



National Arts

National Arts Holdings Limited

國藝控股有限公司*

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(於開曼群島註冊成立並於百慕達存續之有限公司)

(Stock Code : 8228)

(股份代號 : 8228)



Third Quarterly Report 第三季度業績報告 2012

* For identification purpose only * 僅供識別

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This report, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this report misleading.

香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)之特色

創業板的定位，乃為相比起其他在聯交所上市的公司帶有高投資風險的公司提供一個上市的市場。有意投資的人士應了解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。創業板的較高風險及其他特色表示創業板較適合專業及其他資深投資者。

由於創業板上市公司新興的性質所然，在創業板買賣的證券可能會較於聯交所主板買賣的證券承受較大的市場波動風險，同時無法保證在創業板買賣的證券會有高流通量的市場。

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本報告的資料乃遵照香港聯合交易所有限公司的《創業板證券上市規則》而刊載，旨在提供有關國藝控股有限公司(「本公司」)的資料；本公司連同其附屬公司為「本集團」各董事(「董事」)願就本報告的資料共同及個別地承擔全部責任。各董事在作出一切合理查詢後，確認就其所知及所信本報告所載資料在各重要方面均屬準確完備，沒有誤導或欺詐成分，且並無遺漏任何事項，足以令致本報告或其所載任何陳述產生誤導。

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* 僅供識別

FINANCIAL RESULTS

The board of directors (the “Board”) of National Arts Holdings Limited (the “Company”) announces the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the nine months ended 30 September 2012, together with the comparative figures for the corresponding period in 2011 as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000
Continuing Operations					
Turnover	2	1,667	1,262	4,777	4,747
Other operating income	3	1,206	226	32,672	490
Cost of film production		(344)	–	(580)	(2,116)
Staff costs		(2,962)	(4,992)	(13,862)	(11,482)
Depreciation of property, plant and equipment		(490)	(2,724)	(1,529)	(6,559)
Amortisation of land lease prepayments		(561)	–	(1,696)	–
Other operating expenses		(3,729)	(2,840)	(10,855)	(10,560)
Finance cost	4	(3,699)	2,275	(10,189)	(747)
Change in fair value of financial assets at fair value through profit or loss		(31)	(2,939)	1,861	(3,561)
Gain on disposal of subsidiaries	5	–	–	–	5,677
Profit/(loss) before taxation		(8,943)	(9,732)	599	(24,111)
Income tax expense	6	–	–	–	–
Profit/(loss) for the period from continuing operations		(8,943)	(9,732)	599	(24,111)
Discontinued operations					
Loss for the period from discontinued operations	7	–	–	–	(31)
Profit/(loss) for the period		(8,943)	(9,732)	599	(24,142)
Other comprehensive income:					
Exchange differences on translation of financial statements of foreign operations		1,173	943	1,105	1,925
Total comprehensive income/(expense) for the period		(7,770)	(8,789)	1,704	(22,217)

財務業績

國藝控股有限公司(「本公司」)董事會(「董事會」)公佈本公司及其附屬公司(統稱「本集團」)截至二零一二年九月三十日止九個月之未經審核綜合業績，連同二零一一年同期之比較數字如下：

簡明綜合全面收益表（未經審核）

	附註	截至九月三十日止三個月		截至九月三十日止九個月	
		二零一二年 千港元	二零一一年 千港元	二零一二年 千港元	二零一一年 千港元
持續經營業務					
營業額	2	1,667	1,262	4,777	4,747
其他經營收入	3	1,206	226	32,672	490
電影製作成本		(344)	–	(580)	(2,116)
員工成本		(2,962)	(4,992)	(13,862)	(11,482)
物業、廠房及設備折舊		(490)	(2,724)	(1,529)	(6,559)
預付土地租賃攤銷		(561)	–	(1,696)	–
其他經營費用		(3,729)	(2,840)	(10,855)	(10,560)
融資成本	4	(3,699)	2,275	(10,189)	(747)
以公平值於損益列賬之 金融資產公平值轉變		(31)	(2,939)	1,861	(3,561)
出售附屬公司之收益	5	–	–	–	5,677
除所得稅前溢利／（虧損）		(8,943)	(9,732)	599	(24,111)
所得稅開支	6	–	–	–	–
持續經營業務之本期間溢利／（虧損）		(8,943)	(9,732)	599	(24,111)
已終止經營業務					
已終止經營業務之本期間虧損	7	–	–	–	(31)
本期間溢利／（虧損）		(8,943)	(9,732)	599	(24,142)
其他全面收入：					
換算海外業務財務報表時產生之匯 兌差額		1,173	943	1,105	1,925
本期間全面收入／（開支）總額		(7,770)	(8,789)	1,704	(22,217)

National Arts Holdings Limited
Third Quarterly Report 2012

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000
Profit/(loss) for the period attributable to:					
Owners of the Company		(6,545)	(4,673)	(6,987)	(18,461)
Non-controlling interests		(2,398)	(5,059)	7,586	(5,681)
		(8,943)	(9,732)	599	(24,142)
Total comprehensive income/(expense) for the period attributable to:					
Owners of the Company		(5,946)	(4,192)	(6,421)	(17,473)
Non-controlling interests		(1,824)	(4,597)	8,125	(4,744)
		(7,770)	(8,789)	1,704	(22,217)
Loss per share attributable to owners of the company					
Basic: – From continuing operations	8	HK\$(0.81) cents	HK\$(0.58) cents	HK\$(0.87) cents	HK\$(2.31) cents
Basic: – From discontinued operations	8	HK\$(0.00) cents	HK\$(0.00) cents	HK\$(0.00) cents	HK\$(0.01) cents
Diluted: – From continuing operations	8	N/A	N/A	N/A	N/A
Diluted: – From discontinued operations	8	N/A	N/A	N/A	N/A

	附註	截至九月三十日止三個月		截至九月三十日止九個月	
		二零一二年 千港元	二零一一年 千港元	二零一二年 千港元	二零一一年 千港元
下列各項應佔全面溢利／(虧損)總額：					
本公司擁有人		(6,545)	(4,673)	(6,987)	(18,461)
非控股權益		(2,398)	(5,059)	7,586	(5,681)
		(8,943)	(9,732)	599	(24,142)
下列各項應佔全面 收入／(開支)總額					
本公司擁有人		(5,946)	(4,192)	(6,421)	(17,473)
非控股權益		(1,824)	(4,597)	8,125	(4,744)
		(7,770)	(8,789)	1,704	(22,217)
本公司擁有人應佔每股虧損					
基本：一來自持續經營業務	8	(0.81)港仙	(0.58)港仙	(0.87)港仙	(2.31)港仙
基本：一來自已終止經營業務	8	(0.00)港仙	(0.00)港仙	(0.00)港仙	(0.01)港仙
攤薄：一來自持續經營業務	8	不適用	不適用	不適用	不適用
攤薄：一來自已終止經營業務	8	不適用	不適用	不適用	不適用

Notes:

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Company was incorporated in the Cayman Islands on 16 November 2001 as an exempted company under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. On 14 October 2010, the Company deregistered in the Cayman Islands and duly continued in Bermuda as an exempted company under the laws of Bermuda effective on 14 October 2010. The registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

The Company's principal place of business in Hong Kong is Unit B, 2/F, Jone Mult Industrial Building, 169 Wai Yip Street, Kwun Tong, Kowloon, Hong Kong.

The Company's shares are listed on the GEM of the Stock Exchange.

The unaudited financial statements of the Group have been prepared in accordance with the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements set out in Chapter 18 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (the "GEM Listing Rules") of the Stock Exchange.

The unaudited consolidated results for the nine months ended 30 September 2012 have not been audited by the Company's auditors, but have been reviewed by the audit committee of the Company.

The accounting policies and basis of preparation adopted for the preparation of the financial statements are consistent with those adopted by the Group in its annual financial statements for the year ended 31 December 2011.

2. TURNOVER

The Company is principally engaged in investment holding. The principal activities of the Group include film production and distribution, the provision of management services to artistes, and operations of film studio and hotels.

