(ii) of the Listing Manual, the details of the aggregate value of interested person transactions conducted pursuant to a shareholders' general mandate are as follows:

Name of Interested Persons	Aggregate value of all interested person transactions during the financial period ended 30 Jun 2010 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under a shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) for the half year ended 30 June 2010
	RMB'000	RMB'000
Jiangyin Haida Group., Ltd		
-Reimbursement of electricity expenses	-	939
-Advances/Purchase of raw materials	-	(84,123)
-Reimbursement of purchase of raw materials	-	4,040
Jiangyin East-China Aluminum Technology Co., Ltd.		
- Spray-painting services	-	10,493
- Purchase of raw materials	-	(1,113)

Save as disclosed above, there were no other interested persons transactions conducted for the half year ended 30 June 2010.

14. Negative assurance confirmation on interim financial results pursuant to rule 705(5) of the listing manual.

The Board has confirmed that to the best of its knowledge, nothing has come to its attention which may render the interim financial results for the half year ended 30 June 2010 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Xu Youcai
Chief Executive Officer
2 August 2010