建 福 集 團 控 股 有 限 公 司

KENFORD GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 464

INTERIM REPORT 2010

CONTENTS

CORPORATE INFORMATION

DIRECTORS

Executive Directors
Lam Wai Ming *(Chairman)*
Tam Chi Sang *(Managing Director)*

Independent Non-Executive Directors
Chiu Fan Wa,
FCCA, FCPA (Practising), ACA, ACIS, ACS
Li Chi Chung
Li Tat Wah

COMPANY SECRETARY
Tse Wun Ying,
MA, CPA, FCCA, ACA

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PRINCIPAL BANKERS
The Hongkong and Shanghai
Banking Corporation Limited
Hang Seng Bank Limited
Dah Sing Bank Limited

HIGHLIGHTS

	Six months ended 30 September		
			Change
	2009	2008	**increase/**
	HK$'000	HK$'000	**(decrease)**
	(Unaudited)	(Unaudited)	
Turnover	**282,199**	399,335	(29.33)%
Gross profit	**54,777**	76,147	(28.06)%
Profit attributable to shareholders	**20,092**	39,375	(48.97)%
Earnings per share (Basic and diluted) (cents)	**4.637**	9.086	(48.97)%
Interim dividend per share (cents)	**1.5**	2.7	(44.44)%

RESULTS

The Board of Directors (the "Board") of Kenford Group Holdings Limited (the "Company") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2009, together with the comparative figures for the corresponding period in 2008 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2009

		Six months ended 30 September	
		2009	2008
		(Unaudited)	(Unaudited)
	Notes	**HK$'000**	HK$'000
Turnover	*3*	**282,199**	399,335
Cost of sales		**(227,422)**	(323,188)
Gross profit		**54,777**	76,147
Other income and gains		**3,193**	5,366
Distribution costs		**(4,120)**	(5,868)
Administrative expenses		**(30,287)**	(30,519)
Profit from operations		**23,563**	45,126
Finance costs		**(659)**	(2,079)
Profit before income tax expense	*6*	**22,904**	43,047
Income tax expense	*7*	**(2,812)**	(3,672)
Profit for the period attributable to equity holders of the Company		**20,092**	39,375
Earnings per share (cents)			
– Basic and diluted	*9*	**4.637**	9.086

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2009

	Six months ended 30 September	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Profit for the period	**20,092**	39,375
Other comprehensive income for the period:		
Exchange realignments	**676**	1,591
Total comprehensive income for the period attributable to equity holders of the Company	**20,768**	40,966

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2009

	Notes	As at 30 September 2009 (Unaudited) HK$'000	As at 31 March 2009 (Audited) HK$'000
Assets			
Non-current assets			
Property, plant and equipment	*11*	**138,622**	138,892
Payments for leasehold land held for own use under operating leases		**3,974**	3,996
Goodwill		**1,403**	1,403
Total non-current assets		**143,999**	144,291
Current assets			
Inventories		**75,721**	62,043
Trade and bills receivables	*12*	**159,318**	105,086
Deposits, prepayments and other receivables		**11,133**	9,512
Cash and cash equivalents		**98,572**	116,263
Total current assets		**344,744**	292,904
Total assets		**488,743**	437,195
Liabilities			
Current liabilities			
Trade payables	*13*	**102,613**	59,426
Accruals and other payables		**32,037**	25,547
Borrowings – due within one year		**56,014**	69,666
Bank advances for discounted bills		**–**	2,802
Obligations under finance leases – due within one year		**1,670**	2,656
Current tax liabilities		**7,701**	5,890
Total current liabilities		**200,035**	165,987

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2009

	Notes	**As at 30 September 2009 (Unaudited) HK$'000**	As at 31 March 2009 (Audited) HK$'000
Non-current liabilities			
Borrowings – due after one year		**32,997**	25,811
Obligations under finance leases – due after one year		**1,467**	2,025
Deferred tax liabilities		**9,335**	9,265
Total non-current liabilities		**43,799**	37,101
Total liabilities		**243,834**	203,088
Net current assets		**144,709**	126,917
Total assets less current liabilities		**288,708**	271,208
Total net assets		**244,909**	234,107
Capital and reserves attributable to equity holders of the Company			
Share capital	*14*	**433**	433
Share premium		**55,496**	55,496
Merger reserve		**942**	942
Properties revaluation reserve		**28,015**	28,015
Exchange fluctuation reserve		**4,230**	3,554
Retained profits		**149,293**	135,701
Proposed dividends		**6,500**	9,966
Total equity		**244,909**	234,107

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2009

	Six months ended 30 September	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Net cash from/(used in) operating activities	**10,457**	(10,312)
Net cash used in investing activities	**(6,900)**	(9,397)
Net cash (used in)/from financing activities	**(21,439)**	10,678
Net decrease in cash and cash equivalents	**(17,882)**	(9,031)
Cash and cash equivalents at beginning of period	**116,263**	126,680
Effect of foreign exchange rate changes	**191**	712
Cash and cash equivalents at end of period	**98,572**	118,361
Analysis of balances of cash and cash equivalents:		
Cash and bank balances	**98,572**	118,361

