INTERIM REPORT 2011

LONG SUCCESS
百齡國際

LONG SUCCESS INTERNATIONAL (HOLDINGS) LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code:8017)

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.

This report, for which the directors (the "Directors") of Long Success International (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 GEM of the Stock Exchange (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.

INTERIM RESULTS

The unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 September 2011 together with the comparatives for the corresponding periods in 2010 are as follows:

CONDENSED CONSOLIDATED INCOME STATEMENTS

		Unaudited			
		Six months ended 30 September		Three months ended 30 September	
		2011	2010	**2011**	2010
	Note	***HK$'000***	*HK$'000* (restated)	***HK$'000***	*HK$'000* (restated)
Revenue	4	**130,084**	141,203	**66,715**	74,112
Cost of sales		**(116,478)**	(127,298)	**(58,643)**	(67,501)
Gross profit		**13,606**	13,905	**8,072**	6,611
Other income, net		**607**	10,995	**207**	10,041
Selling expenses		**(470)**	(626)	**(184)**	(267)
Administrative expenses		**(16,155)**	(15,157)	**(9,386)**	(10,114)
Operating profit/(loss)		**(2,412)**	9,117	**(1,291)**	6,271
Finance costs		**(6,795)**	(4,872)	**(3,674)**	(2,032)
Profit/(Loss) before tax		**(9,207)**	4,245	**(4,965)**	4,239
Income tax expense	5	**(385)**	(1,183)	**(278)**	(383)
Profit/(Loss) for the period from continuing operations		**(9,592)**	3,062	**(5,243)**	3,856
Discontinued operations					
Loss for the period from discontinued operations		**-**	(523)	**-**	(259)
Profit/(Loss) for the period		**(9,592)**	2,539	**(5,243)**	3,597
Other comprehensive income					
Exchange differences on translating of foreign operations		**9,174**	1,664	**5,031**	1,090

		Unaudited			
		Six months ended 30 September		Three months ended 30 September	
		2011	2010	**2011**	2010
	Note	***HK$'000***	*HK$'000* (restated)	***HK$'000***	*HK$'000* (restated)
Total comprehensive profit/ (loss) for the period		**(418)**	4,203	**(212)**	4,687
Profit/(Loss) for the period					
Attributable to:					
Owners of the Company		**(9,008)**	799	**(4,862)**	3,036
Non-controlling interests		**(584)**	1,740	**(381)**	561
		(9,592)	2,539	**(5,243)**	3,597
Total comprehensive profit/ (loss) for the period					
Attributable to:					
Owners of the Company		**(3,808)**	1,648	**(1,646)**	3,592
Non-controlling interests		**3,390**	2,555	**1,434**	1,095
		(418)	4,203	**(212)**	4,687
Earnings/(Loss) per share attributable to owners of the Company					
For continuing and discontinued operations					
Basic (HK cents per share)	6	**(0.3433)**	0.0564	**(0.1853)**	0.2142
Diluted (HK cents per share)	6	**(0.3433)**	0.0562	**(0.1853)**	0.2137
For continuing operations					
Basic (HK cents per share)		**(0.3433)**	0.0932	**(0.1853)**	0.2318
Diluted (HK cents per share)		**(0.3433)**	0.0930	**(0.1853)**	0.2313

CONDENSED CONSOLIDATED BALANCE SHEET

	Note	**Unaudited 30 September 2011 *HK$'000***	Audited 31 March 2011 *HK$'000*
Non-current assets			
Property, plant and equipment	8	**205,177**	180,972
Prepaid lease payments		**19,813**	19,081
Goodwill		**151,070**	151,070
Intangible assets		**251,012**	244,445
Available-for-sale financial assets	9	**229**	180
Deposit for acquisition for property, plant and equipment		**48,210**	59,532
Loans receivable	11	**455**	–
Total non-current assets		**675,966**	655,280
Current assets			
Inventories		**38,219**	21,097
Trade receivables	10	**13,101**	11,794
Loans receivable	11	**8,396**	2,539
Prepayments, deposits and other receivables		**125,865**	105,066
Pledged bank deposits		**73,588**	45,854
Cash and cash equivalents		**9,191**	24,605
Total current assets		**268,360**	210,955
Current liabilities			
Trade payables	12	**21,845**	19,004
Bank acceptable notes payable		**109,776**	65,505
Other payables		**99,197**	76,818
Current portion of interest-bearing loans		**72,690**	43,395
Convertible bonds		**–**	16,603
Convertible note		**36,135**	36,135
Derivative financial instruments		**49,268**	49,268
Provision for taxation		**1,373**	884
Total current liabilities		**390,284**	307,612
Net current liabilities		**(121,924)**	(96,657)
Total assets less current liabilities		**554,042**	558,623

	Note	Unaudited 30 September 2011 *HK$'000*	Audited 31 March 2011 *HK$'000*
Non-current liabilities			
Interest bearing loans		**1,361**	6,922
Deferred tax liabilities		**51,420**	50,022
Total non-current liabilities		**52,781**	56,944
Net assets		**501,261**	501,679
Capital and reserves			
Share capital	13	**104,958**	104,958
Share premium and reserve		**268,439**	272,247
Equity attributable to owners of the parent		**373,397**	377,205
Non-controlling interests		**127,864**	124,474
Total equity		**501,261**	501,679

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2010

	Unaudited										
	Attributable to equity holders of the parent										
	Share capital	Share premium	Merger reserve	Exchange reserve	Share option reserve	Warrant reserve	Convertible bonds reserve	Accumulated losses	Total	Non-controlling interests	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 April 2010	45,378	201,875	(341)	3,673	13,637	-	7,439	(120,877)	150,784	41,711	192,495
Loss for the period	-	-	-	-	-	-	-	799	799	1,740	2,539
Placing of new shares	15,380	66,499	-	-	-	-	-	-	81,879	-	81,879
Disposal of subsidiaries	-	-	341	(119)	-	-	-	(663)	(441)	-	(441)
Exchange differences arising on translation of foreign subsidiaries	-	-	-	849	-	-	-	-	849	815	1,664
Equity contribution by minority shareholders	-	-	-	-	-	-	-	-	-	6,947	6,947
At 30 September 2010	60,758	268,374	-	4,403	13,637	-	7,439	(120,741)	233,870	51,213	285,083

