



無縫綠色中國(集團)有限公司  
Seamless Green China (Holdings) Ltd.

*(Incorporated in Caymans Islands and re-domiciled and continued in Bermuda with limited liability)*

Stock Code: 8150



Interim Report 2010



## **CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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*This report, for which the directors of Seamless Green China (Holdings) Limited (the “Company”) 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 (the “GEM Listing Rules”) 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.*

## HIGHLIGHTS

1. The Group has recorded total turnover of approximately HK\$16,754,000 for the six months ended 30th June 2010.
2. The Group has recorded a net loss attributable to shareholders for the six months ended 30th June 2010 of approximately HK\$202,000, representing a basic loss per share of HK\$0.005 cent.
3. The Directors do not recommend the payment of a dividend for the six months ended 30th June 2010.

## FINANCIAL RESULTS (UNAUDITED)

The board of directors (the “Board”) of Seamless Green China (Holdings) Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the three months and six months ended 30th June 2010, together with the comparative unaudited figures for the corresponding periods in 2009 (collectively the “Relevant Periods”) as follows:

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	<i>Notes</i>	Three months ended		Six months ended	
		30th June		30th June	
		2010	2009	2010	2009
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
Turnover	2	<b>8,559</b>	3,859	<b>16,754</b>	8,823
Cost of sales		<b>(5,050)</b>	(3,083)	<b>(10,855)</b>	(7,054)
Gross profit		<b>3,509</b>	776	<b>5,899</b>	1,769
Other revenue		<b>10</b>	2,110	<b>509</b>	2,117
Loss on disposal of marketable securities		-	-	-	(1,457)
Operating expenses:					
Distribution costs		<b>(841)</b>	(137)	<b>(863)</b>	(387)
Administrative and other operating expenses		<b>(2,516)</b>	(27,615)	<b>(5,747)</b>	(29,646)
Loss from operation		<b>(285)</b>	(24,866)	<b>(202)</b>	(27,604)
Finance costs		-	(32)	-	(190)



	Notes	Three months ended		Six months ended	
		30th June		30th June	
		2010	2009	2010	2009
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
Loss before taxation	3	(285)	(24,898)	(202)	(27,794)
Income tax expense	4	-	-	-	(84)
Loss for the period		(285)	(24,898)	(202)	(27,878)
Other comprehensive income:					
Exchange differences on translating foreign operations		1,035	(3)	992	(162)
Total comprehensive income for the period		<u>750</u>	<u>(24,901)</u>	<u>790</u>	<u>(28,040)</u>
Loss attributable to owners of the Company		<u>(285)</u>	<u>(24,898)</u>	<u>(202)</u>	<u>(27,878)</u>
Total comprehensive income attributable to owners of the Company		<u>750</u>	<u>(24,901)</u>	<u>790</u>	<u>(28,040)</u>
Loss per share attributable to the owners of the Company					
Basic	6	<u>(0.005) cent</u>	<u>(1.05) cent</u>	<u>(0.005) cent</u>	<u>(1.95) cent</u>
Diluted	6	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		Unaudited 30th June 2010 HK\$'000	Audited 31st December 2009 HK\$'000
	<i>Notes</i>		
<b>Non-current assets</b>			
Property, plant and equipment	7	7,091	8,772
Prepaid land lease payments		594	542
		<u>7,685</u>	<u>9,314</u>
<b>Current assets</b>			
Inventories		6,254	6,903
Trade receivables	8	6,182	2,065
Prepayments, deposits and other receivables		1,230	186
Prepaid tax		32	–
Cash and bank balances		3,773	782
		<u>17,471</u>	<u>9,936</u>
<b>Current liabilities</b>			
Trade payables	9	5,128	2,606
Other payables and accruals		1,927	3,900
Tax payable		2,103	2,088
Short-term loans		1,265	1,610
Amount due to director		–	50
		<u>10,423</u>	<u>10,254</u>
<b>Net current asset/(liabilities)</b>		<u>7,048</u>	<u>(318)</u>
<b>Total assets less current liabilities</b>		<u>14,733</u>	<u>8,996</u>
<b>Non-current liabilities</b>			
Long-term loans		13,482	8,535
		<u>13,482</u>	<u>8,535</u>
<b>NET ASSETS</b>		<u>1,251</u>	<u>461</u>
<b>CAPITAL AND RESERVES</b>			
Equity attributable to owners of the Company			
Share capital		4,240	4,240
Reserves		(2,989)	(3,779)
<b>TOTAL EQUITY</b>		<u>1,251</u>	<u>461</u>