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2009

Attributable to equity holders of the Company

	Note	Share capital HK$'000 (Unaudited)	Share premium HK$'000 (Unaudited)	Merger reserve HK$'000 (Unaudited)	Properties revaluation reserve HK$'000 (Unaudited)	Exchange fluctuation reserve HK$'000 (Unaudited)	Proposed dividends HK$'000 (Unaudited)	Retained profits HK$'000 (Unaudited)	Total HK$'000 (Unaudited)
At 1 April 2009		**433**	**55,496**	**942**	**28,015**	**3,554**	**9,966**	**135,701**	**234,107**
Total comprehensive income for the period		**–**	**–**	**–**	**–**	**676**	**–**	**20,092**	**20,768**
2009 final dividend paid		**–**	**–**	**–**	**–**	**–**	**(9,966)**	**–**	**(9,966)**
2010 proposed interim dividend	*8*	**–**	**–**	**–**	**–**	**–**	**6,500**	**(6,500)**	**–**
At 30 September 2009		**433**	**55,496**	**942**	**28,015**	**4,230**	**6,500**	**149,293**	**244,909**

	Note	Share capital HK$'000 (Unaudited)	Share premium HK$'000 (Unaudited)	Merger reserve HK$'000 (Unaudited)	Properties revaluation reserve HK$'000 (Unaudited)	Exchange fluctuation reserve HK$'000 (Unaudited)	Proposed dividends HK$'000 (Unaudited)	Retained profits HK$'000 (Unaudited)	Total HK$'000 (Unaudited)
At 1 April 2008		433	55,496	942	28,015	3,051	6,500	106,411	200,848
Total comprehensive income for the period		–	–	–	–	1,591	–	39,375	40,966
2008 final dividend paid		–	–	–	–	–	(6,500)	–	(6,500)
2009 proposed interim dividend	*8*	–	–	–	–	–	11,700	(11,700)	–
At 30 September 2008		433	55,496	942	28,015	4,642	11,700	134,086	235,314

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2009

1. GENERAL INFORMATION

Kenford Group Holdings Limited (the "Company") was incorporated in the Cayman Islands on 10 November 2004 as an exempted company with limited liability under the Companies Law of the Cayman Islands. Its shares have been listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 15 June 2005. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business in Hong Kong is at Rooms 1106-8, Riley House, 88 Lei Muk Road, Kwai Chung, New Territories, Hong Kong.

The Company is an investment holding company. The principal activities of its subsidiaries are design, manufacture and sale of electrical hair care products, electrical health care products and other small household electrical appliances.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The condensed consolidated interim financial statements have been prepared in accordance with applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") and Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The preparation of these 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.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

These condensed consolidated financial statements include 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 31 March 2009. These condensed consolidated financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA. HKFRSs include all applicable HKFRSs, HKASs and related interpretations. These condensed consolidated financial statements should be read in conjunction with the financial statements of the Group for the year ended 31 March 2009.

These condensed consolidated financial statements have been prepared on the historical cost basis.

The accounting policies and basis of preparation used in the preparation of the condensed consolidated interim financial statements are consistent with those adopted in the annual financial statements for the year ended 31 March 2009.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

The Group has adopted the following new and revised HKFRSs that are effective for accounting periods beginning on or after 1 April 2009.

HKFRSs (Amendments)	Improvements to HKFRSs
HKFRSs (Amendments)	Improvements to HKFRSs 2009
Amendments to HKAS 32 and HKAS1	Puttable Financial Instruments and Obligations Arising on Liquidation
Amendments to HKFRS 1 and HKAS 27	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendments to HKFRS 2	Share-based Payment – Vesting Conditions and Cancellations
Amendments to HKFRS 7	Improving Disclosures about Financial Instruments
Amendments to HK(IFRIC) – Interpretation 9 and HKAS 39	Embedded Derivatives
HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Cost
HKFRS 8	Operating Segment
HK(IFRIC) – Interpretation 13	Customer Loyalty Programmes
HK(IFRIC) – Interpretation 15	Agreements for the Construction of Real Estate
HK(IFRIC) – Interpretation 16	Hedges of a Net Investment in a Foreign Operation
HK(IFRIC) – Interpretation 18	Transfers of Assets from Customers

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

As a result of the adoption of HKAS 1 (Revised) "Presentation of Financial Statements", details of changes in equity during the period arising from transactions with owners 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 a new primary statement, the consolidated statement of comprehensive income. The new format for the consolidated statement of comprehensive income and the consolidated statement of changes in equity has been adopted in these interim financial statements and 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 expenses or net assets for any period presented.

HKFRS8 "Operating Segments" has replaced HKAS14 "Segment Reporting". HKFRS 8 requires segment disclosure to be based on the way that the Group's chief operating decision maker ("CODM") regards and manages the Group, with the amounts reported for each reportable segment being the measures reported to the Group's CODM for the purposes of assessing segment performance and making decisions about operating matters. The CODM has been identified as the board of directors (the "Board") of the Company. The segment identified in accordance with HKFRS 8 does not differ materially from that previously disclosed under HKAS 14 and thus the adoption of HKFRS 8 has no impact on the Group's segment reporting.

The revised HKAS 23 eliminates the option in HKAS 23 (2004 version) of recognising all borrowing costs immediately as an expense. Consequently entities are required to adopt a policy of capitalising borrowing costs which are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The amendments to HKAS 23 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.

Except for as stated above the adoption of the new and revised HKFRSs did not result in significant changes to the Group's accounting policies.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

The Group has not yet applied the following revised standards, amendments or interpretations that have been issued but are not yet effective. The directors of the Company are in the process of making an assessment of the potential impact of the application of these revised standards, amendments and interpretations. Other than the impact of HKFRS 9 "Financial Instruments" stated below, it is so far concluded that the application of these revised standards, amendments and interpretations will have no material impact on the results and financial position of the Group.