For the six months ended 30 September 2011

	Unaudited											
	Attributable to owners of the Company											
	Share capital	Share premium	Merger reserve	Exchange reserve	Share option reserve	Warrant reserve	Convertible bonds reserve	Accumulated losses	Statutory reserve	Total	Non-controlling interests	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 April 2011	104,958	383,200	-	12,267	18,563	1,500	3,347	(147,422)	792	377,205	124,474	501,679
Loss for the period	-	-	-	-	-	-	-	(9,008)	-	(9,008)	(584)	(9,592)
Exchange differences arising on translation of foreign subsidiaries	-	-	-	5,200	-	-	-	-	-	5,200	3,974	9,174
At 30 September 2011	104,958	383,200	-	17,467	18,563	1,500	3,347	(156,430)	792	373,397	127,864	501,261

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Unaudited Six months ended 30 September 2011 HK$'000	2010 HK$'000
Net cash generated from operating activities	**6,154**	35,117
Net cash used in investing activities	**(45,136)**	(95,218)
Net cash generated from financing activities	**25,131**	54,984
Net decrease in cash and cash equivalents	**(13,851)**	(5,117)
Cash and cash equivalents at the beginning of period	**24,605**	9,081
Effect of foreign exchange rate changes	**(1,563)**	1,146
Cash and cash equivalents at the end of period	**9,191**	5,110
Analysis of balances of cash and cash equivalents:		
Cash and bank balances	**9,191**	5,110

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The condensed consolidated financial statements for the six months ended 30 September 2011 have been prepared in accordance with the Hong Kong Accounting Standard No.34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure requirements of the GEM Listing Rules.

These condensed consolidated financial statements have been prepared under the historical cost convention.

These condensed consolidated financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand (HK$'000) except when otherwise stated.

The condensed consolidated financial statements are unaudited but have been reviewed by the audit committee of the Company (the "Audit Committee").

The Group incurred unaudited loss for the period ended 30 September 2011 of approximately HK$9,008,000 and as of that date, the Group's unaudited current liabilities exceeded its current assets by HK$121,924,000 respectively. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

The board of Directors of the Company (the "Board") have been taking active steps to improve the liquidity position of the Group. These steps included (1) one of the substantial shareholders has confirmed his intention and ability to provide continuing financial support to the Group so as to enable it to meets its liabilities as and when they fall due and to carry on its business for the foreseeable future; (2) the directors of the Company are considering various alternatives to strengthen the capital base of the Company through various fund arising exercise, including but not limited to private placement, open offer or right issue of new shares of new shares of the Company; and (3) the directors of the Company continue to take action to tighten cost controls over various operating expenses, with an aim to attaining profitable and positive cash flow operations.

In light of the measures described above, the directors are confident that the Group will have sufficient working capital to meet its financial obligation as and when they fall due. Accordingly, the directors are of the opinion that it is appropriate to prepare these unaudited consolidated financial statements on a going concern basis. These unaudited consolidated financial statements do not include any adjustments relating to the carrying amount and reclassification of assets and liabilities that might be necessary should the Group be unable to continue as a going concern.

2. **SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and method of computation used in the preparation of the unaudited condensed consolidated financial statements are consistent with those applied in the Group's audited financial statements for the year ended 31 March 2011.

3. **ADOPTION OF NEW AND REVISED HKFRSs**

In the current period, the Group has adopted a number of new Hong Kong Financial Reporting Standards ("HKFRSs"), amendments to Hong Kong Accounting Standards ("HKASs") and Interpretations ("Ints") (hereinafter collectively referred to as "new HKFRSs") issued by the HKICPA that are relevant to the Group and effective for accounting periods beginning on or after 1 April 2011. The adoption of these new HKFRSs did not result in substantial changes to the Group's accounting polices and amounts reported for the current year and prior years.

The Group has not early adopted the new HKFRSs that have been issued but are not yet effective. The Directors anticipate that the application of the new HKFRSs will have no material impact on the results and financial position of the Group.

4. **REVENUE AND SEGMENT INFORMATION**

The group manages its businesses by divisions, which are organised by a business lines (products and services) in a manner consistent with the way in which information is reported internally to the Board of Directors of the Company, being the chief operating decision maker, for their decisions about resources allocation to the Group's business components and review of these components' performance.

The Group has the following continuing operating segments:

(i) Paper products – manufacturing, processing and sales of package and paper products;
(ii) Biodegradable products – manufacturing, processing and sales of biodegradable products; and
(iii) Money-lending business.

In prior years, the Group was involved in the following operating segments which were discontinued during the year ended 31 March 2011. The segment information does not include any amounts for these discontinued operations.

(iv) Information technology – sales and implementation of customized software and related computer equipment, and the provision of computer-related technical support and maintenance services; and

(v) Macau casino junket profit sharing – sharing of profits of a junket representative of a VIP lounge in a casino in Macau, being 0.4% of the rolling turnover generated by that junket representative together with any bonus payable by that casino and/or that VIP lounge to that junket representative.

There were no sales or other transactions between the operating segments.

The segments are managed separately as each business offers different products and services. The accounting policies of the operating segments are the same as those described in the basis of preparation of the financial statements and significant accounting policies.

