

09 INTERIM
REPORT



GOLDIN FINANCIAL HOLDINGS LIMITED

高銀金融(集團)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00530)

* For identification purposes only

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CORPORATE INFORMATION

Directors

Pan Sutong (*Chairman*)#
Wang Zhixiong
Wong Hau Yan, Helvin
Du Peng
Zhou Dengchao
Hou Qin
Huang Xiaojian#
Tso Hon Sai, Bosco*
Hui Wai Man, Shirley*
Tang Yiu Wing*

Non-executive Directors

* Independent Non-executive Directors

Company Secretary

Cheng Wing Tsan

Registered Office

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Hamilton HM 12
Bermuda

Hong Kong Principal Place of Business

22/F, Two International Finance Centre,
8 Finance Street, Central
Hong Kong

Principal Banker

The Hongkong and Shanghai Banking
Corporation Limited

Share Registrar and Transfer Offices

Principal:

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

Hong Kong Branch:

Tricor Secretaries Limited
26th Floor, Tesbury Centre
28 Queen's Road East, Wanchai
Hong Kong

Stock Code

00530



The board of directors (the “Board” or the “Directors”) of Goldin Financial Holdings Limited (the “Company”) is pleased to announce the unaudited interim results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2009 together with comparative figures for the corresponding period in 2008 as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2009

		Six months ended	
		30 June	
	<i>Notes</i>	2009	2008
		HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
			(Restated)
Continuing operations			
Revenue	3	7,171	8,027
Cost of sales		(2,649)	(2,518)
<hr/>			
Gross profit		4,522	5,509
Other income	4	185	87
Selling and distribution expenses		(62)	(26)
Administrative expenses		(18,650)	(7,762)
Change in fair value of investment properties	10	1,890	3,610
Gain on disposal of subsidiaries	16	2,052	–
Other expenses		–	(6)
<hr/>			
(Loss) profit before tax		(10,063)	1,412
Income tax charge	5	(276)	(596)
<hr/>			
(Loss) profit from continuing operations		(10,339)	816



CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME*(Continued)**For the six months ended 30 June 2009 (Continued)*

	Notes	Six months ended 30 June	
		2009 HK\$'000 (Unaudited)	2008 HK\$'000 (Unaudited) (Restated)
Discontinued operations			
Loss from discontinued operations	6	–	(86,898)
Loss for the period	7	(10,339)	(86,082)
Other comprehensive income		–	–
Total comprehensive expenses for the period		(10,339)	(86,082)
Attributable to:			
Owner of the Company		(10,339)	(86,082)
Minority interests		–	–
		(10,339)	(86,082)
(Loss) earnings per share			
9			
From continuing and discontinued operations			
Basic (HK cents)		(4.06)	(392.10)
Diluted (HK cents)		N/A	N/A
From continuing operations			
Basic (HK cents)		(4.06)	3.72
Diluted (HK cents)		N/A	N/A



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2009

	Notes	30 June 2009 HK\$'000 (Unaudited)	31 December 2008 HK\$'000 (Audited)
Non-current assets			
Property, plant and equipment	10	705	727
Investment properties	10	20,570	18,680
Earnest money	11	–	56,689
		21,275	76,096
Current assets			
Inventories		121	137
Trade receivables, prepayments and other deposits	12	9,629	1,581
Bank balances and cash		624,025	20,757
		633,775	22,475
Current liabilities			
Trade payables, accruals, other deposits and receipt in advance	13	9,317	6,015
Provision for onerous contract		3,635	2,555
Amounts due to minority shareholders of a subsidiary	14	–	1,160
Tax payable		67	2,302
		13,019	12,032
Net current assets			
		620,756	10,443
Total assets less current liabilities			
		642,031	86,539
Capital and reserves			
Share capital	15	94,862	73,450
Share premium and reserves		546,119	12,351
Total equity			
		640,981	85,801
Non-current liabilities			
Deferred tax liabilities		1,050	738
		642,031	86,539



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2009

	Share capital	Share premium	Capital reserve	Contributed surplus	Accumulated losses	Total	Minority interests	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1 January 2008 (audited)	12,242	86,370	-	202,809	(126,898)	174,523	-	174,523
Loss for the period, representing total comprehensive expenses for the period	-	-	-	-	(86,082)	(86,082)	-	(86,082)
Balance at 30 June 2008 (unaudited)	12,242	86,370	-	202,809	(212,980)	88,441	-	88,441
Balance at 1 January 2009 (audited)	73,450	83,950	-	202,809	(274,408)	85,801	-	85,801
Loss for the period, representing total comprehensive expenses for the period	-	-	-	-	(10,339)	(10,339)	-	(10,339)
Reduction in share capital (Note 15)	(66,404)	-	-	66,404	-	-	-	-
Transfer (Note 15)	-	-	-	(269,213)	269,213	-	-	-
Issue of new shares (Note 15)	87,816	487,497	-	-	-	575,313	-	575,313
Transaction costs attributable to issue of new shares	-	(9,794)	-	-	-	(9,794)	-	(9,794)
Balance at 30 June 2009 (unaudited)	94,862	561,653	-	-	(15,534)	640,981	-	640,981