## CONDENSED CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

For the six months ended 30th June 2010

	Six months ended	
	30th June	
	2010	2009
	HK\$'000	HK\$'000
Net cash outflow from operating activities	<b>(1,573)</b>	(6,321)
Net cash inflow from returns on investments and servicing of finance	–	1,058
Taxation paid	<b>(38)</b>	(62)
Net cash outflow from investing activities	–	–
Net cash inflow from financing	<b>4,602</b>	4,849
	<hr/>	<hr/>
Increase/(decrease) in cash and cash equivalents	<b>2,991</b>	(476)
Cash and cash equivalent at 1st January	<b>782</b>	1,885
	<hr/>	<hr/>
Cash and cash equivalent at 30th June	<b><u>3,773</u></b>	<u>1,409</u>
	<hr/>	<hr/>
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	<b><u>3,773</u></b>	<u>1,409</u>
	<hr/>	<hr/>
	<b><u>3,773</u></b>	<u>1,409</u>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the six months ended 30th June 2010

	Reserves						Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Exchange reserve HK\$'000	Share based payment reserve HK\$'000	Convertible bonds reserve HK\$'000	Accumulated loss HK\$'000	
At 1st January 2010	4,240	7,985	1,504	–	–	(13,268)	461
Total comprehensive income for the period	–	–	992	–	–	(202)	790
At 30th June 2010	<u>4,240</u>	<u>7,985</u>	<u>2,496</u>	<u>–</u>	<u>–</u>	<u>(13,470)</u>	<u>1,251</u>
At 1st January 2009	299	3,948	3,097	–	3,559	(10,187)	716
Convertible bonds converted into shares	761	7,065	–	–	(3,559)	–	4,267
Issue of bonus shares	3,180	(3,180)	–	–	–	–	–
Recognition of share-based payment	–	–	–	24,015	–	–	24,015
Total comprehensive income for the period	–	–	(162)	–	–	(27,878)	(28,040)
At 30th June 2009	<u>4,240</u>	<u>7,833</u>	<u>2,935</u>	<u>24,015</u>	<u>–</u>	<u>(38,065)</u>	<u>958</u>



## NOTES TO FINANCIAL STATEMENTS

### 1. Basis of preparation and accounting policies

The unaudited condensed consolidated accounts have been prepared to comply with the disclosure requirements of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

The accounting policies and method of computation used in the preparation of these results are consistent with those used in the annual accounts for the year ended 31st December, 2009. The Group has adopted new or revised standards, amendments to standards and interpretations of Hong Kong Financial Reporting Standards which are effective for accounting periods commencing on or after 1st January, 2010. The adoption of such new or revised standards, amendments to standards and interpretations does not have material impact on the consolidated accounts and does not result in substantial changes to the Group's accounting policies except certain changes on the presentation of the consolidated accounts.

The condensed consolidated accounts have not been audited by the Company's auditors, but have been reviewed by the Company's audit committee.



## 2.

**Segments information**

Segment information reported to the chief operating decision maker, directors of the Company, is the type of goods delivered by the Group's operating division for the purposes of resource allocation and performance assessment.

For the purposes of assessing segment performance and resources between segments, the group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment revenue represents revenue generated from external customers. There were no inter-segment sales in the period (2009: nil).

Segment result represents the profit earned by each segment without allocation of corporate income and expense, central administration cost, directors' salaries, interest income, loss on disposal of subsidiaries gain/loss on trading marketable securities and finance costs.

Segment assets Included all tangible, intangible assets and current assets.

***Six months ended 30th June 2010***

	<b>Synthetic sapphire watch crystals HK\$'000</b>	<b>Optoelectronic products HK\$'000</b>	<b>Consolidated HK\$'000</b>
Segment revenue	<u>13,985</u>	<u>2,769</u>	<u>16,754</u>
Segment results	<u>4,173</u>	<u>(1,021)</u>	3,152
Reconciliation:			
Total profit for reportable segments			3,152
Unallocated corporate income			52
Gain on disposal of subsidiaries			447
Unallocated corporate expenses			(3,853)
Finance costs			—
Loss before taxation			<u>(202)</u>