The following is an analysis of the Group's revenue from its major products and services:

	Unaudited Six months ended 30 September 2011		Unaudited Six months ended 30 September 2010	
	Turnover	**Segment Profit/ (Loss)**	Turnover	Segment Profit/ (Loss)
	HK$'000	***HK$'000***	*HK$'000* (restated)	*HK$'000* (restated)
CONTINUING OPERATIONS				
Sale of paper products	**128,676**	**5,793**	140,952	9,045
Interest income from money lending business	**824**	**(156)**	251	25
Sales of biodegradable products	**584**	**(2,864)**	–	–
	130,084	**2,773**	141,203	9,070
Unallocated other revenue		**74**		6,499
Unallocated expense		**(5,259)**		(6,452)
Finance costs		**(6,795)**		(4,872)
Profit/(Loss) before tax		**(9,207)**		4,245
Income tax expense		**(385)**		(1,183)
Profit/(Loss) for the period from continuing operations		**(9,592)**		3,062

	Unaudited Six months ended 30 September 2011 Turnover *HK$'000*	Unaudited Six months ended 30 September 2010 Turnover *HK$'000*
Hong Kong	**824**	251
The PRC	**129,260**	140,952
	130,084	141,203

5. INCOME TAX EXPENSE

Hong Kong profits tax is calculated at 16.5% (2010: 16.5%) of the estimated assessable profit for the period. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

6. EARNINGS/(LOSS) PER SHARE

The calculation of the basic loss per share from continuing and discontinued operations is based on the loss attributable to owners of the Company for the six months ended 30 September 2011 of approximately HK$9,008,000 (2010: profit of HK$799,000) and the weighted average number of 2,623,945,000 (2010: 1,417,253,033) ordinary shares in issue during the period. The basic and diluted loss per share from continuing and discontinued operations are the same for the six months ended 30 September 2011, as the Company recorded losses attributable to the owners of the Company. Hence, the effect of any incremental shares from the assumed exercises of share options, warrants and convertible note outstanding as at 30 September 2011 would be anti-dilutive and was not included in the calculation of diluted loss per share.

The calculation of the basic loss per share from continuing operations is based on the loss attributable to owners of the Company for the six months ended 30 June 2011 of approximately HK$9,008,000 (2010: profit of HK$1,321,000) and the weighted average number of 2,623,945,000 (2010: 1,417,253,033) ordinary shares in issue during the period. The basic and diluted loss per share from continuing operations are the same for the six months ended 30 September 2011, as the Company recorded losses attributable to the owners of the Company. Hence, the effect of any incremental shares from the assumed exercises of share options, warrants and convertible note outstanding as at 30 September 2011 would be anti-dilutive and was not included in the calculation of diluted loss per share.

Diluted earnings per share attributable to ordinary equity holders of the parent for the continuing and discounting operations for the six months ended 30 September 2010 is calculated based on the Group's profit attributable to equity holders of the parent of HK$799,000 and on the adjusted weighted average number of 1,420,469,207 shares which represented the weighted average number of 1,417,253,033 shares in issue during the period and the weighted average number of 3,216,174 shares deemed to have been issued at no consideration, assuming the exercise of the share options.

7. INTERIM DIVIDEND

The Board of the Company does not recommend the payment of interim dividend for the period (2010: Nil).

8. PROPERTY, PLANT AND EQUIPMENT

	Unaudited 30 September 2011 ***HK$'000***	Unaudited 30 September 2010 *HK$'000*
Opening net book amount	**180,972**	171,906
Additions	**27,739**	4,092
Depreciation	**(7,450)**	(5,757)
Exchange difference	**3,916**	114
Closing net book amount	**205,177**	170,355

9. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Unaudited 30 September 2011 ***HK$'000***	Audited 31 March 2011 *HK$'000*
Non-current		
Clubs membership	**229**	180

The unlisted investment represents two clubs membership which do not have quoted market price in an active market and the Directors of the Company are of the opinion that the fair value cannot be measured reliably. As a result, the clubs membership are measured at cost less impairment at the end of the reporting period.

10. TRADE RECEIVABLES

The ageing analysis of trade receivables is as follows:

	Unaudited 30 September 2011 *HK$'000*	Audited 31 March 2011 *HK$'000*
Within three months	**13,101**	11,268
Over three months but within six months	**-**	473
Over six months but within one year	**-**	40
Over one year but within two years	**-**	13
	13,101	11,794

Trade debtors and bills receivable due within 1 to 3 months from the date of billing.

11. LOANS RECEIVABLE

Loans receivable have arisen from the Group's money lending operations during the year. The ageing of loans receivable is analysed by the remaining periods to their contractual maturity dates as follows:

	Unaudited 30 September 2011 *HK$'000*	Audited 31 March 2011 *HK$'000*
On demand	**2,456**	839
Within three months	**5,360**	177
In three to six months	**430**	300
In six months to one year	**150**	1,223
In one to two years	**116**	–
In two to three years	**116**	–
Over three years	**223**	–
Total	**8,851**	2,539
Amount classified as current assets	**8,396**	2,539
Amount classified as non-current assets	**455**	–

12. TRADE PAYABLES

The ageing analysis of trade payables is as follows:

	Unaudited 30 September 2011 HK$'000	Audited 31 March 2011 HK$'000
Within three months	**21,593**	16,393
Over three months but within six months	**252**	1,302
Over six months but within one year	**-**	1,028
Over one year but within two years	**-**	281
	21,845	19,004

13. SHARE CAPITAL

	Number of shares Six months ended 30 September		Amount Six months ended 30 September	
	2011	2010	**2011**	2010
	'000	'000	**HK$'000**	HK$'000
Authorised				
Ordinary shares of HK$0.04 each (2010: HK$0.04 each)	**7,500,000**	2,500,000	**300,000**	100,000
Issued and fully paid:				
At beginning of period	**2,623,945**	1,134,445	**104,958**	45,378
Placement of shares	**-**	384,500	**-**	15,380
At end of period	**2,623,945**	1,518,945	**104,958**	60,758

14. POST BALANCE SHEET EVENTS

(A) Confirmation letter in relation to the convertible bonds issued under the very substantial acquisition

Referring to the announcement of the Company dated 3 October 2011, the Company and the vendor of Mega Bright Investment Development Limited ("Mega Bright") entered into the third confirmation letter in relation to the convertible bonds issued under the acquisition agreement, pursuant to which the Company and the vendor of Mega Bright have agreed that (i) the conversion rights attached to the convertible bonds expired on 29 September 2011 according to the terms and conditions of the convertible bonds; (ii) the principal amount of the convertible bonds of HK$18,000,000 shall remain as the bonds liabilities of the Company and the repayment date of the bonds liabilities shall be adjusted to 31 March 2012 (or such later date as the parties may mutually agree in writing) without interest; and (iii) if Jining Gangning Paper Co. Ltd. fails to meet the profit guarantee for the financial year 2011, the vendor of Mega Bright shall compensate the Company with the shortfall of the profit guarantee by way of set off against the bonds liabilities up to the amount of HK$18,000,000.