HKFRSs (Amendments)	Improvements to HKFRSs 2009 [1]
HKFRS 1 (Revised)	First-time Adoption of Hong Kong Financial Reporting Standards [3]
Amendments to HKAS 32	Classification of Rights Issues [4]
Amendment to HKAS 39	Eligible Hedged Items [3]
Amendments to HKFRS 1	Amendments to HKFRS 1 First-time Adoption of Hong Kong Financial Reporting Standards – Additional Exemptions for First-time Adopters [2]
Amendments to HKFRS 2	Share-based Payment – Group Cash-settled Share-based Payment Transactions [2]
HKAS 1 (Revised)	Presentation of Financial Statements [1]
HKAS 24 (Revised)	Related Party Disclosures [5]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements [3]
HKFRS 3 (Revised)	Business Combinations [3]
HKFRS 9	Financial Instruments [6]
HK(IFRIC) – Interpretation 17	Distributions of Non-cash Assets to Owners [3]

[1] *Effective for annual periods beginning on or after 1 January, 2009, 1 July, 2009 and 1 January, 2010, as appropriate.*
[2] *Effective for annual periods beginning on or after 1 January 2010*
[3] *Effective for annual periods beginning on or after 1 July 2009*
[4] *Effective for annual periods beginning on or after 1 February 2010*
[5] *Effective for annual periods beginning on or after 1 January 2011*
[6] *Effective for annual periods beginning on or after 1 January 2013*

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

HKFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in HKAS 39. The approach in HKFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the many different impairment methods in HKAS 39. Thus HKFRS 9 improves comparability and makes financial statements easier to understand for investors and other users.

3. TURNOVER

The Group is principally engaged in the design, manufacture and sale of electrical hair care products, electrical health care products and other small household electrical appliances. Turnover represents the net invoiced value of goods sold which is the most significant category of revenue during the period.

4. SEASONALITY OF OPERATIONS

The Group on average experiences higher sales in the second and third quarter of the financial year, compared to other quarters in the financial year, due to the increased retail demand for its products during the Christmas holiday period. The Group anticipates this demand by increasing its production to build up inventories during the second quarter of the financial year. Excess inventory still held at the end of the interim reporting period is sold off in the third quarter of the financial year.

5. SEGMENT INFORMATION

As described in note 2, the Group has adopted HKFRS 8 Operating Segments with effect from 1 April 2009. In accordance with HKFRS 8, segment information disclosed in the interim financial report has been prepared in a manner consistent with the information used by the Board for the purposes of assessing segment performance and allocating resources. The Group has been currently operated in a single operating segment that is design, manufacture and sale of electrical hair care products, electrical health care products and other small household electrical appliances and as a result, segment assets and liabilities, revenue and expenses are allocated to that single operating segment using the following basis:

Segment assets include all tangible, intangible assets and current assets. Segment liabilities include, trade payables, accruals and other payables, borrowings, bank advance for discounted bills, and obligation under finance lease with the exception of current and deferred tax liabilities.

The measure used for reporting segment profit is profit before income tax expense.

	Six months ended 30 September	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Revenue from external customers	**282,199**	399,335
Segment profit	**22,904**	43,047

5. SEGMENT INFORMATION (Continued)

	30 September 2009 (Unaudited) HK$'000	31 March 2009 (Audited) HK$'000
Segment assets	**488,743**	437,195

The following is an analysis of the Group's sales by geographical location of customers:

	Six months ended 30 September	
	2009 (Unaudited) HK$'000	2008 (Unaudited) HK$'000
Europe	**138,164**	243,220
North and South America	**57,776**	77,687
Asia	**72,188**	66,736
Australia	**6,957**	8,592
Africa	**7,114**	3,100
	282,199	399,335

6. PROFIT BEFORE INCOME TAX EXPENSE

Profit before income tax expense is arrived at after charging/(crediting):

	Six months ended 30 September	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Cost of inventories recognised as an expense	**227,422**	323,188
Depreciation of property, plant and equipment	**7,726**	7,608
Amortisation of payments for leasehold land held for own use under operating leases	**46**	46
Interest on:		
– bank borrowings and overdrafts wholly repayable within five years	**14**	69
– bank borrowings not wholly repayable within five years	**79**	419
– trust receipt loans	**505**	1,488
– finance leases	**61**	103
	659	2,079
Loss on disposal of property, plant and equipment, net	**26**	35
Write down of inventories	**1,450**	242
(Reversal of impairment)/impairment of trade receivables	**(289)**	58
Exchange loss, net	**115**	156
Interest income	**(28)**	(292)

7. INCOME TAX EXPENSE

The amount of income tax expense charged to the condensed consolidated income statement represents:

	Six months ended 30 September	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Current tax		
– Hong Kong Profits Tax	**1,810**	3,620
– PRC Enterprise Income Tax ("EIT")	**1,002**	52
Income tax expense	**2,812**	3,672

No provision for income tax in the Cayman Islands or the British Virgin Islands has been made as the Group had no income assessable for tax purposes in these jurisdictions.

Hong Kong Profits Tax is calculated at 16.5% (six months ended 30 September 2008: 16.5%) of the estimated assessable profits for the period.

Pursuant to the PRC EIT law passed by the Tenth National People's Congress on 16 March 2008, the EIT rates for domestic and foreign enterprises are unified at 25% and was effective from 1 January 2008. All the Group's subsidiaries in the PRC are subject to EIT at a rate of 25% (six months ended 30 September 2008: 25%).

8. DIVIDEND

The Board recommends the payment of interim dividend for the six months ended 30 September 2009 at the rate of HK1.5 cents per share, payable on 25 January 2010 to the shareholders of the Company (six months ended 30 September 2008: HK2.7 cents per share).