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW*For the six months ended 30 June 2009*

	Six months ended 30 June	
	2009 HK\$'000 (Unaudited)	2008 HK\$'000 (Unaudited)
Net cash used in operating activities	(18,869)	(41,945)
Net cash generated from investing activities		
Purchase of property, plant and equipment	(73)	(179)
Proceeds from disposal of property, plant and equipment	–	222
Refund of earnest money paid	56,689	–
Interests received	2	67
	56,618	110
Net cash generated from financing activities		
Proceeds from issue of shares	575,313	–
Share issue expenses	(9,794)	–
	565,519	–
Net increase (decrease) in cash and cash equivalents	603,268	(41,835)
Cash and cash equivalents at 1 January	20,757	44,459
Cash and cash equivalents at 30 June, represented by bank balances and cash	624,025	2,624



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2009

1. Basis of preparation

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

2. Significant accounting policies

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at revalued amounts or fair values, as appropriate.

A number of new or revised Standards and Interpretations are effective for the financial year beginning on 1 January 2009. Except as described below, the same accounting policy, presentation and methods of computation have been followed in these condensed consolidated financial statements as were applied in the preparation of the Group's financial statements for the year ended 31 December 2008.

In the current period, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations ("new HKFRSs") issued by HKICPA which are effective for the Group's financial year beginning on 1 January 2009.

HKAS 1 (Revised 2007)	Presentation of Financial Statements
HKAS 23 (Revised 2007)	Borrowing Costs
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HK(IFRIC) – Int 9 & HKAS 39 (Amendments)	Embedded Derivatives
HK(IFRIC) – Int 13	Customer Loyalty Programmes
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate



2. Significant accounting policies (Continued)

HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008, except for the amendment to HKFRS 5 that is effective for annual periods beginning or after 1 July 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendment to paragraph 80 of HKAS 39

The adoption of these new HKFRSs, except for HKAS 1 (Revised 2007) as described below, had no material effect on the results and financial position for the current or prior accounting periods which have been prepared and presented. Accordingly, no prior period adjustment has been recognised.

HKAS 1 (Revised 2007) separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented as a single line. In addition, the standard introduces the statement of comprehensive income: it presents all items of recognised income and expense, either in one single statement, or in two linked statements. The Group has elected to present one single statement.

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of Improvements to HKFRSs issued in 2008 ¹
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 ²
HKAS 27 (Revised 2008)	Consolidated and Separate Financial Statements ¹
HKAS 39 (Amendment)	Eligible hedged items ¹
HKFRS 3 (Revised 2008)	Business Combinations ¹
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners ¹
HK(IFRIC) – Int 18	Transfers of Assets from Customers ³

¹ Effective for annual periods beginning on or after 1 July 2009

² Effective for annual periods beginning on or after 1 July 2009 and 1 January 2010, as appropriate

³ Effective for transfers on or after 1 July 2009

The adoption of HKFRS 3 (Revised 2008) may affect the Group's accounting for business combinations for which the acquisition dates are on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised 2008) will affect the accounting treatment for changes in the Group's ownership interest in a subsidiary that do not result in loss of control of the subsidiary. Changes in the Group's ownership interest that do not result in loss of control of the subsidiary will be accounted for as equity transactions.

The directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.



3. Segment information

The Group has adopted HKFRS 8 Operating Segments with effect from 1 January 2009. HKFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. In contrast, the predecessor Standard (HKAS 14 Segment Reporting) required an entity to identify two sets of segments (business and geographical), using a risks and rewards approach, with the entity's 'system of internal financial reporting to key management personnel' serving only as the starting point for the identification of such segments.

The adoption of HKFRS 8 has no impact on the identification of the Group's reportable segments as information reported to the Group's Chief Executive Officer for the purposes of allocation and assessment of performance are the same as those segments previously reported under the predecessor Standard, which is analysed on the basis of the Group's operating divisions (i.e. Property investment and Operation of restaurant).