(B) Very substantial acquisition and connected transaction

Referring to the announcement of the Company dated 14 October 2011 and 26 October 2011, a wholly owned subsidiary of the Company (the "Purchaser") has, on 13 October 2011, entered into a sale and purchase agreement (the "Sale and Purchase Agreement") with Wide Fine (Asia) Development Limited (a company beneficially owned by Mr. Wong Kam Leong, a substantial shareholder of the Company and an executive Director) and Gain Concept Industries Limited (an independent third party of the Company) (collectively, the "Vendors") relating to the acquisition of the entire issued share capital of Fame Shine Holdings Limited (the "Target Company") at a consideration of HK$780,000,000, to be payable by the Purchaser to the Vendors in cash and by issue of consideration shares and convertible notes of the Company (the "Proposed Acquisition"). The Purchaser, upon the completion of the Proposed Acquisition, will in turn own 80% of the beneficial interest in Henan Sunrise Silicon Technology Development Company Limited (the "Sunrise Silicon") owned by the Star Grace International Limited (the "Star Grace"), a wholly owned subsidiary of the Target Company. Subsequently, the Purchaser, in accordance with the post-completion obligation pursuant to the Sale and Purchase Agreement, agreed to procure Star Grace to inject RMB180,000,000 (equivalent to approximately HK$220,000,000) as registered capital in Sunrise Silicon, such that the Purchaser will ultimately own 90% of the beneficial interest in Sunrise Silicon. The Company has been suspended with effect from 9:00 a.m. on 14 October 2011 pending the release of an announcement of the Company in relation to Proposed Acquisition which constitutes a very substantial acquisition and connected transaction under the GEM Listing Rules and it is price-sensitive in nature.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Paper manufacturing business

The Group acquired 51% equity interest in Jining Gangning Paper Co, Ltd. ("Jining Gangning") in Shandong Province in the People's Republic of China ("PRC") in July 2009 and owns two industrial packaging paper production lines no.1 and 2. The re-engineering, modification and technical upgrade for production line no.1 were completed in March 2010. Grade A premium packaging paper products were put into production in April 2010.

In line with the state policies on environmental protection, the Group invested in constructing environmental sewage water recycling facilities and achieved zero sewage water discharge to local environment, in respect of which the Group is in the lead in the paper industry in PRC for protecting the local natural environment.

The Group started to engineer paper manufacturing production line no.3 in the beginning of 2011. This is a tipping paper production line with sophisticated equipment and advanced technology, with which the Group can manufacture high-end and diversified specialty papers such as tobacco filter paper, medical packaging paper, tracing paper, bible paper, and transfer printing paper. The installation of principal equipment; the supporting equipment; and auxiliary work was completed in August 2011. The line was successfully underwent testing and put into trial production in September 2011.

To strengthen the resisting ability to the rising cost of raw materials, the competitiveness in the market and corporate effectiveness, Jining Gangning suspended the operation and commenced the modification of production line no.2 in April 2011. Jining Gangning completed the line's modification in the beginning of August 2011 and started to manufacture products such as construction formwork paper, industrial paper and balance paper for engineered wood floor, which enhanced the additional value of the products.

The paper manufacturing industry in PRC is facing the rising costs of energy, steam, water and different raw materials; the state revoked the preferential tax policy for recycled paper industry effective from January 2011, resulting in the significant increase in the purchasing cost of raw materials of paper per tonne as compared with last year; moreover, production line no.2 was suspended for modification, resulting in profit was significantly lower than expected.

Confronted with the ever rising energy prices and raw material prices in the PRC, the Group adopts three policies (the "Three Policies"): (1) moving into manufacturing diverse types of high class paper from manufacturing ordinary paper of a single category; (2) strengthening enterprise management, reinforcing cost control regarding production, supply and sales and striving to reduce the average level of consumption of energy and raw and accessory materials; and (3) searching for supply of recovered paper from PRC and international markets to relieve the effects brought by rising raw material prices, so as to enhance enterprise competitiveness and economic benefits.

The Group is more confident of Jining Gangning's development and shall continue to insist on its work on environmental protection and maintaining the standard; on the modification for the technology of the manufacturing equipment of the plants; on further investment in corporate's development to engineer the new production line no.4 to provide market demanding products such as printing paper, medical packaging paper on a timely basis; and on developing the quality, variety and volume of products so as to enhance the economic benefits.

Biodegradable materials manufacturing business

In March 2010, Fast Rise Development Limited ("Fast Rise"), a wholly-owned subsidiary of the Group, entered into an acquisition agreement (the "Acquisition Agreement") with the vendor (the "Vendor") to acquire the entire equity interest in Ever Stable Holdings Limited ("Ever Stable") at a consideration of HK$280 million ("Acquisition"). Ever Stable is an investment holding company incorporated in the British Virgin Islands with limited liability and owns 60% equity interest in a joint venture company, Dongguan Jiu He Bioplastics Company Limited ("Dongguan Jiu He"). Dongguan Jiu He is principally engaged in the development, production and sales of biodegradable materials and related products by entering into a patent license agreement with its PRC partner in relation to patented technologies.