Six months ended 30th June 2009

	Synthetic sapphire watch crystals HK\$'000	Optoelectronic products HK\$'000	Consolidated HK\$'000
Segment revenue	<u>8,215</u>	<u>608</u>	<u>8,823</u>
Segment results	<u>(108)</u>	<u>(456)</u>	(564)
Reconciliation:			
Total profit for reportable segments			(564)
Interest income			1
Unallocated corporate expenses			(27,041)
Finance costs			<u>(190)</u>
Loss before taxation			<u>(27,794)</u>
	<b>Synthetic sapphire watch crystals HK\$'000</b>	<b>Optoelectronic products HK\$'000</b>	<b>Total for reportable segments HK\$'000</b>
<b>As at 30 June 2010</b>			
Segment assets	<u>17,341</u>	<u>7,139</u>	<b>24,480</b>
Elimination of inter-segment payable			<b>(2,065)</b>
Unallocated assets			<u>2,741</u>
Consolidated assets			<u><b>25,156</b></u>
As at 31 December 2009			
Segment assets	<u>12,580</u>	<u>7,903</u>	20,483
Elimination of inter-segment payables			(1,598)
Unallocated assets			<u>365</u>
Consolidated assets			<u><u>19,250</u></u>

### 3. Loss before taxation

The Group's loss before taxation is arrived at after charging:

	<b>For the six months ended 30th June</b>	
	<b>2010</b>	2009
	<b>HK\$'000</b>	HK\$'000
Amortisation of prepaid land lease payments	36	1
Depreciation of property, plant and equipment	1,681	1,405
Interest on borrowings	–	190
Share-based payments	–	24,015
	<u>–</u>	<u>24,015</u>

### 4. Income tax expense

- (a) The amount of taxation charged to the consolidated statement of comprehensive income (unaudited) represents:

		<b>For the six months ended 30th June</b>	
		<b>2010</b>	2009
	<i>Notes</i>	<b>HK\$'000</b>	HK\$'000
Hong Kong profit tax	<i>(i)</i>	–	84
Overseas taxation	<i>(ii)</i>	–	–
		<u>–</u>	<u>84</u>

*Notes:*

- (i) No provision for Hong Kong Profits Tax has been made as the companies within the Group operating in Hong Kong have losses brought forward to offset against profit made in the period (2009: 16.5%).
- (ii) Overseas profits tax has not been provided as the overseas subsidiaries had no taxable income for the period.
- (b) There are no material unrecognized deferred tax assets and liabilities for the period.



## 5. Dividend

The Board does not recommend the payment of an interim dividend for the six months ended 30th June 2010 (2009: Nil).

## 6. Loss per share

The calculation of basic loss per share for the 6 months ended 30th June 2010 is based on the Group's net loss for the period of approximately HK\$202,000 (2009: approximately net loss of HK\$27,878,000) and on the weighted average number of 4,240,000,000 (2009: 1,429,889,503) ordinary shares in issue during the period.

A diluted loss per share for the 6 months ended 30th June 2010 and 6 months ended 30th June 2009 has not been disclosed as the potential shares arising from the exercise and conversion of the Company's outstanding share options and outstanding convertible bonds would decrease in loss per share of the Group for the period and is regarded as anti-dilutive.

## 7. Property, plant and equipment

	HK\$'000
As at 31 December 2009	
Opening net book amount 1 January 2009	8,143
Additions	5,529
Disposals	(180)
Depreciation	(3,093)
Impairment	(1,680)
Written back	55
Exchange realignment	(2)
	<u>8,772</u>
Closing net book amount 31 December 2009	<u>8,772</u>
As at 30 June 2010	
Opening net book amount 1 January 2010	8,772
Depreciation	(1,681)
	<u>7,091</u>
Closing net book amount 30 June 2010	<u>7,091</u>



## 8. Trade receivables

The ageing analysis of the trade receivables at reporting date is as follows:

	<b>Unaudited 30th June 2010 HK\$'000</b>	Audited 31st December 2009 HK\$'000
Current	<b>1,557</b>	935
31-60 days	<b>2,266</b>	341
61-90 days	<b>1,379</b>	216
Over 90 days	<b>980</b>	573
	<b><u>6,182</u></b>	<u>2,065</u>

The Group's terms on credit sales primarily range from 30 to 120 days.