The following is an analysis of the Group's revenue and results by operating segment for the periods under review:

	Six months ended 30 June			
	Revenue		Segment results	
	2009 HK\$'000 (Unaudited)	2008 HK\$'000 (Unaudited) (Restated)	2009 HK\$'000 (Unaudited)	2008 HK\$'000 (Unaudited) (Restated)
Continuing operations				
Property investment	466	443	2,285	3,890
Operation of restaurant	6,705	7,584	(223)	576
Total for continuing operations	7,171	8,027	2,062	4,466
Other unallocated income			129	31
Central administration and directors' salaries			(14,306)	(3,085)
Gain on disposal of subsidiaries			2,052	–
(Loss) profit before tax (continuing operations)			(10,063)	1,412



3. Segment information (Continued)

	Six months ended 30 June			
	Revenue		Segment results	
	2009 HK\$'000 (Unaudited)	2008 HK\$'000 (Unaudited) (Restated)	2009 HK\$'000 (Unaudited)	2008 HK\$'000 (Unaudited) (Restated)
Discontinued operations				
Cruise and cruise-related operation	–	14,032	–	(91,307)
Trading of glass eel	–	40,088	–	4,373
Total for discontinued operations	–	54,120	–	(86,934)
Other unallocated income			–	36
Loss before tax (discontinued operations)			–	(86,898)
Loss before tax (continuing and discontinued)			(10,063)	(85,486)
Income tax charge (continuing and discontinued)			(276)	(596)
Consolidated revenue (excluding investment revenue) and loss for the period	7,171	62,147	(10,339)	(86,082)

All of the segment revenue reported above is from external customers.

Segment profit represents the profit earned by each segment without allocation of central administration costs and directors' salaries and investment revenue. This is the measure reported to the group's Chief Executive Officer for the purposes of resource allocation and assessment of segment performance.



4. Other income

	Continuing operations		Six months ended 30 June Discontinued operations		Consolidated	
	2009	2008	2009	2008	2009	2008
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited) (Restated)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited) (Restated)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Bank interest income	2	31	-	36	2	67
Others	183	56	-	2,000	183	2,056
	185	87	-	2,036	185	2,123

5. Income tax charge

	Continuing operations		Six months ended 30 June Discontinued operations		Consolidated	
	2009	2008	2009	2008	2009	2008
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited) (Restated)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited) (Restated)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Current tax – Hong Kong Profits Tax						
Provision for the year	-	99	-	-	-	99
Overprovision in prior years	(36)	-	-	-	(36)	-
	(36)	99	-	-	(36)	99
Deferred taxation						
Current year	312	497	-	-	312	497
	276	596	-	-	276	596

Hong Kong Profit tax has been provided at the rate of 16.5% on the estimated assessable profits for the period.



6. Discontinued operations

At end of March 2008, due to the reallocation of financial resources and changes in personnel, the Group ceased the business of trading in glass eel. Accordingly, the business segments of trading of glass eel are classified as discontinued operation for the six months ended 30 June 2008.

On 11 July 2008, the Group entered into an agreement with an independent third party to dispose of the entire issued share capital of Quick Treasure Investments Limited ("Quick Treasure") and the entire shareholder's loan due to the Group by Quick Treasure and its subsidiaries (collectively, "Quick Treasure Group") at a consideration of approximately HK\$62,734,000. Quick Treasure Group held cruise and cruise-related operation of the Group. The transaction was completed on 24 October 2008 on that date control of Quick Treasure Group was passed to the acquirer. Accordingly, the business segment of cruise and cruise-related operation was classified as discontinued operation for the six months period ended 30 June 2008.

The comparative figures of the discontinued operations for the six months ended 30 June 2008 have been restated and comprised of the business segments of cruise and cruise-related operation and trading of glass eel business.

The loss for the period from the discontinued operations is analysed as follows:

	Six months ended 30 June	
	2009 HK\$'000 (Unaudited)	2008 HK\$'000 (Unaudited) (Restated)
Profit of trading in glass eel for the period	–	4,405
Loss of cruise and cruise-related operation for the period	–	(91,303)
	–	(86,898)



6. Discontinued operations *(Continued)*

The results of the discontinued operations for the six months period ended 30 June 2008 which have been included in the consolidated statement of comprehensive income and cash flow statements, were as follows:

	Six months ended 30 June 2008 <i>HK\$'000</i> (Unaudited) (Restated)
Revenue	54,120
Cost of sales	(71,280)
Gross loss	(17,160)
Other income	2,036
Selling and distribution expenses	(2,998)
Administrative expenses	(15,680)
Impairment loss on property, plant and equipment	(53,096)
Loss before tax	(86,898)
Income tax expense	–
Loss for the period	(86,898)
Cash flows from discontinued operations	
Net cash used in operating activities	(39,345)
Net cash from investing activities	253
Net cash from financing activities	15,814
Net decrease in cash flows	(23,278)