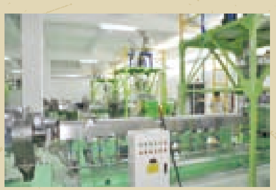
As the previously selected location of the plant of Dongguan Jiu He in Dongguan was not satisfactory and there were difficulties arising from preparation works coupled with problems such as supply of electricity and labour, the board of Dongguan Jiu He decided to transfer the production plant to Zhongshan Port Economic and Technical Development Zone. Zhongshan Jiu He Bioplastics Company Limited ("Zhongshan Jiu He"), the new plant has been renovated and put into operation and the equipments have been installed in September 2011. Zhongshan Port Economic and Technical Development Zone is a national development zone, where the policies are more preferential. The road and maritime transports are more convenient and the production and living auxiliary facilities there are more comprehensive, attracting more advanced technology talents and management personnel, and the labour costs are also relatively lower.

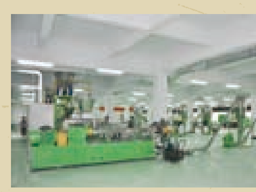
The major production equipments ordered are more advanced in technology within the industry. The production equipments were delivered one after another to the plant since May and all ordered equipments had been manufactured by the end of June. The equipments were underwent testing and delivered to the plant by the end of July for installation and trial operation. The installation of around 40 sets of equipments was completed and some were put into production by the end of September 2011. Zhongshan Jiu He developed a biodegradable-based plastics company standards, which was approved by Zhongshan City Technical Supervision Authorization (中山市技術監督局) and submitted to Gaungdong Provincial for record.

The Group has engaged technical and management personnel with extensive experience and reserved a land for the development of phase II project for the sake of corporate development in the future. Based on the existing technology patents, Zhongshan Jiu He recruited professionals for technology research and development to continuously look for newer and better technology and also to start launching independent research and development and the acquisition of the latest intellectual property rights.

It is expected after full operation that Zhongshan Jiu He would be able to produce 20,000 to 30,000 tons of biodegradable materials annually as well as environment friendly downstream products of biodegradable materials including blowing and molding, injection, extrusion and foaming.

PRC and the rest of the world are paying more attention to environment protection and set more restrictions on production and sales of environment-unfriendly products such as plastic bags. We manufacture biodegradable resin and related downstream degradable environment-friendly products with sustainable raw materials such as tapioca flour, organic raw materials, straw and fiber. Processed biodegradable products can be decomposed into soil friendly substances by natural organism after being discarded. This project is not only in line with the international and our national environmental policies but also the business plan of the environment protection industry that the Group engages in.





FINANCIAL REVIEW

The Group's total revenue for the period ended 30 September 2011 was approximately HK$130.08 million, representing a decrease of 7.9% as compared with the same period ended 30 September 2010 (2010: HK$141.20 million). The drop in revenue was mainly due to the suspension of the operation of production line no.2 of paper manufacturing business from April to August 2011 for the modification. According to the completion of the modification of production line no.2 and the trial production of production line no.3 of paper manufacturing business and the trial production of the biodegradable materials manufacturing business in September 2011, it is expected the revenue of the Group will be improved in the third quarter.

For the period under review, the Group recorded a net loss of HK$9.01 million as against a net profit of HK$0.80 million for 2010. The net loss attributable to the owners of the Company was mainly due to the interest expenses on convertible notes and bank borrowings; and the upfront costs for the building of the production plant in Zhongshan. Further, the increases of the costs of energy, steam, water and the purchasing cost of raw materials of paper per tone have also narrowed the profit contribution from the paper manufacturing business to the Group. For the same period ended 30 September 2010, the Group recorded a net profit which was mainly came from the gain on the disposal of the IT consulting business in August 2010.

SIGNIFICANT INVESTMENTS AND MATERIAL ACQUISITIONS

(A) Grant of the equity line of credit to the Company

Referring to the announcement dated 12 September 2011, 16 September 2011, 27 September 2011 and circular dated 3 October 2011, the Company entered into the equity line of credit agreement (the "Agreement") with Lyceum Partners LLC (the "Investor"), pursuant to which the Company is granted the option to require the Investor to subscribe for up to an aggregate of 1,000,000,000 shares of the Company (the "Option Shares") if the option structured under the equity line of credit is exercised in full. Details of the Agreement were set out in the Company's announcement dated 12 September 2011, 16 September 2011, 27 September 2011 and circular dated 3 October 2011. The shareholders of the Company, at the special general meeting held on 2 November 2011, approved the Agreement and the transactions contemplated thereunder including but not limited to the allotment and issue of the Options Shares as set out in the notice of the special general meeting.

(B) Supplementary circular in relation to major transaction

Referring to the announcement dated 27 September 2011 and circular dated 30 September 2011, Fast Rise entered into the further supplemental agreement with the Vendor of Ever Stable, pursuant to which Ever Stable and the PRC Partner have agreed to deregister the Dongguan Jiu He upon the completion of the equity transfer agreement (the equity transfer agreement had not been executed, but it will be entered into between World Champion Investments Limited ("World Champion") and the PRC Partner in due course. According to the equity transfer agreement, the 40% equity interests in the Zhongshan Jiu He held by World Champion as nominee for and on behalf of the PRC Partner, shall be transferred to the PRC Partner at a consideration calculated based on 40% of the total paid-up capital of Zhongshan Jiu He as at the date of the equity transfer agreement. After the completion of the equity transfer agreement and the completion of the deregistration of Dongguan Jiu He, World Champion and the PRC Partner shall enter into the capital increase agreement, pursuant to which the total registered capital of the Zhongshan Jiu He shall be changed from US$4,000,000 to US$17,000,000, of which the Vendor shall through World Champion contribute US$10,200,000 as registered capital to the Zhongshan Jiu He, representing 60% of the total registered capital of the Zhongshan Jiu He, and the PRC Partner shall contribute US$6,800,000 as registered capital to the Zhongshan Jiu He, representing 40% of the total registered capital of the Zhongshan Jiu He. As the Dongguan Jiu He will be deregistered upon the completion of the equity transfer agreement, the contractual interests of Dongguan Jiu He under the patent license agreement and master agreement will be transferred to the Zhongshan Jiu He, other terms and conditions of the patent license agreement and master agreement will remain unchanged. Details of the further supplementary agreement; equity transfer agreement; capital increase agreement; and the transfer of contractual interests of the Joint Venture under the patent license agreement and master agreement were set out in the Company's announcement dated 27 September 2011 and circular dated 30 September 2011. The shareholders of the Company, at the special general meeting held on 2 November 2011, approved the supplemental agreement dated 28 March 2011 and further supplemental agreement dated 27 September 2011 and the transactions contemplated thereunder respectively.