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue and costs, if applicable, can be measured reliably on the following bases:

- (a) Income derived from the production and distribution of films, when the production is completed and the film is released, the film has been distributed to the cinema circuit and the amount can be measured reliably, which is generally when the cinema circuit confirms to the Group its share of box office receipts.
- (b) Income derived from the licensing of the distribution and broadcasting rights over films, when the Group's entitlement to such payments has been established which, subject to the terms of the relevant agreements, is usually upon delivery of the film negatives to the customers.
- (c) Artiste management fee income and revenue from rendering of services are recognised when the agreed services are rendered.
- (d) Entrance fee income is recognised when the tickets are accepted and surrendered by the customer.
- (e) Sale of goods is recognised when the significant risk and rewards of ownership have been transferred to the buyer.

附註：

1. 編製基準及會計政策

本公司於二零零一年十一月十六日根據開曼群島公司法第22章(一九六一年法例3，經綜合及修訂)在開曼群島註冊成立為獲豁免公司。於二零一零年十月十四日，本公司於開曼群島撤銷註冊，並根據百慕達法例正式於百慕達以獲豁免公司形式存續，於二零一零年十月十四日生效。本公司之註冊辦事處為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。

本公司之香港主要營業地點為香港九龍觀塘偉業街169號中懋工業大廈2樓B座。

本公司股份於聯交所創業板上市。

本集團之未經審核財務報表乃按照香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則及聯交所創業板證券上市規則(「創業板上市規則」)第18章所載之披露規定編製。

截至二零一二年九月三十日止九個月之未經審核綜合業績未經本公司核數師審核，但已經本公司之審核委員會審閱。

編製財務報表時所採用之會計政策及編製基準，乃與本集團於截至二零一一年十二月三十一日止年度之年度財務報表所採用者貫徹一致。

2. 營業額

本公司主要從事投資控股業務。本集團之主要業務包括電影製作及發行、提供管理服務予藝人以及營運影視城及酒店。

倘經濟利益可能將流入本集團，且收入及成本(如適用)可合理地計量，則按下列基準確認收入：

- (a) 電影製作及發行收入於電影完成製作及發行並已交付至各院線後，且金額能夠可靠地計量時確認，即一般為各院線確認本集團應佔票房收入之時。
- (b) 電影發行及播放權特許收入於本集團根據相關協議之條款享有該等付款之權利確立時確認，即一般為母片交付予客戶之時。
- (c) 藝人管理費用收入及提供服務之收入於提供協定之服務時確認。
- (d) 門券收入按顧客接受及放棄門票時確認。
- (e) 貨品銷售於擁有權之主要風險及回報轉予買家時確認。

2. TURNOVER (Continued)

- (f) Rental income under operating leases is recognised equal installments over the accounting periods covered by the lease term. Contingent rentals are recognised on the accounting period in which they are earned.
- (g) Construction management fee income is recognised when the construction is completed.
- (h) Interest income is recognised on time-proportion basis using effective interest method.
- (i) Dividend income from investments is recognised when the right to receive payment is established.

3. OTHER OPERATING INCOME

	Three months ended 30 September		Nine months ended 30 September	
	2012 HK\$'000 (Unaudited)	2011 HK\$'000 (Unaudited)	2012 HK\$'000 (Unaudited)	2011 HK\$'000 (Unaudited)
Continuing operations				
Construction management fee income	–	–	26,834	–
Gain on disposal of property, plant and equipment	1,044	–	3,928	–
Dividend income	123	102	314	238
Other	39	124	1,596	252
Total other operating income	1,206	226	32,672	490

4. FINANCE COST

	Three months ended 30 September		Nine months ended 30 September	
	2012 HK\$'000 (Unaudited)	2011 HK\$'000 (Unaudited)	2012 HK\$'000 (Unaudited)	2011 HK\$'000 (Unaudited)
Continuing operations				
Convertible bonds	2,580	(2,288)	7,540	709
Finance lease charges	489	–	1,476	–
Other borrowings	630	13	1,173	38
Total finance costs	3,699	(2,275)	10,189	747

2. 營業額(續)

- (f) 經營租賃的租金收入在租賃期貨所涵蓋的會計期間內以等額確認。或有租金在賺取的會計期間內入賬。
- (g) 工程管理費收入於工程完成時確認。
- (h) 利息收入以實際利率法按時間比例基準確認。
- (i) 投資所得股息收入於收取款項之權利確立時確認。

3. 其他經營收入

	截至九月三十日止三個月		截至九月三十日止九個月	
	二零一二年 千港元 (未經審核)	二零一一年 千港元 (未經審核)	二零一二年 千港元 (未經審核)	二零一一年 千港元 (未經審核)
持續經營業務				
工程管理費收入	-	-	26,834	-
出售物業、廠房及設備之溢利	1,044	-	3,928	-
股息利息	123	102	314	238
其他	39	124	1,596	252
其他經營收入總額	1,206	226	32,672	490

4. 融資成本

	截至九月三十日止三個月		截至九月三十日止九個月	
	二零一二年 千港元 (未經審核)	二零一一年 千港元 (未經審核)	二零一二年 千港元 (未經審核)	二零一一年 千港元 (未經審核)
持續經營業務				
可換股債權	2,580	(2,288)	7,540	709
財務租賃費用	489	-	1,476	-
其他借貸	630	13	1,173	38
融資成本總額	3,699	(2,275)	10,189	747

5. GAIN ON DISPOSAL OF SUSIDIARIES

During the nine months ended 30 September 2011, the Company completed the disposal of its 100% equity interest in Network Engineering Limited (the “Network”) to Silvercord Management Limited, a company controlled by a former executive director, Mr. Poon Shu Yan, at a consideration of HK\$1 (the “Disposal”). Network carried out the Group’s provision of engineering services and the Disposal was consistent with the Group’s strategy, which discontinued the engineering business by the end of 2010. The Disposal recorded a gain due to Network incurring a liability of approximately HK\$3.6 million on the date of Disposal.

The Company also completed the liquidation of its 100% equity interest in Sinoworld Media Company Limited (the “Sinoworld Media”) and Sinoworld CNW Publishing Limited (the “Sinoworld CNW”). Sinoworld Media and Sinoworld CNW carried out the Group’s provision of publication of print media business, which its discontinuance was effective by the end of 2008. The disposal recorded a gain due to Sinoworld Media and Sinoworld CNW incurring a liability of approximately HK\$2.1 million on the date of liquidation.

6. INCOME TAX EXPENSE

Hong Kong Profits Tax has not been provided for the nine months ended 30 September 2012 (2011: Nil) as the Group did not generate any assessable profits in Hong Kong during these periods. PRC foreign enterprise income tax has not been provided as the PRC subsidiaries incurred losses for taxation purposes for the nine months ended 30 September 2012 (2011: Nil). At the reporting date, the Company did not have any significant unrecognised deferred tax liabilities (2011: Nil).

7. DISCONTINUED OPERATIONS

The results of the discontinued operations included in the condensed consolidated statements of comprehensive income and is set out below.

	Three months ended 30 September		Nine months ended 30 September	
	2012 HK\$'000 (Unaudited)	2011 HK\$'000 (Unaudited)	2012 HK\$'000 (Unaudited)	2011 HK\$'000 (Unaudited)
Turnover	-	-	-	-
Other operating expenses	-	-	-	(31)
Loss before income tax	-	-	-	(31)
Income tax expense	-	-	-	-
Loss for the period from discontinued operations	-	-	-	(31)

8. LOSS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

The calculation of basic loss per share from continuing operations for the nine months ended 30 September 2012 was based on the unaudited net loss for the period of approximately HK\$6,987,000 (2011: HK\$18,461,000) and on the weighted average number of 806,443,920 shares (2011: 797,368,931 shares) deemed to be issued throughout the period.

The calculation of the basic loss per share from discontinued operations for the nine months ended 30 September 2011 was based on the unaudited net loss for the period of approximately HK\$31,000 and on the weighted average number of 659,632,995 shares deemed to be issued throughout the period.