The amount of interim dividend is based on 433,336,000 shares (six months ended 30 September 2008: 433,336,000 shares) in issue as at 11 December 2009.

9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	Six months ended 30 September	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Earnings:		
Earnings for the purposes of basis and diluted earnings per share (Profit for the period attributable to equity holders of the Company)	**20,092**	39,375

9. EARNINGS PER SHARE (Continued)

	Number of shares	
	'000	'000
Number of shares:		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**433,336**	433,336

No diluted earnings per share is presented as there were no dilutive potential ordinary shares in existence for periods ended 30 September 2009 and 2008.

10. SHARE OPTIONS

On 27 May 2005, the Company adopted a Share Option Scheme (the "Share Option Scheme") and a Pre-IPO Share Option Scheme (the "Pre-IPO Share Option Scheme") for eligible employees of the Group. The Pre-IPO Share Option Scheme expired on 13 June 2008. There is no outstanding share option granted under the Pre-IPO Share Option Scheme at the beginning and the end of the period. As at the date of this report, no options have been granted by the Company under the Share Option Scheme.

11. PROPERTY, PLANT AND EQUIPMENT

During the period, the Group spent approximately HK$6,928,000 (six months ended 30 September 2008: HK$15,177,000) on the acquisition of property, plant and equipment and disposed of property, plant and equipment with an aggregate carrying amount of approximately HK$26,000 (six months ended 30 September 2008: HK$1,418,000).

12. TRADE AND BILLS RECEIVABLES

In general, the credit terms granted by the Group range from 14 to 90 days.

	30 September 2009 (Unaudited) HK$'000	31 March 2009 (Audited) HK$'000
Trade receivables	**131,278**	98,006
Bills receivables	**28,040**	7,080
	159,318	105,086

The aging analysis of trade receivables, net of impairment, prepared based on invoice date is as follows:

	30 September 2009 (Unaudited) HK$'000	31 March 2009 (Audited) HK$'000
Aged:		
Within 60 days	**99,700**	73,583
61-120 days	**29,993**	20,760
121 – 365 days	**1,518**	3,283
More than 365 days	**67**	380
	131,278	98,006

The maturity dates of bills receivables are generally between one to three months.

At 30 September 2009, the amount of bills of exchange transferred to banks with recourse in exchange for cash was nil (31 March 2009: HK$2,802,000).

13. TRADE PAYABLES

In general, the credit terms granted by suppliers range from 30 to 120 days. The aging analysis of trade payables prepared based on invoice date is as follows:

	30 September 2009 (Unaudited) HK$'000	31 March 2009 (Audited) HK$'000
Aged:		
Within 60 days	**75,303**	56,904
61-120 days	**24,987**	1,489
121 – 365 days	**1,752**	483
More than 365 days	**571**	550
	102,613	59,426

14. SHARE CAPITAL

The Company's shares during the period ended 30 September 2009 were as follows:

	30 September 2009 (Unaudited) HK$'000	31 March 2009 (Audited) HK$'000
Authorised share capital		
1,000,000,000 ordinary shares of HK$0.001 each	**1,000**	1,000

14. SHARE CAPITAL (Continued)

	Number of shares of HK$0.001 each '000	Nominal value HK$'000
Issued and fully paid		
At 31 March 2009 and at 30 September 2009	**433,336**	433

15. CONTINGENT LIABILITIES

(a) A High Court action was commenced by WIK Far East Limited ("WIK") against a subsidiary of the Company on 27 April 2004 in respect of alleged infringements of a patent in respect of retractable brushes.

The directors have confirmed that no settlement had been reached by the parties and no judgment on the quantum of damages has been made against the Group in respect of the legal action. The Group has sought legal advice from its legal counsel on the merits of the claim.

According to the legal counsel, given that the trial has not yet commenced and the parties are still at a premature stage of the litigation, and in the absence of any indication as to how WIK would like to proceed with its claim, it would not be possible to quantify reliably the likely potential damages and cost to be incurred by the Group in the event that the subsidiary of the Group fails in its defence to the claim of patent infringement in the litigation. Assuming that WIK will claim for damages for loss of profits or for accounts of profits, the directors are of the view that the quantum of the ultimate cost and damages (if any) to be incurred by the Group will not have a material adverse impact on the Group's financial position.

15. CONTINGENT LIABILITIES (Continued)

In the event that a liability has arisen from the litigation, the controlling shareholders of the Company have jointly and severally agreed and undertaken to indemnify the Group from and against any of such liability.

(b) The Company has executed guarantees amounting to approximately HK$222,437,000 (31 March 2009: HK$213,000,000) with respect to banking facilities made available to its subsidiaries. As at 30 September 2009, the borrowings outstanding against the facilities amounted to approximately HK$92,185,000 (31 March 2009: HK$109,300,000).

16. COMMITMENTS

(a) Lease arrangements

The Group has future minimum lease payments in respect of staff quarters and production properties under non-cancellable operating leases, which are due for payments as follows:

	30 September 2009 (Unaudited) HK$'000	31 March 2009 (Audited) HK$'000
Not later than one year	**2,134**	2,117
Later than one year and not later than five years	**2,227**	2,853
	4,361	4,970

16. COMMITMENTS (Continued)

(b) Capital commitments

	30 September 2009 (Unaudited) HK$'000	31 March 2009 (Audited) HK$'000
Commitments for acquisition of property, plant and equipment:		
Contracted for but not provided in the financial statements	**4,152**	6,061

17. RELATED PARTY TRANSACTIONS

Key management personnel includes directors of the Company and other senior management of the Group. Remuneration of these key management personnel during the period was as follows:

	Six months ended 30 September	
	2009 (Unaudited) HK$'000	2008 (Unaudited) HK$'000
Key management compensation:		
Basic salaries and other allowances and benefits	**12,310**	9,032
Contributions to defined contribution plan	**42**	43
	12,352	9,075

18. COMPARATIVE FIGURES

As a result of the application of HKAS 1 (Revised) "Presentation of Financial Statements, and HKFRS 8, Operating Segments", certain comparative figures have been adjusted to conform to current period's presentation and to provide comparative amounts in respect of items disclosed for the first time for the six months ended 30 September 2009. Further details of these developments are disclosed in note 2.

19. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were approved by the Board on 11 December 2009.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The financial crisis, which started in the second half of 2008, has affected most business corporations. At the beginning of this year, some of our clients resorted to first selling their stocks before placing new orders to release liquidity pressure. Orders from these customers started to return in the second quarter of the financial year. With raw material prices hitting historical highs in the first three quarters of 2008, we were able to increase the selling price of our products in August 2008. However, the global economy began to plunge in September 2008 and, at the subsequent request of our major customers, we reduced selling price of our products in January 2009. We have seen signs recently that the worst time of the economy is over though its outlook is still not certain. In the six months ended 30 September 2009, our turnover decreased by 29.3% to HK$282.2 million from HK$399.3 million in the last corresponding period. Our net profit was also down, by 49%, to HK$20 million from HK$39.4 million. The Company is satisfied that its management had done its best in cost control and sales enhancement in coping with the testing business environment and enabling the Company to achieve profit and satisfactory results for the period under review.

The Group designs, manufactures and sells electrical hair care products, electrical health care products and other small household electrical appliances. We now market products in approximately 52 countries. Hair care products including hairdryer, hair straightener, air brush, curling iron, drop tong, split tong and hair crimper accounted for 96.2% of our total turnover for the period. The remaining 3.8% of the total turnover was from health/personal products and kitchen appliances including electric massager, footbath, facial sauna, hot sterilizer, wax heater, coffee maker, juicer, ice crusher, vacuum cleaner, torch and motors. Products of the two streams are sold by the Group through importers and brand owners to beauty supply retailers and wholesalers, chain stores, mass merchandisers, warehouse clubs, catalogue and grocery stores. As most of our customers are famous global brands, demand for our products is steady. Currently, our four major clients on group basis accounted for approximately 73% of our total turnover.

Consumers in the European and American markets prefer the "Do It Yourself" ("DIY") approach including styling and caring for their hair at home. Those markets continue to be the most important destinations for related exports from the PRC. Furthermore, the PRC is one of countries less affected in the global economic downturn and expected to rebound faster when the global economy starts to pick up, the country's demand for basic necessities as well as other consumer products is going to keep rising. Thus, the PRC market will be another important market for our hair care products.

To keep abreast of customers' needs in the changing market environment, the Group has been relentless in product research and development and pushing for advancement in production technology. During the period under review, it introduced more than 10 brand new hair care products. Furthermore, to improve product quality and ensure its products meet the requirements of various new EU regulations, the Group also injected more resources into its professional laboratories and testing rooms.

In the wake of the global economic downturn which some called the most severe in a century, the Group set up a risk management committee comprising the two Executive Directors and the financial controller to make sure that it is able to promptly respond to economic and market changes. The Group has identified different risk categories and taken measures to address them without compromising opportunities. We continue to allocate resources to emerging markets for tapping growth opportunities.

The PRC government has launched certain incentive schemes to encourage investors to change their processing factory operation into wholly foreign owned enterprises ("WFOE") and we are in the process of changing our processing factory operation in Dongguan to a WFOE. We expect the change to complete in mid-next year.

Further to the ISO9001 – Quality Management Systems accreditation obtained in 2001, the Group is applying for ISO14001 – Environmental Management Systems certification which is expected to be granted in December 2009. The endeavours prove the Group's strong commitment to upgrading its quality systems and honouring corporate social responsibilities.

MANAGEMENT DISCUSSION AND ANALYSIS

PROSPECTS

The financial year 2009/2010 has been a year filled with both challenges and opportunities for the Group. The Group will continue to diligently control cost and improve sales by implementing cost rationalisation programmes and enhancing its product mix. The Group will focus on improving its profitable core business and also looking for with prudence the right opportunities amid challenges in striving to develop and strengthen its business.

Our new plant in Changping, Dongguan, the PRC commenced production in March 2009. It will ultimately boost our overall annual production capacity by approximately 30% from approximately eight million units to eleven million units. We are positive about our ability to gain a bigger share of the market in the future and enjoy cost benefits from economies of scale.

We have noticed a change in the sales pattern of customers. Some clients have requested us to shorten delivery time. Such orders increased by 30% in the first half of the financial year 2009/2010. Heeding the trend, the Group is preparing to hasten production and logistic arrangement to meet the needs of clients. The Group is well-known for its innovative and high quality products at competitive prices, but it will not be complacent. It will work hard on securing more orders from existing cooperative projects with key clients and enhancing its products so as to cater for the demand for mid-range and high-end products. To address unstable raw material prices and labour costs, the Group will seek to stabilise cost by reducing distribution, general and administrative expenses and cut other spending. We will continue to grow our markets and strive for bigger shares in high-growth areas such as the PRC. We expect revenue from Asia to continue to grow rapidly.