PROSPECTS

In the light of the world's and the PRC's strong support for recyclable and low-carbon economy, the rapid development of the PRC's domestic economy and stable growth in consumption demand, the Group terminated its IT consulting business and the gaming and entertainment business in Macau in prior year, and focused on developing a low-carbon, recyclable and environment-friendly paper manufacturing business and biodegradable materials manufacturing business. The Group is optimistic about the long-term prospects of this strategic change. The environment-friendly paper manufacturing business and biodegradable materials manufacturing business have become the Group's two core businesses. The Group will continue to support the usual operation and healthy development of these two major businesses as before.

The Group's management will continue to optimize the Group's resource advantages by adopting the Three Policies, speeding up the construction of new plant and production lines, enhancing product quality, establishing a base for research and development and expanding sales networks in order to seize more opportunities, create considerable economic benefits and thus maximize shareholders' returns.

On top of developing the two aforesaid environment-friendly businesses, the Group will continue to search actively for attractive investments in environmental and recycling businesses in the PRC and globally with a view to developing the businesses of the Company and generating positive cash flow and earnings for the Group in the long-term.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

Cash and bank balances as at 30 September 2011 were approximately HK$82.78 million compared to approximately HK$70.46 million as at 31 March 2011. The Group was not exposed to any substantial risk in foreign exchange fluctuations. In general, the Group mainly used its Renminbi income receipt for operation expenses in the PRC and did not use any financial instruments for hedging purpose. As at 30 September 2011, the Group had secured bank loans of approximately HK$25.68 million, unsecured bank loans of approximately HK$34.86 million and secured entrustment loan of approximately HK$13.51 million. All borrowings were denominated in Renminbi. As at 30 September 2011, the Group's gearing ratio was 42.7%, based on the total borrowings, issued convertible notes, and derivative financial instruments over the equity attributable to equity holders of the Company. Liabilities were generally financed by internal resources of the Group.

CHARGE OF GROUP'S ASSETS

As at 30 September 2011, the Group's land use rights and buildings with net carrying values of approximately HK$19.81 million and HK$41.32 million respectively were pledged to secure bank loans of approximately HK$25.68 million. In addition, the Group had restricted bank deposits of approximately HK$73.59 million to secure bank acceptance notes payable of approximately HK$109.78 million arising from normal trade. As at 31 March 2011, the Group's land use rights and buildings with net carrying values of approximately HK$19.56 million and HK$41.39 million respectively were pledged to secure bank loans of approximately HK$27.99 million. In addition, the Group had restricted bank deposits of approximately HK$45.85 million held to secure bank acceptance notes payable of approximately HK$65.51 million arising from normal trade as at 31 March 2011.

FOREIGN CURRENCY EXPOSURE

The Group continues to adopt a conservative treasury policy with almost all deposits in Hong Kong dollars and Renminbi, keeping minimum exposure to foreign exchange risks. As the sales, purchases, expenditures, assets and liabilities are mainly denominated in Hong Kong dollars and Renminbi, the Group has not adopted any hedging policy or entered into any derivative products which are considered not necessary for the Group's treasury management activities.

CONTINGENT LIABILITIES

As at 30 September 2011, there were no material contingent liabilities.

EMPLOYEE INFORMATION

As at 30 September 2011, the Group had approximately 182 (2010: 122) employees in Hong Kong and the PRC. The total remuneration to employees, including the executive Directors for the period under review amounted to approximately HK$5.60 million (2010: HK$5.32 million). Employees in Hong Kong are entitled to provident fund contributions and medical insurance. For employees in the PRC, the Group is required to contribute to state-sponsored retirement plans at certain prescribed rates based on their basic salaries. In addition, the Group provides comprehensive on-the-job training to its employees and sponsors' employees who participate in job-related training courses to ensure that their qualifications always meet the changing market standards. The remuneration policy and packages are regularly reviewed by the Board. Apart from provident fund contributions, medical insurance and discretionary bonuses, share options are also awarded to employees according to the assessment of individual performance.

SHARE OPTION SCHEME

A share option scheme (the "Old Scheme") was approved and adopted by the shareholders of the Company at an annual general meeting held on 21 August 2006. Under the Old Scheme, the directors of the Company were authorised to grant options to the participants of the Group including any employee, director, adviser, consultant, licensor, distributor, supplier, agents, customer, joint venture partner, strategic partner and services provider to or of any member of the Group whom the Board considers in its sole discretion to subscribe for the shares of the Company. The Old Scheme has expired on 17 August 2010 as the term thereof is ten (10) years from the date on which dealings in the shares of the Company first commence on GEM.

A new share option scheme (the "Existing Scheme") was approved and adopted by the shareholders of the Company at the annual general meeting of the Company held on 23 August 2010 (the "AGM"), details of which are set out in the circular of the Company dated 21 July 2010.