The computation of diluted loss per share did not assume the exercise of the company’s potential ordinary shares granted under the Company’s share option schemes, warrants and convertible bonds since their exercises would result in a reduction in net loss per share.

5. 出售附屬公司之收益

於截至二零一一年九月三十日止九個月期間內，本公司完成將其於網絡工程有限公司(「網絡」)之100%股本權益出售予由前執行董事潘樹人先生控制之公司Silvercord Management Limited，代價為1港元(「出售事項」)。網絡從事本集團提供工程服務之業務，而出售事項符合本集團於二零一零年底前終止經營工程業務之策略。出售錄得收益，原因是網絡於出售當日仍有負債約3,600,000港元。

此外，本公司完成清算華宇傳媒有限公司(「華宇傳媒」)及華宇出版有限公司(「華宇出版」)之100%股本權益。華宇傳媒及華宇出版從事本集團提供出版印刷媒體業務，而本公司已於二零零八年底終止經營此項業務。出售錄得收益，原因是華宇傳媒及華宇出版於清算當日仍有負債約2,100,000港元。

6. 所得稅開支

由於本集團於截至二零一二年九月三十日止九個月並無在香港產生任何應課稅溢利，故無就該期間之香港利得稅作出撥備(二零一一年：無)。

由於中國附屬公司於截至二零一二年九月三十日止三個月錄得稅務虧損(二零一一年：無)，故並無就中國外資企業所得稅作出撥備。

於報告日，本公司並無任何重大未確認遞延稅項負債(二零一一年：無)。

7. 已終止經營業務

計入簡明綜合全面收益表之已終止經營業務之業績載於下文。

	截至九月三十日止三個月		截至九月三十日止九個月	
	二零一二年 千港元 (未經審核)	二零一一年 千港元 (未經審核)	二零一二年 千港元 (未經審核)	二零一一年 千港元 (未經審核)
營業額	-	-	-	-
其他經營費用	-	-	-	(31)
除所得稅前虧損	-	-	-	(31)
所得稅開支	-	-	-	-
已終止經營業務之本期間虧損	-	-	-	(31)

8. 本公司擁有人應佔每股虧損

截至二零一二年九月三十日止九個月來自持續經營業務之每股基本虧損乃根據本期間未經審核虧損淨額約6,987,000港元(二零一一年：18,461,000港元)以及視為於期內已發行股份之加權平均數806,443,920股(二零一一年：797,368,931股)計算。

截至二零一一年九月三十日止九個月來自已終止經營業務之每股基本虧損乃根據本期間未經審核虧損淨額約為31,000港元以及視為於期間內已發行股份之加權平均數659,632,995股計算。

計算每股攤薄虧損時並無假設本公司根據本公司購股權計劃授出之潛在普通股、認股權證及可換股債券獲行使，原因為有關行使可致使每股虧損淨額減少。

9. DIVIDEND

The Board does not resolve the payment of an interim dividend for the nine months ended 30 September 2012 (2011: Nil).

10. UNAUDITED STATEMENT OF MOVEMENT TO AND FROM RESERVE

	Share Capital HK\$'000	Share Premium HK\$'000	Special Reserve HK\$'000	Translation Reserve HK\$'000	Share Option Reserve HK\$'000	Contributed Surplus HK\$'000	Convertible Bond Reserve HK\$'000	Accumulated Losses HK\$'000	Total HK\$'000	Non- Controlling Interests HK\$'000	Total Equity HK\$'000
As at 1 January 2011 (audited)	6,658	122,282	1,000	308	9,455	78,791	-	-	218,494	-	218,494
Loss for the period	-	-	-	-	-	-	-	(18,461)	(18,461)	(5,681)	(24,142)
Exchange difference on translation of financial statements of foreign operations	-	-	-	988	-	-	-	-	988	937	1,925
Total comprehensive expense for the period	-	-	-	988	-	-	-	(18,461)	(17,473)	(4,744)	(22,217)
New shares issued under share placements	1,350	4,540	-	-	-	-	-	-	5,890	-	5,890
Share expenses	-	(199)	-	-	-	-	-	-	(199)	-	(199)
Shares issued upon exercise of share options	4	240	-	-	(78)	-	-	78	244	-	244
Acquisitions of share held by minority shareholders	-	-	-	-	-	-	-	-	-	169,301	169,301
Recognition of equity component of convertible bonds	-	-	-	-	-	-	58,139	-	58,139	-	58,139
Transfer of lapsed options to accumulated losses	-	-	-	-	(981)	-	-	981	-	-	-
Employee share-based compensation	-	-	-	-	6,103	-	-	-	6,103	-	6,103
Transfer to accumulated losses upon disposal of subsidiaries	-	-	-	(287)	-	-	-	287	-	-	-
As at 30 September 2011 (unaudited)	8,012	126,863	1,000	1,009	14,499	78,791	58,139	(17,115)	271,198	164,557	435,755
As at 1 January 2012 (audited)	8,012	126,941	1,000	998	21,002	78,791	62,754	(10,142)	289,356	210,705	500,061
(Loss)/profit for the period	-	-	-	-	-	-	-	(6,987)	(6,987)	7,586	599
Exchange difference on translation of financial statements of foreign operations	-	-	-	566	-	-	-	-	566	539	1,105
Total comprehensive (expense)/income for the period	-	-	-	566	-	-	-	(6,987)	(6,421)	8,125	1,704
New shares issued under bonus warrants	100	3,300	-	-	-	-	-	-	3,400	-	3,400
Employee share-based Compensation	-	-	-	-	5,227	-	-	-	5,227	-	5,227
As at 30 September 2012 (unaudited)	8,112	130,241	1,000	1,564	26,229	78,791	62,754	(17,129)	291,562	218,830	510,392

9. 股息

董事會議決不派發截至二零一二年九月三十日止九個月之中期股息(二零一一年：無)。

10. 未經審核儲備變動表

	股本 千港元	股份溢價 千港元	特別儲備 千港元	換算儲備 千港元	購股權儲備 千港元	實繳盈餘 千港元	可換 股票券 儲備 千港元	累計虧損 千港元	總計 千港元	非控股權益 千港元	權益總額 千港元
於二零一一年 一月一日 (已審核)	6,658	122,282	1,000	308	9,455	78,791	-	-	218,494	-	218,494
本期間虧損	-	-	-	-	-	-	-	(18,461)	(18,461)	(5,681)	(24,142)
換算海外業務財務 報表時產生之 匯兌差額	-	-	-	988	-	-	-	-	988	937	1,925
本期間全面支出 總額	-	-	-	988	-	-	-	(18,461)	(17,473)	(4,744)	(22,217)
根據配售股份 發行新股	1,350	4,540	-	-	-	-	-	-	5,890	-	5,890
股份開支	-	(199)	-	-	-	-	-	-	(199)	-	(199)
行使購股權時 發行股份	4	240	-	-	(78)	-	-	78	244	-	244
收購少數股東持有 之股份	-	-	-	-	-	-	-	-	-	169,301	169,301
確認可換股票據之 權益部份	-	-	-	-	-	-	58,139	-	58,139	-	58,139
轉撥失效購股權 至累計虧損	-	-	-	-	(981)	-	-	981	-	-	-
以股份為基準之 僱員報酬	-	-	-	-	6,103	-	-	-	6,103	-	6,103
出售附屬公司時 撥至累計虧損	-	-	-	(287)	-	-	-	287	-	-	-
於二零一一年 九月三十日 (未經審核)	8,012	126,863	1,000	1,009	14,499	78,791	58,139	(17,115)	271,198	164,557	435,755
於二零一二年 一月一日 (已審核)	8,012	126,941	1,000	998	21,002	78,791	62,754	(10,142)	289,356	210,705	500,061
本期間(虧損)/ 溢利	-	-	-	-	-	-	-	(6,987)	(6,987)	7,586	599
換算海外業務財務 報表時產生之 匯兌差額	-	-	-	566	-	-	-	-	566	539	1,105
本期間全面(支出)/ 收入總額	-	-	-	566	-	-	-	(6,987)	(6,421)	8,125	1,704
根據紅利認股權證 發行股份	100	3,300	-	-	-	-	-	-	3,400	-	3,400
以股份為基準之 僱員報酬	-	-	-	-	5,227	-	-	-	5,227	-	5,227
於二零一二年 九月三十日 (未經審核)	8,112	130,241	1,000	1,564	26,229	78,791	62,754	(17,129)	291,562	218,830	510,392

FINANCIAL REVIEW

During the nine months ended 30 September 2012, the Group reported total turnover of approximately HK\$4.8 million, compared with approximately HK\$4.7 million for the corresponding period a year ago, representing an increase of approximately 0.6%. No material difference was noted between current and comparable periods.