Looking ahead, the Group will continue to focus on strengthening its research and development capabilities for developing innovative products with strong value-added features that can help improve its margin. The strategic focus of the Group remains to be developing ODM, OEM and OBM modes lifestyle products rather than traditional electrical appliances. Guided by the motto of "Better Idea, Better Design, Better Quality", the Group will continue to develop its own brand "Kario" in the PRC market and explore more business opportunities in other new product categories and other niche markets. We will push for organic growth by exploring business opportunities that promise synergy with our business strategies. The endeavour will allow us to create greater value for our shareholders.

FINANCIAL REVIEW

For the six months ended 30 September 2009, the Group recorded a turnover of HK$282.2 million (six months ended 30 September 2008: HK$399.3 million), representing a decrease of approximately 29.3% against the same period last year. Turnover attributable to sales of electrical hair care products was approximately HK$271.5 million, representing approximately 96.2% of the turnover of the Group. The decrease in overall turnover reflected mainly the deferment in placing new orders by customers trying to avoid overstocking. The Group has secured bigger market shares in Asia testifying to the popularity of its products in countries such as the PRC. Its sales in Europe and America however shrank during the period. Turnover from Asia increased to HK$72.2 million, up by 8.2%, whereas that from Europe and America was down to HK$138.2 million and HK$57.8 million, by 43.2% and 25.6%, respectively.

Gross profit margin of the Group was approximately 19.4% for the period versus 19.1% in the last corresponding period and net profit margin was 7.1%, a decrease from 9.9% in the same period last year. The profit margin narrowed because of some unavoidable fixed costs such as depreciation and remuneration. However, the management has been working hard on identifying alternative sources of materials to help cap material expenses and rationalise distribution costs and administration expenses.

The percentages of distribution costs and administration expenses to turnover were about 1.5% and 10.7% respectively.

CAPITAL STRUCTURE

The market capitalization of the Company as at 30 September 2009 was approximately HK$184.2 million.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2009, the Group had approximately HK$98.6 million in cash and cash equivalents balances (31 March 2009: HK$116.3 million). Its net current assets were approximately HK$144.7 million (31 March 2009: HK$126.9 million). The net debt to equity ratio (the interest bearing borrowings less cash over total equity) as at 30 September 2009 and as at 31 March 2009 respectively was net cash. The current ratio as at 30 September 2009 was maintained at 1.7 (31 March 2009: 1.8). The Group has been maintaining a healthy liquidity position and has sufficient financial resources to meet ordinary operational and capital expenditure requirements.

As at 30 September 2009, the Group had aggregate banking facilities of HK$222.4 million (31 March 2009: HK$212.9 million), of which HK$92.2 million (31 March 2009: HK$109.3 million) was utilised. We continued to receive strong support from major bankers and maintain a reasonable amount of banking facilities during the six months ended 30 September 2009.

CHARGES ON ASSETS

The Group had no charges on assets as at 30 September 2009 (31 March 2009: Nil).

FOREIGN EXCHANGE EXPOSURE

The Group's sales are mainly denominated in US dollars whereas purchases are principally denominated in HK dollars, US dollars and the Japanese Yen. Certain costs of the Group are denominated in Renminbi. Since HK dollars is pegged to the US dollars, the Group's exposure to the currency risk in US dollars has been minimal. Most of the Group's liquid fund was placed in principal guaranteed short-term dual currencies deposits in various banks during the six months ended 30 September 2009. To minimise exposure to Renminbi fluctuation, the Group is maintaining short-term deposit with 100% capital protection and a reasonable yield with its banker.

STAFF AND REMUNERATION POLICIES

As at 30 September 2009, the Group employed approximately 65 (30 September 2008: 63) staff members in Hong Kong, where the Group adopts a defined contribution pension scheme. The number of employees and seasonal hires of our factories in China was maintained at approximately 3,369 (30 September 2008: 3,958) during the six months ended 30 September 2009. Though the size of its workforce has reduced, there has been no material impact on the production capacity of the Group and product quality.

People are our most important assets and are indispensable to our success in the competitive marketplace. To make sure we have a high calibre workforce, we offer comprehensive remuneration packages and provide various fringe benefits, including training, medical and insurance coverage, and retirement benefits. During the period under review, the Group organised internal training courses at least once a month for staff at all levels and subsidised some senior executives taking external training courses. The topics covered in the training courses included business ethics, languages, and technical and management skills. The Group also organised on-the-job training programmes at its production plants in the PRC and its headquarters in Hong Kong.

The Group has in place a share option scheme (the "Share Option Scheme") for the purpose of providing incentives and rewards to eligible participants who have contributed to the success of its operations. As at 30 September 2009, no share option had been granted under the Share Option Scheme.

SUPPLEMENTARY INFORMATION

SHARE CAPITAL

During the six months ended 30 September 2009, the listed shares of HK$0.001 each in the share capital of the Company (the "Share") was 433,336,000 Shares.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

INTERIM DIVIDENDS

The directors of the Company (the "**Directors**") are pleased to declare an interim dividend of HK1.5 cents per Share (30 September 2008: HK2.7 cents) for the six months ended 30 September 2009, to be paid to shareholders whose names appear on the register of members of the Company at the close of business on Friday, 8 January 2010.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 5 January 2010 to Friday, 8 January 2010, both days inclusive, during which period no transfers of Shares will be registered. In order to qualify for the interim dividend, all transfers of Shares duly accompanied by the relevant Share certificates, and the appropriate transfer forms must be lodged for registration with the Company's share register in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 4 January 2010. The record date will be on Friday, 8 January 2010. The last day in Hong Kong of dealings in the Shares with entitlement to interim dividend will be on Wednesday, 30 December 2009. Shares will be traded ex-dividend as from Thursday, 31 December 2009. The interim dividend will be paid on Monday, 25 January 2010.