A summary of the movement of the share options granted under the Old Scheme and the Existing Scheme (collectively "the Scheme") for the six months ended 30 September 2011 is as follows:

Grantee	As at 1 April 2011	Granted during the year	Cancelled/ lapsed during the year	Exercised during the year	As at 30 September 2011	Date of grant (dd/mm/yy)	Exercise period (dd/mm/yy)	Exercise price *HK$*
Directors								
Wong Kam Leong	6,750,000	-	-	-	**6,750,000**	09/05/08	09/05/08 to 08/05/18	0.192
Wong Kam Leong	750,000	-	-	-	**750,000**	18/05/09	18/05/09 to 17/05/19	0.168
Wong Kam Leong	750,000	-	-	-	**750,000**	01/09/09	01/09/09 to 31/08/19	0.160
Wong Kam Leong	3,000,000	-	-	-	**3,000,000**	30/03/10	30/03/10 to 29/03/20	0.286
Wong Kam Leong	3,750,000	-	-	-	**3,750,000**	15/11/10	15/11/10 to 14/11/20	0.166
Hu Dongguang	11,000,000	-	-	-	**11,000,000**	30/03/10	30/03/10 to 29/03/20	0.286
Hu Dongguang	4,000,000	-	-	-	**4,000,000**	15/11/10	15/11/10 to 14/11/20	0.166
Wu Bingxiang	8,200,000	-	-	-	**8,200,000**	01/09/09	01/09/09 to 31/08/19	0.160
Wu Bingxiang	2,000,000	-	-	-	**2,000,000**	30/03/10	30/03/10 to 29/03/20	0.286
Wu Bingxiang	3,800,000	-	-	-	**3,800,000**	15/11/10	15/11/10 to 14/11/20	0.166
Guo Wanda	14,000,000	-	-	-	**14,000,000**	15/11/10	15/11/10 to 14/11/20	0.166
Zhang Chi *(Note 1)*	6,500,000	-	-	-	**6,500,000**	31/12/08	31/12/08 to 30/12/18	0.140
Zhang Chi *(Note 1)*	3,500,000	-	-	-	**3,500,000**	15/11/10	15/11/10 to 14/11/20	0.166
Ng Kwok Chu, Winfield	250,000	-	-	-	**250,000**	20/02/08	20/02/08 to 19/02/18	0.244
Ng Kwok Chu, Winfield	250,000	-	-	-	**250,000**	02/05/08	02/05/08 to 01/05/18	0.196
Ng Kwok Chu, Winfield	1,000,000	-	-	-	**1,000,000**	15/11/10	15/11/10 to 14/11/20	0.166
Ng Chau Tung, Robert	250,000	-	-	-	**250,000**	20/02/08	20/02/08 to 19/02/18	0.244
Ng Chau Tung, Robert	250,000	-	-	-	**250,000**	02/05/08	02/05/08 to 01/05/18	0.196
Ng Chau Tung, Robert	1,000,000	-	-	-	**1,000,000**	15/11/10	15/11/10 to 14/11/20	0.166
Tse Ching Leung	700,000	-	-	-	**700,000**	01/09/09	01/09/09 to 31/08/19	0.160
Tse Ching Leung	1,000,000	-	-	-	**1,000,000**	15/11/10	15/11/10 to 14/11/20	0.166
Wang Qingyi	1,000,000	-	-	-	**1,000,000**	15/11/10	15/11/10 to 14/11/20	0.166
Sub-total	73,700,000	-	-	-	**73,700,000**			

Grantee	As at 1 April 2011	Granted during the year	Cancelled/ lapsed during the year	Exercised during the year	As at 30 September 2011	Date of grant (dd/mm/yy)	Exercise period (dd/mm/yy)	Exercise price *HK$*
Employees and consultants								
In aggregate	3,500,000	-	-	-	**3,500,000**	20/02/08	20/02/08 to 19/02/18	0.244
In aggregate	500,000	-	-	-	**500,000**	22/02/08	22/02/08 to 21/02/18	0.248
In aggregate	4,500,000	-	-	-	**4,500,000**	02/05/08	02/05/08 to 01/05/18	0.196
In aggregate	25,000,507	-	-	-	**25,000,507**	09/05/08	09/05/08 to 08/05/18	0.192
In aggregate	13,500,000	-	-	-	**13,500,000**	17/09/08	17/09/08 to 16/09/18	0.2024
In aggregate	750,000	-	-	-	**750,000**	18/05/09	18/05/09 to 17/05/19	0.168
In aggregate	8,750,000	-	-	-	**8,750,000**	01/09/09	01/09/09 to 31/08/19	0.160
In aggregate	5,000,000	-	-	-	**5,000,000**	30/03/10	30/03/10 to 29/03/20	0.286
In aggregate	28,000,000	-	-	-	**28,000,000**	15/11/10	15/11/10 to 14/11/20	0.166
In aggregate	20,000,000	-	-	-	**20,000,000**	10/01/11	10/01/11 to 09/01/21	0.175
In aggregate	42,000,000	-	-	-	**42,000,000**	12/07/11	12/07/11 to 11/07/21	0.150
Sub-total	151,500,507	-	-	-	**151,500,507**			
Total	225,200,507	-	-	-	**225,200,507**			

Note:

1. Resigned on 29 April 2011.

DIRECTORS

The Directors during the period and up to the date of this report were:

Executive Directors

Mr. Wong Kam Leong
Mr. Hu Dongguang
Mr. Wu Bingxiang
Dr. Guo Wanda

Non-executive Directors

Mr. Zhang Chi (Resigned on 29 April 2011)

Independent non-executive Directors

Mr. Ng Kwok Chu, Winfield
Mr. Ng Chau Tung, Robert
Mr. Tse Ching Leung
Mr. Wang Qingyi

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS

As at 30 September 2011, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required (a) 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 (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Long positions in shares and underlying shares of the Company:

Name	Type of interest	Number of ordinary shares of the Company	Number of underlying shares of the Company	Total	Percentage of Shareholding
Directors					
Wong Kam Leong	Corporate Interest	654,125,000 *(Note 1)*		669,125,000	25.50%
	Personal Interest		15,000,000 *(Note 2)*		
Hu Dongguang	Personal Interest	–	15,000,000 *(Note 2)*	15,000,000	0.57%
Wu Bingxiang	Personal Interest	–	14,000,000 *(Note 3)*	14,000,000	0.53%
Guo Wanda	Personal Interest	–	14,000,000 *(Note 3)*	14,000,000	0.53%
Zhang Chi *(Note 8)*	Personal Interest	36,350,000	10,000,000 *(Note 4)*	46,350,000	1.77%
Ng Kwok Chu, Winfield	Personal Interest	–	1,500,000 *(Note 5)*	1,500,000	0.06%
Ng Chau Tung, Robert	Personal Interest	–	1,500,000 *(Note 5)*	1,500,000	0.06%
Tse Ching Leung	Personal Interest	–	1,700,000 *(Note 6)*	1,700,000	0.06%
Wang Qingyi	Personal Interest	–	1,000,000 *(Note 7)*	1,000,000	0.04%

Notes:

1. Out of the 654,125,000 shares in the Company, 248,125,000 shares are beneficially owned by and registered in the name of Wide Fine International Limited, a company incorporated in Hong Kong with limited liability and is wholly-owned by Mr. Wong Kam Leong, an executive Director and 406,000,000 shares are beneficially owned by and registered in the name of View Good International Limited, a company incorporated in Hong Kong with limited liability and is wholly-owned by Ms. Tam Sio Wan, the wife of Mr. Wong Kam Leong.

2. As at 30 September 2011, 15,000,000 share options conferring rights to subscribe for 15,000,000 shares.

3. As at 30 September 2011, 14,000,000 share options conferring rights to subscribe for 14,000,000 shares.

4. As at 30 September 2011, 10,000,000 share options conferring rights to subscribe for 10,000,000 shares.

5. As at 30 September 2011, 1,500,000 share options conferring rights to subscribe for 1,500,000 shares.

6. As at 30 September 2011, 1,700,000 share options conferring rights to subscribe for 1,700,000 shares.

7. As at 30 September 2011, 1,000,000 share options conferring rights to subscribe for 1,000,000 shares.

8. Resigned on 29 April 2011.

Save as disclosed above, at no time during the year under review was the Company or any of its subsidiaries a party to any arrangement to enable any of the Directors or members of its management to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate.

Save as disclosed above, none of the Directors and chief executive (including their spouse and children under the age of 18) had any interest in, or had been granted, or exercised, any right to subscribe for the shares of the Company and its associated corporations (within the meaning of the SFO).

Save as disclosed above, none of the Directors, chief executive or their associates had any interests or short position in the securities of the Company or any of its associated corporations as defined in Part XV of the SFO which was discloseable for the period ended 30 September 2011.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

The register of substantial shareholders maintained under section 336 of the SFO shows that as at 30 September 2011, the Company had been notified of the following substantial shareholders' interests, being 5% or more of the Company's issued share capital.

Long positions in shares of the Company:

Name	Number of ordinary shares held	Number of underlying shares held	Aggregate long positions in shares of the Company	Percentage of shareholding
Wide Fine International Limited *(Note 1)*	248,125,000(L)	-	248,125,000(L)	9.46%
View Good International Limited *(Note 2)*	406,000,000(L)	-	406,000,000(L)	15.47%
Nicky International Limited *(Note 3)*	216,000,000(L)	-	216,000,000(L)	8.23%
Leung Wa *(Note 4)*	222,000,000(L)	-	222,000,000(L)	8.46%

The letter "L" denotes a long position in the shares.

The letter "S" denotes a short position in the shares.

Notes:

1. Wide Fine International Limited is beneficially and wholly owned by Mr. Wong Kam Leong, an executive Director.

2. View Good International Limited is beneficially and wholly owned by Ms. Tam Sio Wan, the wife of Mr. Wong Kam Leong.

3. Nicky International Limited is beneficially and wholly owned by Mr. Chen Jianqiu and Mr. Leung Wa in equal shares.

4. 216,000,000 out of 222,000,000 shares are attributable by shares held by Nicky International Limited.

Save as disclosed above, no other person had registered an interest or short position in the shares and underlying shares of the Company that was required to be reported pursuant to section 336 of the SFO as at 30 September 2011.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 30 September 2011, the Directors were not aware of any business or interest of each Director, management shareholder (as defined in the GEM Listing Rules) and the respective associates of each that competes or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles and has complied with all the code provisions as set out in the Code on Corporate Governance Practices ("GC Code") contained in Appendix 15 of the GEM Listing Rules throughout the period under review.

AUDIT COMMITTEE

In compliance with Rules 5.28 to 5.33 of the GEM Listing Rules, the Company has established an audit committee comprising independent non-executive Directors, namely Mr. Ng Kwok Chu, Winfield, Mr. Ng Chau Tung, Robert and Mr. Tse Ching Leung. The Group's unaudited results for the six months ended 30 September 2011 have been reviewed by the audit committee. Members of the committee were of the opinion that the preparation of such results complied with the applicable accounting standards, the Stock Exchange and legal requirements and that adequate disclosures had been made.

BOARD PRACTICES AND PROCEDURES

Save as disclosed above, throughout the six months ended 30 September 2011, the Company has complied with Rules 5.34 of the GEM Listing Rules concerning board practices and procedures.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the six months ended 30 September 2011, neither the Company nor any of its holding companies or subsidiaries purchased, sold or redeemed any listed securities of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standards of dealings regarding securities transactions by Directors as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specified enquiry with the Directors, all the Directors confirmed that they have complied with the required such code of conduct and required standard of dealings throughout the period under review.

On behalf of the Board
Wong Kam Leong
Chairman

14 November 2011, Hong Kong

As at the date hereof, the Board comprises four executive directors, namely Mr. Wong Kam Leong, Mr. Hu Dongguang, Mr. Wu Bingxiang, and Dr. Guo Wanda; and four independent non-executive Directors, namely Mr. Ng Kwok Chu, Winfield, Mr. Ng Chau Tung, Robert, Mr. Tse Ching Leung and Mr. Wang Qingyi.