Other operating income for the period under review increased approximately HK\$32.2 million due to construction management fee income receivable upon completion of construction of Wong Tai sin Temple and gain on disposal of a property located in Hong Kong.

Staff costs for the period under review increased to approximately HK\$13.9 million from approximately HK\$11.5 million in previous period. An increase of approximately HK\$2.4 million in staff cost was mainly due to the share options granted to directors and employees and increase of number of staff during the period under review.

Finance costs for the period under review increased to approximately HK\$10.9 million mainly due to (i) the interest on convertible bonds, which were issued as part of the consideration for the acquisition of 51% in each of Head Return Limited and Expand Pacific Limited during the year 2011; and (ii) interest on other borrowings raised during the period.

For the nine months ended 30 September 2012, the Group recorded a net profit of HK\$0.6 million as compared to net loss of the comparable period of approximately HK\$24.1 million. The turnaround from loss to profit was mainly due to increase of other operating income during the period.

RIGHTS ISSUE

As per our announcement dated 18 October 2012, a Rights Issue is proposed on the basis of 4 Rights Shares for every one existing share held on the Record Date. The details of the proposed Rights Issue can be referred to our Circular issued on 8 November 2012.

HUMAN RESOURCES & REMUNERATION POLICY

The directors of the board (the "Directors") believe that the quality of its employees is the most important factor in sustaining the Group's growth and improving its profitability. The Group's remuneration package is structured with reference to the individual performance, working experience and prevailing salary levels in the market. In addition to basic salaries and mandatory provident fund, staff benefits include medical coverage scheme and share options.

The Group has not experienced any significant problems with its employees or disruption to its operation due to labour disputes nor has it experienced any difficulties in the recruitment and retirement of experienced staff. The Directors believe that the Group has a good working relationship with its employees.

財務回顧

於截至二零一二年九月三十日止九個月，本集團之營業額約4,800,000港元，而去年同期則約為4,700,000港元，即上升0.6%。本期與比較期之間無重大差異。

於回顧期間其他經營收入增加約32,200,000港元，主要來自黃大仙祠工程完成應收之工程管理費收入及出售位於香港之物業的收益。

回顧期間之員工成本由去年同期約11,500,000港元增至約13,900,000港元。員工成本增加約2,400,000港元，主要由於回顧期間內向董事及僱員授出購股權及員工數目增加所致。

回顧期間之財務成本增加至約10,900,000港元，主要來自(i)可換股債券之利息支出及(ii)本期籌集之其他借貸之利息。該可換股債券為二零一一年內作為收購Head Return Limited及Expand Pacific Limited各51%股權的部分代價。

截至二零一二年九月三十日止九個月本集團錄得溢利約600,000港元，而上年同期則錄得虧損額約24,100,000港元。由虧轉盈之主因為本期之其他經營收入上升。

供股

如我司於二零一二年十月十八日公告所述，建議按於記錄日期每持有一股現有股份可獲發四股股份之基準進行供股。建議供股之詳情可參考二零一二年十一月八日刊發之通函。

人力資源及薪酬政策

董事會(「董事」)相信，僱員素質對本集團持續發展及改善盈利能力至關重要。本集團之薪酬方案乃按僱員個別工作表現、資歷及當時市場薪金水平釐定。除基本薪金及強制性公積金外，員工福利尚包括醫療保障計劃及購股權。

本集團與其僱員並無發生任何重大問題，亦無因勞資糾紛而令營運受到干擾，在招聘及挽留有經驗員工時亦未遇上任何困難。董事相信，本集團與其僱員維持良好工作關係。

PROSPECTS

In 2011, the China economy has developed rapidly and maintained a robust growth, with the strong support of the Chinese government, a series of policies on tourism and cultural industries had been implemented to support major cultural projects. As a result, the Company benefit from the continually growing cultural development which flourished the Group's filming and entertainment business in China. With active efforts to promote tourism in recent years, Guangdong Province ranked second in the "2011 total tourism income in various provinces across the country", resulted in aggregated tourism revenue of RMB486 billion yuan, representing an increase of 26%. Driven by this favourable factor, the Group will increase the speed of developing the "Xiqiao Mountain Dream Work" Project and further exploit the tourism resources of Xiqiao Mountain, so as to strengthen the synergies between the project and the tourism industry.

"Xiqiao Mountain Dream Work" Project

Under the support of the central government, the domestic film industry is developing immensely, thereby stimulating a sharp increase in demand for shooting venues. After the acquisition of Head Return Limited and Expand Pacific Limited, the Group has been constantly placing resources on the development of the "Xiqiao Mountain Dream Work" Project in Foshan City, Guangdong Province. With reference to the U.S. Universal Studios, the Group has built world-class film making studios which covered an area of 677,000 square metres. Xiqiao Mountain Dream Work will be the world's first of its kind and one of the most favorite tourist attractions in China. The Xiqiao Mountain Dream Work included several major construction projects like:

1. a film shooting base with a couple of shooting scenic spots;
2. a five-star hotel; and
3. a multi-functional performance stadium.

Film Shooting Base

The Group is fully geared towards the construction of the largest film shooting base in South China region. The major scenic spots include Ancient Houses, Ancient Justice Office and Ancient Commercial Street which will be completed in the second half of 2012 where the Hong Kong Scene Area had already been completed and opened for filming in August 2012. Shanghai Scene Area, Canton Scene Area, Imperial Garden, Beijing Old Street, Four-section Compound, Foreign Scene Area, the Water Towns in Southern Yangtze River, the Ming-Qing Dynasty Palace and the Qing-Ming Festival Riverside Scene are scheduled to be completed in 2013. The film shooting base can provide diversified and practical scenes for film crews, and is expected to attract a lot of studio production companies from Mainland China and Hong Kong due to its supreme geographical location and good climate. We have already received booking for a TV drama from February 2013 onward. Following the gradual opening of the studio, the Group expects that it will be able to generate more admission fees for the Xiqiao Mountain scenic spots and cause greater benefits for the Group.

前瞻

於二零一一年，中國經濟發展迅速及維持強勁的增長，加上中央政府積極推動一系列的旅遊及文化產業政策，令本集團專注發展的電影及娛樂業務亦有受惠於此迅速的文化發展。近年廣東省大力推廣旅遊業，在「二零一一年全國各省旅遊總收入」排名榜排行第二，旅遊總收入錄得4,860億元人民幣，增長26個百分點。在此利好因素帶動下，集團將加快「西樵山夢工場」項目的發展，進一步利用西樵山的旅遊資源，以此加強固項目與旅業之間的協同效應。

「西樵山夢工場」項目

在中央政府的支持下，國內電影業正急速發展，令拍攝場地需求大增。集團於收購Head Return Limited及Expand Pacific Limited後，正積極投放資源發展廣東省佛山市的「西樵山夢工場」項目，並借鑒美國環球影城，打造佔地677,000平方米、全球首個集旅遊及影視等多元項目於一身的世界級影視城。「西樵山夢工場」將會成為中國國內其中一個旅遊著名景點，當中項目包括：

1. 擁有多個拍攝景區之電影拍攝基地
2. 五星級豪華酒店
3. 多功能表演場館

電影拍攝基地

集團現正全力建造華南區內最大型的電影拍攝基地。主要景區包括二零一二年下半年落成的古大宅、衙門及古代商業街，而香港景區於二零一二年八月已落成並正式投入拍攝。上海景區、廣州景區、御花園、北京老街、四合院、外國景區、江南水鄉、明清宮及清明上河圖等則將於二零一三年陸續落成。電影拍攝基地可為中港兩地劇組提供多元化又實用的場景，加上地理位置優越、氣候相宜，相信可以吸引不少內地及香港的影視製作公司。我司已收到一電視劇從二零一三年起之場地預訂。隨着影視城續步開放後，集團預計會增加西樵山旅遊景區門票收入，屆時將可為集團帶來更大收益。

Hotel Project

The five-star hotel will be completed in the mid-2013 to provide about 350 rooms for travelers and expected to generate revenue for the Group. The design of the hotel will be based on a “Modern European” style that incorporates the Greek colour elements. There will be a Topping-out Ceremony in December 2012 at which our shareholders are also invited to attend.