DIRECTORS' AND CHIEF EXECUTIVES' INTEREST AND SHORT POSITIONS IN THE SECURITIES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 September 2009, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO"), as recorded in the register maintained by the Company under Section 352 of the SFO; or as notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

Long position in the Shares of the Company

Name of Director	Nature of interest	Total number of Shares	Approximate percentage of issued shares
Mr. Lam Wai Ming	Corporate interest	244,800,000 *(Note 1)*	56.49%
Mr. Tam Chi Sang	Corporate interest	244,800,000 *(Note 2)*	56.49%

Notes:

(1) Mr. Lam Wai Ming was taken to be interested in an aggregate of 244,800,000 Shares held by Achieve Best Limited ("**Achieve Best**") and Beaute Inc ("**Beaute**") respectively , of which

(a) 40,800,000 Shares were held by Achieve Best which was wholly-owned by Mr. Lam Wai Ming and he was the sole director of Achieve Best. Mr. Lam Wai Ming was therefore taken to be interested in the 40,800,000 Shares that Achieve Best was interested; and

(b) 204,000,000 Shares were held by Beaute which was owned as to 50% by Apex Prima Limited ("**Apex Prima**") and 50% by Potentasia Holdings Inc ("**Potentasia**"). Apex Prima was wholly-owned by Mr. Lam Wai Ming and Potentasia was wholly-owned by Mr. Tam Chi Sang. Mr. Lam Wai Ming was also a director of Beaute and the sole director of Apex Prima. Mr. Lam Wai Ming was therefore taken to be interested in the 204,000,000 Shares that Beaute was interested.

DIRECTORS' AND CHIEF EXECUTIVES' INTEREST AND SHORT POSITIONS IN THE SECURITIES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS (Continued)

Notes: (Continued)

(2) Mr. Tam Chi Sang was taken to be interested in an aggregate of 244,800,000 Shares held by Realchamp International Inc ("**Realchamp**") and Beaute respectively, of which

(a) 40,800,000 Shares were held by Realchamp which was wholly-owned by Mr. Tam Chi Sang and he was the sole director of Realchamp. Mr. Tam Chi Sang was therefore taken to be interested in the 40,800,000 Shares that Realchamp was interested; and

(b) 204,000,000 Shares were held by Beaute which was owned as to 50% by Apex Prima and 50% by Potentasia. Apex Prima was wholly-owned by Mr. Lam Wai Ming and Potentasia was wholly-owned by Mr. Tam Chi Sang. Mr. Tam Chi Sang was also a director of Beaute and the sole director of Potentasia. Mr. Tam Chi Sang was therefore taken to be interested in the 204,000,000 Shares that Beaute was interested.

Long position in the shares in the associated corporation

Name of Director	Name of associated corporation	Class of shares	Nature of interest	Total number of shares held
Mr. Lam Wai Ming	Beaute	Ordinary share	Corporate interest	2 *(Note)*
Mr. Tam Chi Sang	Beaute	Ordinary share	Corporate interest	2 *(Note)*

Note: Beaute was owned as to 50% by Apex Prima and 50% by Potentasia. Apex Prima was wholly-owned by Mr. Lam Wai Ming and Potentasia was wholly-owned by Mr. Tam Chi Sang. Both Mr. Lam Wai Ming and Mr. Tam Chi Sang were the directors of Beaute. Mr. Lam Wai Ming and Mr. Tam Chi Sang were therefore taken to be interested in the shares in Beaute through their respective interests in Apex Prima and Potentasia.

DIRECTORS' AND CHIEF EXECUTIVES' INTEREST AND SHORT POSITIONS IN THE SECURITIES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS (Continued)

Save as disclosed above, as at 30 September 2009, none of the Directors or chief executive of the Company had or was deemed (or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code) to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SECURITIES OF THE COMPANY

As at 30 September 2009, the interests and short positions of the persons, other than Directors and chief executive of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO were as follows:

Long position in Securities of the Company

Name of substantial shareholder	Number of Shares held	Approximate percentage of issued Shares
Beaute	204,000,000	47.08%
Apex Prima *(Note 1)*	204,000,000	47.08%
Potentasia *(Note 2)*	204,000,000	47.08%
Achieve Best	40,800,000	9.42%
Realchamp	40,800,000	9.42%

Notes:

1. Apex Prima was taken to be interested in an aggregate of 204,000,000 Shares held by Beaute which was owned as to 50% by Mr. Lam Wai Ming and 50% by Mr. Tam Chi Sang through their respective interests in Apex Prima and Potentasia.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SECURITIES OF THE COMPANY (Continued)

Notes: (Continued)

2. Potentasia was taken to be interested in an aggregate of 204,000,000 Shares held by Beaute which was owned as to 50% by Mr. Lam Wai Ming and 50% by Mr. Tam Chi Sang through their respective interests in Apex Prima and Potentasia.

Save as disclosed above, as at 30 September 2009, no person (other than Directors and chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company which were recorded in the register required to be kept under section 336 of the SFO.

SHARE OPTION SCHEME

On 27 May 2005, the Company adopted a share option scheme ("**Share Option Scheme**").

During the six months ended 30 September 2009, no options were granted by the Company under the Share Option Scheme.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed above, at no time during the period were there any rights to acquire benefits by means of the acquisition of securities of the Company granted to any Director or their respective spouse or children under 18 years of age, or were there any such rights exercised by them; nor was the Company, its holding company, its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

CORPORATE GOVERNANCE

Corporate Governance Practices

In the opinion of the Board, the Company has complied with the applicable code provisions of the Code on Corporate Governance Practices (the "**CG Code**") as set out in Appendix 14 of the Listing Rules throughout the six months ended 30 September 2009, except for the deviation from the CG Code Provision A.2.1 explained in the following relevant section.