## 9. Trade payables

The ageing analysis of the trade payables at reporting date is as follows:

	<b>Unaudited 30th June 2010 HK\$'000</b>	Audited 31st December 2009 HK\$'000
Current	<b>35</b>	195
31-60 days	<b>817</b>	41
61-90 days	<b>1,328</b>	28
Over 90 day	<b>2,948</b>	2,342
	<b><u>5,128</u></b>	<u>2,606</u>



## 10. Commitments

### (a) Capital commitments

At 30th June 2010, the Group had capital commitments contracted but not provided for in the financial statements as follows:

	<b>Unaudited</b>	Audited
	<b>30th June</b>	31st December
	<b>2010</b>	2009
	<b>HK\$'000</b>	HK\$'000
Capital contribution to a joint venture company	<u><b>3,178</b></u>	<u>4,542</u>

### (b) Commitments under operating leases

At 30th June 2010, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>	
	<b>Unaudited</b>	Audited
	<b>30th June</b>	31st December
	<b>2010</b>	2009
	<b>HK\$'000</b>	HK\$'000
Within one year	<b>681</b>	3,164
In the second to fifth year inclusive	<u><b>624</b></u>	<u>4,239</u>
	<u><b>1,305</b></u>	<u>7,403</u>

## 11. Contingent liabilities

At 30th June 2010, the Group had no material contingent liabilities (31st December 2009: Nil).

## 12. Subsequent events

The Company proposes to make an open offer of 8-for-17 at HK\$0.01 and has signed a conditional underwriting agreement with the underwriter, Metro Capital Securities Limited to underwrite the Underwritten Offer Shares subject to the terms and conditions of the agreement signed on 4 June 2010.

Good Capital Resources Limited, the major shareholder of the Company, has also signed a letter of undertaking agreeing to take up its entitlements.

The net proceeds from the proposed open offer are estimated to be approximately HK\$19,500,000.



## INTERIM DIVIDEND

The Board does not recommend the payments of an interim dividend for the six months ended 30th June 2010 (2009: Nil).

## BUSINESS REVIEW

Total turnover of the Group for the six months ended 30th June 2010 amounted to HK\$16,753,588, representing a 90% increase from that of HK\$8,822,860 generated in the corresponding period in 2009. Loss attributable to shareholders of the Group for the six months ended 30th June 2010 was HK\$201,888 while that of the corresponding period in 2009 was loss of HK\$27,877,614.

During the period, the principal businesses of the Group are manufacturing and sale of synthetic sapphire watch crystals and optoelectronics products.

In order to expedite the process in the investment in the energy-efficient street-lamp markets in the People's Republic of China ("PRC"). On 23 March 2010, the Company entered into a Supplementary Agreement with Nei Meng Gu Xin Rui Sheng Mao Company Limited (內蒙古鑫睿商貿有限公司) ("Xin Rui") to amend the terms of the Joint Venture Agreement previously signed with Xin Rui. Details of the terms of the Supplementary Agreement were set out in the Announcement issued by the Company on 26 March 2010.

### Sapphire watch crystals division

The turnover of the sapphire watch crystals for the six months ended 30th June 2010 was HK\$13,985,559 (2009: HK\$8,215,000) representing an increase of HK\$5,772,559.

### Optoelectronics products division

The Group recorded a turnover of HK\$2,768,779 for the six months ended 30th June 2010 (2009: HK\$608,000) representing an increase of HK\$2,160,779.



## Financial Review

Total turnover of the Group for the six months ended 30th June 2010 amounted to HK\$16,753,588, representing a 90% Increase from that of HK\$8,822,860 generated in the corresponding period in 2009. Due to the market recovery in the watch sector, total turnover was mainly caused by the increase of approximately 70% and 355% in the sapphire watch crystals division and optoelectronics products division as compared with the corresponding period in 2009 respectively. Loss attributable to shareholders of the Group for the six months ended 30th June 2010 was HK\$201,888 while that of the corresponding period in 2009 was loss of HK\$27,877,614.

Operating costs for the six months ended 30th June 2010 was HK\$6,609,421, representing an decrease of HK\$23,424,092 or 79% from the same period of last year. Decrease in operating expenses was mainly due to the fact that there was a recognition of share-based payment of HK\$24,014,639 in June 30, 2009.

## Liquidity and Financial Resources

The Group's shareholders funds were increased to HK\$1,251,000 as at 30th June 2010 (31st December 2009: HK\$461,000). Current assets amounted to HK\$17,471,000 as at 30th June 2010 (31st December 2009: HK\$9,936,000), of which HK\$3,773,000 (31st December 2009: HK\$782,000) was cash and bank balances.