Film Production

The script and casting of the film “Ip Man – The Final Fight” (《葉問—終極一戰》) has been completed and the shooting work was finished in the second half of 2012. It is now in the later production stage. The Management anticipated that it will set off another craze for Wing Chun (Chinese martial art) and strengthen the Group’s foundation by way of attracting tourists and bringing more visitors to the studio. According to our authorized film-distributor, there are already confirmed orders in the US market and the result is encouraging. Although the total figure of final sales is still pending, it is expected the return is more than satisfactory.

Artiste Management

In addition to the films produced by the Group, the Group’s rising artiste Mr. To Yu Hang, Dennis (杜宇航先生) and Miss Chan Ka Woon, Rose (陳嘉桓小姐) actively take part and perform in different type of movies and TV shows. They also serve as spokespersons and participate in advertising photography. Such activities will give a positive impact on the Group’s image. In view of the numerous ongoing enquiries and consultations of prospective new jobs, it is expected that artiste management will make a greater contribution to the Company’s financial position to foster further expansion of this business segment.

Furthermore, the Group will seek other opportunities related to the artiste management industry. In August 2012, Mr. Chow Ting Yu (周定宇先生), one of the Hong Kong Ten Outstanding Young Persons in 2011, joined the Group as an artiste. Mr. Chow is expected to be a rising star in the coming years.

SHARE OPTION SCHEMES

Pursuant to a written resolution of the sole shareholder of the Company dated 22 July 2002, the Company conditionally adopted and approved the Pre-IPO Share Option Scheme and Post-IPO Share Option Scheme, the principal terms of which are set out in the sections headed “Pre-IPO Share Option Scheme” and “Post-IPO Share Option Scheme” in Appendix IV to the prospectus of the Company dated 9 October 2002 (the “Prospectus”).

Pursuant to a resolution passed by the extraordinary general meeting of the Company dated 29 September 2010, a new share option scheme (the “New Share Option Scheme”) was adopted and the existing Post-IPO Share Option Scheme was terminated. The principal terms of New Share Option Scheme are set out in the circular of the Company dated 6 September 2010.

Pre-IPO Share Option Scheme

As at 30 September 2012, the share options to subscribe for an aggregate of 196,507 shares of the Company granted pursuant to the Pre-IPO Share Option Scheme were lapsed and no share options granted pursuant to the Pre-IPO Share Option Scheme were outstanding. No further options will be offered or granted under the Pre-IPO Share Option Scheme as the right to do so ends on 9 October 2002, being the date of publication of the Prospectus.

酒店項目

該五星級酒店將會在二零一三年中落成提供旅客約350間房及預期會給集團帶來收入。酒店設計將會以現代歐陸式為主，並融入希臘色彩元素。平頂儀式將於二零一二年十二月舉行，我司股東亦被邀請參觀。

電影製作

集團於二零一二年下半年完成《葉問一終極一戰》的拍攝工作和製作，劇本及選角經已完畢，現正處於後期製作階段。本集團預料《葉問一終極一戰》將可再度掀起詠春熱潮，加強集團知名度，同時吸引更多旅客慕名前往。根據電影發行商所報，在美國之賣埠已落實，其成績令人鼓舞。雖然最後票房數字仍有待總結，其回報預期令人滿意。

藝人管理

除本集團製作之電影外，集團旗下新晉藝人杜宇航先生及陳嘉桓小姐亦會於未來擔綱演出不同電影和電視劇。他們亦擔任代言人及參與廣告拍攝。此等對集團知名度帶來正面影響。鑑於不少工作正在磋商，管理層預期藝人管理工作可為公司財務狀況帶來更大貢獻而進一步擴大此業務領域。

此外，集團亦會尋求有關藝人管理行業之其他發展機會。二零一一年度香港十大傑出青年之一的周定宇先生於二零一二年八月加盟本集團為旗下藝人。期望周先生成為來年一顆新星。

購股權計劃

根據本公司唯一股東於二零零二年七月二十二日通過之書面決議案，本公司有條件地採納及批准首次公開招股前購股權計劃及首次公開招股後購股權計劃，該等計劃之主要條款載於日期為二零零二年十月九日之本公司招股章程（「招股章程」）附錄四「首次公開招股前購股權計劃」及「首次公開招股後購股權計劃」兩節。

根據本公司於二零一零年九月二十九日舉行之股東特別大會上通過之決議案，一項新購股權計劃（「新購股權計劃」）獲採納，而現有首次公開招股後購股權計劃被終止。新購股權計劃之主要條款載於本公司於二零一零年九月六日發出之通函內。

首次公開招股前購股權計劃

於二零一二年九月三十日，根據首次公開招股前購股權計劃授出而可認購本公司合共196,507股股份之購股權已失效，並且再無根據首次公開招股前購股權計劃授出之購股權尚未行使。本公司不會再根據首次公開招股前購股權計劃給予或授出購股權，因有關權利已於二零零二年十月九日（招股章程刊發日期）終止。

Pre-IPO Share Option Scheme (Continued)

The details of the Pre-IPO Share Option Scheme as at 30 September 2012 are set out as follows:

Category of participants	Exercise price per share (HK\$)	Number of share options			Outstanding as at 30 September 2012
		As at 1 January 2012	Exercised during the period	Lapsed during the period	
Advisors and consultants	3.06	196,507	–	196,507	–

Post-IPO Share Option Scheme

As at 30 September 2012, the share options to subscribe for an aggregate of 77,650,000 shares of the Company granted pursuant to the Post-IPO Share Option Scheme were outstanding. The details of the Post-IPO Share Option Scheme as at 30 September 2012 are set out as follows:

Category of Participants	Exercise price per Share (HK\$)	Date of grant	Number of share options			Outstanding as at 30 September 2012	
			As at 1 January 2012	Granted during the period	Exercised during the period		Lapsed during the period
Directors	0.61	13 May 2010	1,700,000	–	–	–	1,700,000
Directors	0.564	20 May 2010	550,000	–	–	–	550,000
Directors	0.48	29 September 2010	75,400,000	–	–	–	75,400,000
Total			77,650,000	–	–	–	77,650,000

首次公開招股前購股權計劃(續)

截至二零一二年九月三十日止之首次公開招股前購股權計劃之詳情如下：

參與人類別	每股行使價 (港元)	購股權數目			於 二零一二年 九月三十日 尚未行使
		於 二零一二年 一月一日	期內行使	期內失效	
顧問及專業顧問	3.06	196,507	-	196,507	-

首次公開招股後購股權計劃

於二零一二年九月三十日，根據首次公開招股後購股權計劃授出而可認購本公司合共77,650,000股股份之購股權尚未獲行使。

截至二零一二年九月三十日止之首次公開招股後購股權計劃之詳情如下：

參與人類別	每股行使價 (港元)	授出日期	購股權數目				於 二零一二年 九月三十日 尚未行使
			於 二零一二年 一月一日	期內授出	期內行使	期內失效	
董事	0.61	二零一零年 五月十三日	1,700,000	-	-	-	1,700,000
董事	0.564	二零一零年 五月二十日	550,000	-	-	-	550,000
董事	0.48	二零一零年 九月二十九日	75,400,000	-	-	-	75,400,000
總數			77,650,000	-	-	-	77,650,000