To enhance accountability, transparency, independence, responsibility and fairness to the shareholders and stakeholders, the Company is dedicated to develop the appropriate framework of corporate governance for the Group. The Group will keep on implementing and reviewing our corporate governance practices and procedures from time to time for ensuring the commitment of the corporate governance standard and striving for the enhancement of shareholder value.

Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted procedures governing Directors' securities transactions in compliance with the Model Code as set out in Appendix 10 of the Listing Rules. Upon enquiry by the Company, all Directors have confirmed that they fully complied with the required standards set out in the Model Code throughout the six months ended 30 September 2009.

Board of Directors

During the period, the composition of the Board of Directors remains the same as set out in the latest annual report of the Company. The Board of Directors of the Company comprises five Directors, of which two are Executive Directors, namely, Mr. Lam Wai Ming (Chairman) and Mr. Tam Chi Sang (Managing Director) and three are Independent Non-Executive Directors, namely, Mr. Chiu Fan Wa, Mr. Li Chi Chung and Mr. Li Tat Wah.

CORPORATE GOVERNANCE (Continued)

Board of Directors (Continued)

CG Code Provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Lam Wai Ming holds the position of Chairman currently and is deemed to be the Chief Executive Officer. The Board believes that vesting the roles of Chairman and Chief Executive Officer in the same person provides the Group with strong and consistent leadership in the development and execution of long-term business strategies and development plans. The Board believes that the balance of power and authority is adequately ensured.

Code Provision A.1.1 stipulates that the Board should meet regularly and Board meetings should be held at least four times a year at approximately quarterly intervals. During the six months ended 30 September 2009, the Company had convened two Board meetings with formal notice and agenda issued to all the Directors before the intended dates of the meetings. In view of good corporate governance practices, the Board has scheduled the meetings' calendar on a regular basis. It is expected that there will be at least four Board meetings to be convened for the financial year ending 31 March 2010.

Remuneration Committee

The remuneration committee of the Company (the "**Remuneration Committee**") was established to formulate remuneration policy for the Board's approval. It has adopted the terms of reference in line with the CG Code Provisions set out in the CG Code under Appendix 14 of the Listing Rules. The Remuneration Committee comprises three Independent Non-Executive Directors namely, Mr. Chiu Fan Wa, Mr. Li Chi Chung and Mr. Li Tat Wah. Mr. Li Tat Wah was appointed as chairman of the Remuneration Committee.

Nomination Committee

The nomination committee of the Company (the "**Nomination Committee**") was established to formulate nomination policy for consideration by the Board and to implement the nomination policy laid down by the Board. It has adopted the terms of reference in line with the CG Code Provisions set out in the CG Code under Appendix 14 of the Listing Rules. The Nomination Committee comprises three Independent Non-Executive Directors namely, Mr. Chiu Fan Wah, Mr. Li Chi Chung and Mr. Li Tat Wah. Mr. Chiu Fan Wa was appointed as the chairman of the Nomination Committee.

Audit Committee

The audit committee of the Company (the "**Audit Committee**") was established on 29 April 2005 with written terms of reference in compliance with the Listing Rules. The Audit Committee comprises three Independent Non-Executive Directors, namely Mr. Chiu Fan Wa, Mr. Li Chi Chung and Mr. Li Tat Wah. Mr. Chiu Fan Wa, who is a qualified accountant with appropriate professional qualification and experience in financial matters, was appointed as the chairman of the Audit Committee. None of the Audit Committee members are members of the former or existing auditors of the Company.

The Audit Committee together with the management, has reviewed the accounting principles and practices adopted by the Group and has discussed internal control and financial reporting matters including the review of the unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2009 and this interim report.

PUBLICATION OF INTERIM RESULTS

All details on the financial and related information of the Company containing all information as required by paragraph 46(1) to 46(9) of Appendix 16 to the Listing Rules are published on the website of the Stock Exchange. This interim report will also be dispatched to shareholders and be available to the public for collection in the following places in late December 2009:

1. Principal Place of Business in Hong Kong: Rooms 1106-8, Riley House, 88 Lei Muk Road, Kwai Chung, New Territories, Hong Kong;

2. Websites: (a) www.kenford.com.hk; and
   (b) www.irasia.com/listco/hk/kenford

SUPPLEMENTARY INFORMATION

INTERNAL CONTROL AND RISK MANAGEMENT

The Company has set up an internal audit department in February 2008. The Audit Committee reviewed and discussed internal control matters with the internal auditor in July 2009. The directors of the Company will conduct interim review of the effectiveness of the system of internal control of the Group which cover all material controls, including financial, operational and compliance control and risk management functions.

OTHER DISCLOSURE

Save as disclosed, the Group either has had no material changes from the information disclosed in the latest annual report of the Company or such changes are considered not significant to the Group's operations, and thus no additional disclosure has been made in this report.

GENERAL

As at the date of this report, the Board of the Company comprises two Executive Directors, namely Mr. Lam Wai Ming (Chairman) and Mr. Tam Chi Sang (Managing Director) and three Independent Non-Executive Directors, namely Mr. Chiu Fan Wa, Mr. Li Chi Chung and Mr. Li Tat Wah.

By Order of the Board
KENFORD GROUP HOLDINGS LIMITED
LAM WAI MING
Chairman

Hong Kong, 11 December 2009