As at 30th June 2010, the Group's total borrowings amounted to HK\$14,747,000 (31st December 2009: HK\$10,195,000), of which HK\$1,265,000 (31st December 2009: HK\$1,660,000) were short-term borrowings repayable within one year.

The Group's gearing ratio as at 30th June 2010 was 93.5% (31st December 2009: 97.2%). Gearing ratio is calculated by dividing the net debt with the aggregate of total capital and net debt. Net debt includes trade payables, other payable and accruals, short-term loans, amount due to director and long-term loans, less cash and cash equivalents, and excludes discontinued operations. Total capital represents equity attributable to equity holders of the Company.



## **Foreign Exchange**

The Group has transactional currency exposures as the sales and purchases of the Group were mainly transacted in United States dollars, Swiss Franc, Chinese Renminbi, Japanese Yen, Euro, New Taiwan dollars and Hong Kong dollars. While the Group does not currently engaged in hedging to manage its currency risk, as it considers the cost associated with such hedging arrangements would exceed the benefits, management will continue to monitor the relevant circumstances and will take such measures as it deem prudent.

## **Employees**

As at 30th June 2010, the Group had 124 employees. Employees were remunerated according to their performance and work experience. In addition to basic salaries and retirement scheme, staff benefits included free accommodation at the Group's staff quarters in PRC and performance bonus. Total staff costs including directors' remuneration for the period were HK\$2,610,000 (2009: HK\$25,948,000).

## **Material acquisitions and disposal of subsidiaries and affiliated companies**

During the period, the Group disposed of subsidiaries which resulted in a gain of approximately HK\$447,000.

Save as disclosed elsewhere in this report, the Group had no material acquisitions and disposal of subsidiaries and affiliated companies during the period.

## **PROSPECTS**

During the period ended 30 June 2010, the Group has strengthened its investment plan in the energy-efficient product market, details were disclosed in the "Business Review" paragraph of this report. The Board believes that this market will be the blue ocean in the world wide business, especially in the PRC. The Group will continue its effort in developing its business in the energy-efficient street-lamp markets and has confident that this market will contribute cash inflows to the Group.

## **SHARE OPTION SCHEME**

On 21 July 2001, the Company adopted a share option scheme (the "Share Option Scheme"), the principal terms of which are set out in the section headed "Share Option Scheme" in appendix IV to the Company's prospectus dated 27 July 2001.



## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

As at 30th June 2010, the interests and short positions of the Directors and Chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporations are as follows:–

Name of directors	Capacity	No. of shares	Approximate percentage of total relevant class of shares in shares
Wong Pak Fai Philip	Beneficial owner	370,000	0.01%
Tang Man Lai	Beneficial owner	840,150,000	19.81%

As at 30th June 2010, save as disclosed above and the paragraph headed “Share Option Scheme” above, none of the directors and chief executive of the Company has any interests and short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions in which they are taken or deemed to have under such provisions of the SFO) or as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the minimum standards of dealing by directors as referred to in Rule 5.46 of the GEM Listing Rules.

## DIRECTORS' RIGHT TO ACQUIRE SHARES

Save as disclosed under the paragraph headed “Directors’ and chief executive’s interests in securities” above, at no time during the period under review were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries and fellow subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

## SUBSTANTIAL SHAREHOLDER'S INTERESTS IN SECURITIES

As at 30th June 2010, so far as the Directors are aware the persons who have an interest or short position in the shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or be directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances of general meetings of the Company or substantial shareholders as recorded in the register required to be kept by the Company under section 336 of the SFO, are as follows:

Name of shareholders	Capacity	Number of shares	Underlying Shares	Percentage of issued shares <i>(note 4)</i>
Good Capital Resources Limited <i>(Notes 1 &amp; 5)</i>	Corporate	840,000,000	–	19.81%
Tang Man Lai <i>(Note 1)</i>	Beneficial owner	840,150,000	–	19.81%
JMM Business Network Investments (China) Limited <i>(Note 5)</i>	Corporate	440,000,000	–	10.38%
iReady360 Media Networks Limited <i>(Notes 2 &amp; 5)</i>	Corporate	760,140,000	–	17.92%
Ng Wai Lok, Raylot <i>(Notes 2 &amp; 5)</i>	Beneficial owner	760,140,000	–	17.92%
Evening Triumph Holdings Limited <i>(Notes 3 &amp; 5)</i>	Corporate	440,000,000	–	10.38%
Kwok Sze Nga <i>(Notes 3 &amp; 5)</i>	Beneficial owner	440,000,000	–	10.38%

### Notes:

1. Good Capital Resources Limited, a company incorporated in the British Virgin Islands which is beneficially owned by Tang Man Lai.
2. Mr. Ng Wai Lok, Raylot is the controlling shareholder of iReady360 Media Networks Limited.
3. Miss Kwok Sze Nga is the controlling shareholder of Evening Triumph Holdings Limited
4. The percentage is calculated based on 4,240,000,000 shares.



