

**CHONGHERR INVESTMENTS LTD**

**ABN 52 054 161 821**

**HALF YEAR REPORT  
PERIOD ENDING ON 30 JUNE 2007**

**APPENDIX 4D**

**1. RESULTS FOR ANNOUNCEMENT TO THE MARKET**

	30/6/2007	30/6/2006
Sales Revenue	\$1,712,054	\$1,451,745
Operating Profit	\$124,991	\$96,844
Net profit	\$124,991	\$96,844
Earning Per share	0.109 cents	0.084 cents

Sales revenue totals \$1,712,054, representing an increase of \$260,309 (18%) as compared with the previous corresponding period (30 June 2006).

Profit from ordinary activities after tax (and the net profit for the period) attributable to members is \$124,991, representing an increase of \$28,147 over the previous corresponding period (30 June 2006 profit \$96,844). The improved profitable financial performance for the current period reflects the revenue achieved through the company's marketing success in China over the last few years, and the success of performance enhancement programs in production.

The market outlook for sandstone products remains strong in China, particularly the application of sandstone has been widely accepted as a modern building material for large residential and commercial projects in southern and northern regions of China. The Board anticipates that the building and construction activities in China will continue to favourably impact ChongHerr in the next 12 months and China is the most important market and is vital to the long-term success of the company.

As of today, we have been awarded with a number of significant long-term projects in China which will be deliverable from the second half of 2007.

More detailed comments on the company's result are in the directors' report included in the accompanying financial report.

**2. NET TANGIBLE ASSET BACKING**

Net tangible asset backing per security as at 30 June 2007 is 5.2 cents (30 June 2006 4.6 cents).

### **3. CHANGE IN COMPOSITION OF THE REPORTING ENTITY**

ChongHerr Investments Ltd has not gained/lost control of any entity during the period.

### **4. DIVIDENDS**

The directors do not recommend the payment of an interim dividend for the period. There is no dividend reinvestment plan in place.

### **5. DETAILS OF ASSOCIATES OR JOINT VENTURE ENTITIES**

ChongHerr Investments Ltd has no associates or joint venture entities as at 30 June 2007.

### **6. FOREIGN ENTITIES**

ChongHerr Investments Ltd is incorporated and domiciled in Australia.

### **7. FINANCIAL REPORT**

The financial report is attached and includes the review report issued by the company's auditor. The review report is unqualified. The half year financial report has been prepared in accordance with the requirements of the Corporations Act 2001.

For further information contact:

  
Mr Dehui Liu  
Managing Director  
ChongHerr Investments Ltd

22 August 2007