New Share Option Scheme

As at 30 September 2012, the share options to subscribe for an aggregate of 64,350,000 shares of the Company granted pursuant to the New Share Option Scheme were outstanding. The details of the New Share Option Scheme as at 30 September 2012 are set out as follows:

Category of Participants	Exercise price per Share (HK\$)	Date of grant	Number of share options				Outstanding as at 30 September 2012
			As at 1 January 2012	Granted during the period	Exercised during period	Lapsed during the period	
Directors	1.28	28 March 2011	51,200,000	–	–	–	51,200,000
Directors	1.28	28 March 2011	9,000,000	–	–	–	9,000,000
Employees	1.28	28 March 2011	300,000	–	–	150,000	150,000
Directors	0.90	31 March 2012	–	4,000,000	–	–	4,000,000
Total			60,500,000	4,000,000	–	150,000	64,350,000

新購股權計劃

於二零一二年九月三十日，根據新購股權計劃授出可認購本公司合共64,350,000股股份之購股權尚未獲行使。

截至二零一二年九月三十日止之新購股權計劃之詳情如下：

參與人類別	每股行使價 (港元)	授出日期	購股權數目				於 二零一二年 九月三十日 尚未行使
			於 二零一二年 一月一日	期內授出	期內行使	期內失效	
董事	1.28	二零一一年 三月二十八日	51,200,000	-	-	-	51,200,000
董事	1.28	二零一一年 三月二十八日	9,000,000	-	-	-	9,000,000
僱員	1.28	二零一一年 三月二十八日	300,000	-	-	150,000	150,000
董事	0.90	二零一二年 三月三十日	-	4,000,000	-	-	4,000,000
總數			60,500,000	4,000,000	-	150,000	64,350,000

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2012, the interests and short positions of the Directors and chief executive of the Company and their respective associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

1. Long Positions in the shares of the Company

Name of Directors	Capacity/Nature of interest	Number of shares	Interest in shares	Total	Approximate percentage of the issued share capital of the Company
(a)	The Company (Ordinary shares of HK\$0.01 each)				
Mr. Sin Kwok Lam (<i>Note 1</i>)	Beneficial owner	190,083,000	–	190,083,000	23.43%
	Interest of spouse	6,672,000	–	6,672,000	0.82%
Miss Law Po Yee (<i>Note 1</i>)	Beneficial owner	6,672,000	–	6,672,000	0.82%
	Interest of spouse	190,083,000	–	190,083,000	23.43%
(b)	Head Return Limited (Ordinary shares of HK\$1.00 each)				
Mr. Sin Kwok Lam	Beneficial owner	49	–	49	49%
Miss Law Po Yee (<i>Note 2</i>)	Interest of spouse	49	–	49	49%
(c)	Expand Pacific Limited (Ordinary shares of HK\$1.00 each)				
Mr. Sin Kwok Lam	Beneficial owner	49	–	49	49%
Miss Law Po Yee (<i>Note 2</i>)	Interest of spouse	49	–	49	49%

Note 1: Mr. Sin and Miss Law beneficially owned 196,755,000 Shares, representing approximately 24.25% of the issued share capital of the Company. By virtue of SFO, Miss Law, the spouse of Mr. Sin, was deemed to be interested in all the Shares in which Mr. Sin was interested.

Note 2: Miss Law is the spouse of Mr. Sin and is deemed to be interested in the Shares in which Mr. Sin is deemed or taken to be interested for the purpose of the SFO.

董事及主要行政人員於股份、相關股份及債券之權益及淡倉

於二零一二年九月三十日，董事、本公司主要行政人員及彼等各自之聯繫人士於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券擁有之權益及淡倉(根據證券及期貨條例第XV部第7及第8分部之規定，該等權益及淡倉須知會本公司及聯交所(包括上述人士根據該等證券及期貨條例條文被當作或視為擁有之權益及淡倉)；或根據證券及期貨條例第352條之規定，須登記於所述之登記冊內；或根據創業板上市規則第5.46條之規定，須知會本公司及聯交所)如下：

1. 於本公司股份之好倉

董事姓名	身份／權益性質	股票數量	於受控制公司	總數	佔本公司之 權益已發行股本 之概約百分比
(a)	本公司 (普通股每股0.01港元)				
冼國林先生 (附註1)	實益擁有人	190,083,000	-	190,083,000	23.43%
	配偶權益	6,672,000	-	6,672,000	0.82%
羅寶兒小姐 (附註1)	實益擁有人	6,672,000	-	6,672,000	0.82%
	配偶權益	190,083,000	-	190,083,000	23.43%
(b)	Head Return Limited (普通股每股0.01港元)				
冼國林先生	實益擁有人	49	-	49	49%
羅寶兒小姐 (附註2)	配偶權益	49	-	49	49%
(c)	Expand Pacific Limited (普通股每股0.01港元)				
冼國林先生	實益擁有人	49	-	49	49%
羅寶兒小姐 (附註2)	配偶權益	49	-	49	49%

附註1： 冼先生及羅小姐實益擁有196,755,000股股份，相當於本公司已發行股本約24.25%。根據證券及期貨條例，羅小姐(冼先生之配偶)被視為於冼先生擁有權益之所有股份中擁有權益。

附註2： 羅小姐為冼先生之配偶，且被視為於冼先生根據證券及期貨條例被視為或當作擁有的股份中擁有權益。

2. Rights to acquire shares in the Company

i. Post-IPO Share Option Scheme

Details of grantees	Date of grant	Exercise price per share (HK\$)	Exercisable period	Number of share options				Outstanding as at 30 September 2012
				As at 1 January 2012	Granted during the period	Exercised during the period	Lapsed during the period	
Mr. Sin Kwok Lam	29 September 2010	0.48	29 September 2010 to 2 September 2020	48,000,000	-	-	-	48,000,000
Miss Law Po Yee	29 September 2010	0.48	29 September 2010 to 2 September 2020	24,000,000	-	-	-	24,000,000
Mr. Lam Kwok Hing Wilfred	29 September 2010	0.48	29 September 2010 to 2 September 2020	3,250,000	-	-	-	3,250,000
	13 May 2010	0.61	13 May 2010 to 12 May 2020	1,500,000	-	-	-	1,500,000
Mr. Chow Kai Weng	29 September 2010	0.48	29 September 2010 to 2 September 2020	150,000	-	-	-	150,000
Mr. Li Sin Hung Maxim	20 May 2010	0.564	20 May 2010 to 19 May 2020	150,000	-	-	-	150,000
Mr. Chui Chi Yun, Robert	13 May 2010	0.61	13 May 2010 to 12 May 2020	200,000	-	-	-	200,000
Mr. Chan Tin Lup, Trevor	20 May 2010	0.564	20 May 2010 to 19 May 2020	200,000	-	-	-	200,000
Prof. Wong Lung Tak Patrick	20 May 2010	0.564	20 May 2010 to 19 May 2020	200,000	-	-	-	200,000