- Pursuant to the order granted by the High Court of Hong Kong on 8th December 2009, JMM Business Network Investments (China) Limited, iReady360 Media Networks Limited, Evening Triumph Holdings Limited, Mr. Ng Wai Lok, Raylot (as the controlling shareholder of iReady360 Media Networks Limited) and Miss Kwok Sze Nga (as the controlling shareholder of Evening Triumph Holdings Limited) are restrained and prohibited, until further order of the court, from exercising any voting right in and from disposing of, selling, transferring, mortgaging, assigning, charging or otherwise dealing with any of the ordinary shares of the Company registered in the name of JMM Business Network Investments (China) Limited, iReady360 Media Networks Limited and Evening Triumph Holdings Limited except in accordance with the instructions or consent of Good Capital Resources Limited.

So far as is known to any director or supervisor, there is no person other than a Director or supervisor or chief executive who, as at 30th June 2010, have an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or will be directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other substantial shareholders whose interest or short position were recorded in the register required to be kept by the Company under section 336 of the SFO.

## **PURCHASE, SALE, REDEMPTION OR CANCELLATION OF SHARES BY THE COMPANY AND/OR SUBSIDIARIES**

Neither the Company nor its subsidiaries has purchased, sold, redeemed or cancelled any of the Company's shares during the six months ended 30th June 2010.

## **DIRECTORS' SECURITIES TRANSACTION**

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 of the Company have complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company throughout the period ended 30th June 2010.

## **COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE PRACTICE**

For the six months ended 30th June 2010, the Company fully complied with the code provisions of the Code on Corporate Governance Practices as set out in Appendix 15 to the GEM Listing Rules.

## **COMPETING INTERESTS**

During the six months ended 30th June 2010, none of the directors or the management shareholders of the Company or their respective associates (as defined in the GEM Listing Rules) had an interest in a business that competed with or might compete with the business of the Group.

## CONTINUED SUSPENSION OF TRADING

Suspension in the trading of the shares of the Company will continue, pending the release of price sensitive information in relation to, inter alia, the issue of insufficient operating cash flow for maintaining the normal operation of the Group's businesses as mentioned in the Company's announcement issued on 13 November 2009.

## AUDIT COMMITTEE

As required by Rule 5.28 of the GEM Listing Rules, the Company has established an audit committee with written terms of reference which deal clearly with its authority and duties. The audit committee's principal duties are the review and supervision of the Company's financial reporting process and internal control systems. The audit committee comprises four independent non-executive directors, namely Mr. Liu Chun Ning, Wilfred, Mr. Tsui Siu Hung, Mr. Lee Tao Wai and Mr. Tso Chip.

The Company's financial statements for the six months ended 30th June 2010 have been reviewed by the audit committee. The audit committee considered that the relevant financial statements have been prepared in compliance with the applicable accounting principles and requirements of the GEM Listing Rules.

By Order of the Board  
**Seamless Green China (Holdings) Limited**  
**Chan Chung Keung Jackon**  
*Chairman*

Hong Kong, 12th August 2010

As at the date of this report, the Board comprises:

- (1) Mr. Chan Chung Keung Jackon, as an executive director;
- (2) Mr. Wong Kwok Wai, as an executive director;
- (3) Mr. Zhao Wen Tao, as an executive director;
- (4) Mr. Chung Ming Tru Daniel, as an executive director;
- (5) Ms. Chan Yim Kum, as an executive director;
- (6) Mr. Wong Pak Fai Philip, as an executive director;
- (7) Ms. Tang Man Lai, as an executive director;
- (8) Mr. Liu Chun Ning Wilfred, as an independent non-executive director;
- (9) Mr. Tsui Siu Hung, as an independent non-executive director;
- (10) Mr. Tso Chip, as an independent non-executive director; and
- (11) Mr. Lee Tao Wai, as an independent non-executive director.