2. 購買本公司股份之權利

i. 首次公開招股後購股權計劃

承授人詳情	授出日期	每股行使價 (港元)	行使期間	購股權數目				於 二零一二年 九月三十日 尚未行使
				於 二零一二年 一月一日	期內授出	期內失效	期內行使	
冼國林先生	二零一零年 九月二十九日	0.48	二零一零年九月 二十九日至 二零二零年九月二日	48,000,000	-	-	-	48,000,000
羅寶兒小姐	二零一零年 九月二十九日	0.48	二零一零年九月 二十九日至 二零二零年九月二日	24,000,000	-	-	-	24,000,000
林國興先生	二零一零年 九月二十九日	0.48	二零一零年九月 二十九日至 二零二零年九月二日	3,250,000	-	-	-	3,250,000
	二零一零年 五月十三日	0.61	二零一零年五月十三日 至二零二零年 五月十二日	1,500,000	-	-	-	1,500,000
周啟榮先生	二零一零年 九月二十九日	0.48	二零一零年五月十三日 至二零二零年五月 十二日	150,000	-	-	-	150,000
李錄洪先生	二零一零年 五月二十日	0.564	二零一零年五月二十日 至二零二零年五月 十九日	150,000	-	-	-	150,000
崔志仁先生	二零一零年 五月十三日	0.61	二零一零年五月十三日 至二零二零年五月 十二日	200,000	-	-	-	200,000
陳天立先生	二零一零年 五月二十日	0.564	二零一零年五月二十日 至二零二零年五月 十九日	200,000	-	-	-	200,000
黃龍德教授	二零一零年五月 二十日	0.564	二零一零年五月二十日 至二零二零年五月 十九日	200,000	-	-	-	200,000

ii. *New Share Option Scheme*

Details of grantees	Date of grant	Exercise price per share (HK\$)	Exercisable period	Number of share options				Outstanding as at 30 September 2012
				As at 1 January 2012	Granted during the period	Exercised during the period	Lapsed during the period	
Mr. Sin Kwok Lam (Director)	28 March 2011	1.28	28 March 2012 to 27 March 2021	20,000,000	-	-	-	20,000,000
	31 March 2012	0.90	31 March 2012 to 30 March 2017	-	800,000	-	-	800,000
Miss Law Po Yee (Director)	28 March 2011	1.28	28 March 2012 to 27 March 2021	20,000,000	-	-	-	20,000,000
	31 March 2012	0.90	31 March 2012 to 30 March 2017	-	800,000	-	-	800,000
Mr. Lam Kwok Hing Wilfred (Director)	28 March 2011	1.28	28 March 2012 to 27 March 2021	11,200,000	-	-	-	11,200,000
	31 March 2012	0.90	31 March 2012 to 30 March 2017	-	400,000	-	-	400,000
Mr. Chow Kai Weng (Director)	28 March 2011	1.28	28 March 2012 to 27 March 2021	350,000	-	-	-	350,000
	31 March 2012	0.90	31 March 2012 to 30 March 2017	-	400,000	-	-	400,000
Miss Sin Ho Yee (Director)	28 March 2011	1.28	28 March 2012 to 27 March 2021	8,000,000	-	-	-	8,000,000
	31 March 2012	0.90	31 March 2012 to 30 March 2017	-	300,000	-	-	300,000
Mr. Li Sin Hung Maxim (Director)	28 March 2011	1.28	28 March 2012 to 27 March 2021	50,000	-	-	-	50,000
	31 March 2012	0.90	31 March 2012 to 30 March 2017	-	100,000	-	-	100,000
Mr. Chui Chi Yun, Robert (Director)	28 March 2011	1.28	28 March 2012 to 27 March 2021	200,000	-	-	-	200,000
	31 March 2012	0.90	31 March 2012 to 30 March 2017	-	400,000	-	-	400,000
Mr. Chan Tin Lup, Trevor (Director)	28 March 2011	1.28	28 March 2012 to 27 March 2021	200,000	-	-	-	200,000
	31 March 2012	0.90	31 March 2012 to 30 March 2017	-	400,000	-	-	400,000
Prof. Wong Lung Tak, Patrick (Director)	28 March 2011	1.28	28 March 2012 to 27 March 2021	200,000	-	-	-	200,000
	31 March 2012	0.90	31 March 2012 to 30 March 2017	-	400,000	-	-	400,000
Employees	28 March 2011	1.28	28 March 2012 to 27 March 2021	300,000	-	-	150,000	150,000

ii. 新購股權計劃

承授人詳情	授出日期	每股行使價 (港元)	行使期間	購股權數目				於 二零一二年 九月三十日 尚未行使
				於二零一二年 一月一日	期內授出	期內行使	期內失效	
冼國林先生 (董事)	二零一一年 三月二十八日	1.28	二零一二年三月 二十八日至二零 一二年三月二十七 日	20,000,000	-	-	-	20,000,000
	二零一二年 三月三十一日	0.90	二零一二年三月 三十一日至二零 一七年三月三十日	-	800,000	-	-	800,000
羅寶兒小姐 (董事)	二零一一年 三月二十八日	1.28	二零一二年三月 二十八日至二零 一二年三月二十七 日	20,000,000	-	-	-	20,000,000
	二零一二年 三月三十一日	0.90	二零一二年三月 三十一日至二零 一七年三月三十日	-	800,000	-	-	800,000
林國興先生 (董事)	二零一一年 三月二十八日	1.28	二零一二年三月 二十八日至二零 一二年三月二十七 日	11,200,000	-	-	-	11,200,000
	二零一二年 三月三十一日	0.90	二零一二年三月 三十一日至二零 一七年三月三十日	-	400,000	-	-	400,000
周啟榮先生 (董事)	二零一一年 三月二十八日	1.28	二零一二年三月 二十八日至二零 一二年三月二十七 日	350,000	-	-	-	350,000
	二零一二年 三月三十一日	0.90	二零一二年三月 三十一日至二零 一七年三月三十日	-	400,000	-	-	400,000
冼灝怡小姐 (董事)	二零一一年 三月二十八日	1.28	二零一二年三月 二十八日至二零 一二年三月二十七 日	8,000,000	-	-	-	8,000,000
	二零一二年 三月三十一日	0.90	二零一二年三月 三十一日至二零 一七年三月三十日	-	300,000	-	-	300,000
李鏡洪先生 (董事)	二零一一年 三月二十八日	1.28	二零一二年三月 二十八日至二零 一二年三月二十七 日	50,000	-	-	-	50,000
	二零一二年 三月三十一日	0.90	二零一二年三月 三十一日至二零 一七年三月三十日	-	100,000	-	-	100,000
崔志仁先生 (董事)	二零一一年 三月二十八日	1.28	二零一二年三月 二十八日至二零 一二年三月二十七 日	200,000	-	-	-	200,000
	二零一二年 三月三十一日	0.90	二零一二年三月 三十一日至二零 一七年三月三十日	-	400,000	-	-	400,000
陳天立先生 (董事)	二零一一年 三月二十八日	1.28	二零一二年三月 二十八日至二零 一二年三月二十七 日	200,000	-	-	-	200,000
	二零一二年 三月三十一日	0.90	二零一二年三月 三十一日至二零 一七年三月三十日	-	400,000	-	-	400,000
黃龍德教授 (董事)	二零一一年 三月二十八日	1.28	二零一二年三月 二十八日至二零 一二年三月二十七 日	200,000	-	-	-	200,000
	二零一二年 三月三十一日	0.90	二零一二年三月 三十一日至二零 一七年三月三十日	-	400,000	-	-	400,000
僱員	二零一一年三月 二十八日	1.28	二零一二年三月 二十八日至二零 一二年三月二十七 日	300,000	-	-	150,000	150,000

3. Long positions in the underlying shares of the convertible bonds of the Company

Name of Directors	Capacity/Nature of interest	Description of equity derivatives	Total	Approximate percentage of the issued share capital
Mr. Sin Kwok Lam	Beneficial owner	Convertible Bonds (Note)	110,454,545	13.62%
Miss Law Po Yee	Interest of spouse	Convertible Bonds (Note)	110,454,545	13.62%

Note: The Convertible Bonds with an outstanding principal amount of HK\$121.5 million as at 31 December 2011, were issued by the Company to Mr. Sin on 1 March 2011 following the completion of the agreement entered between the Company and Mr. Sin, in connection with the acquisition of 51 shares, representing 51% of all the issued shares in the capital, of each of HRL and EPL. The Convertible Bonds bears 1% interest per annum; the principal amount of HK\$121.5 million was separated into: (i) CB1 – HK\$71.5 million has maturity date of 28 February 2014, and (ii) CB2 – HK\$50.0 million has a maturity date of 28 February 2017; and are convertible into shares of the Company at the initial conversion price of HK\$1.1 per share (subject to adjustment according to the terms of the convertible bonds). Miss Law is the spouse of Mr. Sin and is deemed to be interested in such underlying shares of the Company under the SFO.

Save as disclosed above, none of the Directors, chief executive or their associates had, as at 30 September 2012, any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

Other than as disclosed above, at no time during the period was the Company, its subsidiaries or holding company a party to any arrangement to enable the Directors, their spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

3. 於本公司之可換股債券之相關股份之好倉

董事姓名	身份／權益性質	股本衍生權益概述	相關股份數目	佔全部已發行股本之概約百分比(%)
冼國林先生	實益擁有人	可換股債券 (附註)	110,454,545	13.62%
羅寶兒小姐	配偶權益	可換股債券 (附註)	110,454,545	13.62%

附註：該可換股債券於二零一二年九月三十日之尚未償還本金金額為121,500,000港元，乃由本公司於二零一一年三月一日在完成由本公司及冼先生訂立有關本公司收購HRL及EPL各自之51股股份（相當於HRL及EPL各自股本中全部已發行股份之51%）之協議後向冼先生發行。該可換股債券須支付的利息以年利率1厘計算，而其中本金額121,500,000港元分為：(i)第一批可換股債券— 71,500,000港元於二零一四年二月二十八日到期及(ii)第二批可換股債券— 50,000,000港元於二零一七年二月二十八日到期；並可按初步兌換價每股1.1港元（根據可換股債券之條款可予調整）兌換為本公司之股份。羅小姐為冼先生之配偶，且被視為於冼先生根據證券及期貨條例被視為或當作擁有該等本公司之相關股份之權益。

除上文所披露者外，於二零一二年九月三十日，各董事、主要行政人員及彼等各自之聯繫人士概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之任何股份、相關股份或債券擁有任何權益或淡倉（根據證券及期貨條例第XV部第7及第8分部之規定，該等權益及淡倉須知會本公司及聯交所（包括上述人士根據該等證券及期貨條例條文被當作或視為擁有之權益或淡倉）；或根據證券及期貨條例第352條規定，須登記於該條所述之登記冊內；或根據創業板上市規則第5.46條規定，須知會本公司及聯交所）。

除上文所披露者外，於期內任何時間，本公司、其附屬公司或控股公司概無訂立任何安排，致使董事、彼等之配偶或未滿18歲之子女可藉購入本公司或任何其他法團之股份或債券而獲利。

SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

As at 30 September 2012, the persons or corporations, other than a director or chief executive of the Company, who had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of Part XV of the SFO or had otherwise been notified to the Company were as follows:

1. Long Positions in the shares of the Company

Name of shareholders	Capacity	No. of shares held	Approximate percentage of the issued share capital of the Company
Tse Young Lai	Beneficial owner	160,965,333	19.84%

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company throughout the nine months ended 30 September 2012.

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance practices and procedures with an aim to maximizing the shareholders' interests as well as to enhancing the stakeholders' transparency and accountability. In this respect, the Company has complied with all of the code provisions set out in the Code on Corporate Governance (the "Code") contained in Appendix 15 of the GEM Listing Rules during the nine months ended 30 September 2012.

The Company has prepared a corporate governance report in accordance with Rule 18.44(2) of the GEM Listing Rules attached to the 2011 annual report of the Company.

COMPETING INTERESTS

None of the Directors or management shareholders of the Company (as defined in the GEM Listing Rules) or their respective associates had any interest, whether directly or indirectly, in a business which competes or may compete with the business of the Group.

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

During the nine months ended 30 September 2012, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

主要股東及其他人士於股份及相關股份之權益及淡倉

於二零一二年九月三十日，根據本公司按照證券及期貨條例第XV部第336條存置之登記冊所記錄，或本公司已獲知會，下列人士或法團(並非董事或本公司主要行政人員)於本公司之股份及相關股份擁有權益或淡倉：

1. 於本公司股份之好倉

股東姓名	身份	持有股份數目	佔本公司已發行股本之概約百分比
謝欣禮	實益擁有人	160,965,333	19.84%

董事進行證券交易的標準守則

本公司已採納一套有關董事進行證券交易之行為守則，其條款並不遜於創業板上市規則第5.48至5.67條所訂之規定交易標準。本公司已向全體董事作出特定查詢，而全體董事已確認，彼等於截至二零一二年九月三十日止九個月，一直遵守有關規定交易標準及本公司所採納有關董事進行證券交易之行為守則。

企業管治

本公司致力維持高水平企業管治常規及程序，旨在為股東帶來最大利益，同時提高對權益關涉者之透明度及問責性。就此，本公司於截至二零一二年九月三十日九個月已遵守創業板上市規則附錄15所載企業管治常規守則(「守則」)之所有守則條文。

本公司已按照創業板上市規則第18.44(2)條編製企業管治報告，並載於本公司之二零一一年年報內。

競爭權益

董事或本公司管理層股東(定義見創業板上市規則)或彼等各自之聯繫人士概無於與本集團業務構成競爭或可能構成競爭之業務中擁有任何直接或間接權益。

買賣或贖回本公司上市證券

於截至二零一二年九月三十日止九個月，本公司及其任何附屬公司概無買賣或贖回本公司任何上市證券。

AUDIT COMMITTEE

As required by Rules 5.28 to 5.33 of the GEM Listing Rules, the Company has established an audit committee (the “Audit Committee”) in 2002 with written terms of reference, which deal clearly with its authorities and duties. The primary duties of the Audit Committee are to review the Company’s annual reports and accounts, half-year reports and quarterly reports and discuss with the management over issues relating to auditing, internal control and financial reporting. The Audit Committee now comprises three independent non-executive Directors, namely Mr. Chui Chi Yun, Robert (Chairman), Mr. Chan Tin Lup, Trevor and Prof. Wong Luk Tak, Patrick.

The Group’s unaudited results for the three months ended 30 September 2012 have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results has complied with applicable accounting standards and requirements and that adequate disclosures have been made.

On behalf of the Board
National Arts Holdings Limited
Law Po Yee
*Vice Chairperson, Executive Director
and Chief Executive Officer*

Hong Kong, 14 November 2012

審核委員會

誠如創業板上市規則第5.28至5.33條規定，本公司已於二零零二年設立審核委員會(「審核委員會」)，並具有書面職權範圍，清楚列明其權責。審核委員會之主要職責為審閱本公司之年報及賬目、半年報告及季度報告，並與管理層就有關審計、內部監控及財務報告等議題進行磋商。審核委員會現時成員包括三名獨立非執行董事，分別為崔志仁先生(主席)、陳天立先生及黃龍德教授。

審核委員會已審閱本集團截至二零一二年九月三十日止九個月之未經審核業績，認為業績已遵照適用之會計準則及規定編製，並已作出充份披露。

承董事會命
國藝控股有限公司
副主席兼執行董事及行政總裁
羅寶兒

香港，二零一二年十一月十四日

As at the date of this report, the Directors are as follows:

Chairman and Non-executive Director:

Mr. Sin Kwok Lam

Vice Chairperson, Executive Director and Chief Executive Officer:

Miss Law Po Yee

Vice Chairman and Non-executive Director:

Mr. Lam Kwok Hing Wilfred

Executive Directors:

Mr. Chow Kai Weng

Miss Sin Ho Yee

Non-executive Director:

Mr. Li Sin Hung Maxim

Independent Non-executive Directors:

Mr. Chan Tin Lup, Trevor

Mr. Chui Chi Yun, Robert

Prof. Wong Lung Tak, Patrick

於本報告日期，董事包括以下人士：

主席兼非執行董事：

冼國林先生

副主席兼執行董事及行政總裁：

羅寶兒小姐

副主席兼非執行董事：

林國興先生

執行董事：

周啟榮先生

冼灝怡小姐

非執行董事：

李錄洪先生

獨立非執行董事：

陳天立先生

崔志仁先生

黃龍德教授

An aerial, sepia-toned illustration of a traditional Chinese village. A large, multi-story building with a tiled roof is situated on the left bank of a wide river. The river flows from the top left towards the bottom right. On the right bank, there are several smaller buildings with tiled roofs, some with white awnings. The background shows a dense forest of trees. The overall style is that of a historical or architectural rendering.

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Jone Mult Factory Building
169 Wai Yip Street
Kwun Tong, Kowloon

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中懋工業大廈
2樓B座