7. Loss for the period

Loss for the period has been arrived at after charging:

	Continuing operations		Six months ended 30 June Discontinued operations		Consolidated	
	2009 HK\$'000 (Unaudited)	2008 HK\$'000 (Unaudited) (Restated)	2009 HK\$'000 (Unaudited)	2008 HK\$'000 (Unaudited) (Restated)	2009 HK\$'000 (Unaudited)	2008 HK\$'000 (Unaudited)
Depreciation for property, plant and equipment	96	231	–	3,490	96	3,721
Impairment loss on trade and other receivables	–	6	–	–	–	6
	96	237	–	3,490	96	3,727

8. Dividend

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2009 (2008: nil).

9. (Loss) earnings per share

For continuing and discontinued operations

The calculation of the basic loss per share is based on the following data:

	Six months ended 30 June	
	2009 HK\$'000 (Unaudited)	2008 HK\$'000 (Unaudited) (Restated)
Loss		
Loss for the period for the purpose of calculation of basic loss per share	(10,339)	(86,082)
Number of shares	'000	'000
Weighted average number of ordinary shares for the purpose of calculation of basic loss per share	254,629	21,954

The weighted average number of ordinary shares for the purpose of calculation of basic loss per share has been adjusted for the right issues in June 2009 and October 2008.



9. **(Loss) earnings per share** *(Continued)***For continuing operations**

(Loss) earnings figures are calculated as follows:

	Six months ended 30 June	
	2009 HK\$'000 (Unaudited)	2008 HK\$'000 (Unaudited) (Restated)
Loss for the period attributable to owners of the Company	(10,339)	(86,082)
Less: Loss for the period from discontinued operations	–	(86,896)
(Loss) earnings for the purposes of basic loss per share from continuing operations	(10,339)	816

The denominators used are the same as those detailed above for the calculation of basic (loss) earnings per share.

Diluted (loss) earnings per share is not presented as there were no dilutive potential shares in issue during the six months ended 30 June 2008 and 2009.

10. **Movements in property, plant and equipment and investment properties**

During the period, the Group spent approximately HK\$73,000 on purchases of property, plant and equipment.

The Group revalued its investment properties at 30 June 2009 and recognised a revaluation gain of approximately HK\$1,890,000 (2008: approximately HK\$3,610,000). The valuation was carried out by Messrs Dudley Surveyors Limited.



11. Earnest money

At 31 December 2008, the amount represented an earnest money of RMB50 million paid to two independent third parties (the "Vendors") for the proposed acquisition of the entire equity interest in Favor Mega Group Limited and its outstanding debts owing to its shareholders. Details of the proposed acquisition were set out in the Company's announcement dated 12 February 2009 and 17 March 2009, respectively. The earnest money was unsecured, non-interest bearing and repayable to the Company if no definitive agreement could be reached upon.

On 26 March 2009, the Group and the Vendors entered into a deed of termination (the "Deed of Termination") pursuant to which the Group agreed to pay the Vendors HK\$2.0 million in consideration of the Vendors agreeing to enter into the Deed of Termination and the Vendors and the Group unconditionally and irrevocably confirmed that the acquisition agreement dated 4 February 2009 (as amended by the supplemental agreement dated 17 March 2009) was terminated with effect from the date of the Deed of Termination. The earnest money was refunded to the Group during the period ended 30 June 2009.

12. Trade receivables, prepayments and other deposits

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally for a period of 30 days, except for certain well-established customers where the credit terms are extended to 120 days.

At 30 June 2009, the trade receivables of approximately HK\$77,000 are aged within 30 days (31 December 2008: the trade receivables of approximately HK\$87,000 were aged within 30 days).

13. Trade payables, accruals, other deposits and receipt in advance

The following is an aged analysis of trade payables at the reporting date:

	30 June 2009 HK\$'000 (Unaudited)	31 December 2008 HK\$'000 (Audited)
0 – 90 days	53	499
Over 90 days	1	–
	54	499



14. Amounts due to minority shareholders of a subsidiary

The amounts at 31 December 2008 were unsecured, interest free and repayable on demand. In the current period, the liabilities were discharged when the Group disposed of that subsidiary to an independent third party.

15. Share capital

Ordinary shares	Number of shares	Share capital HK\$'000
<i>Authorised:</i>		
Shares of HK\$0.02 each at 1 January 2008 and 31 December 2008	12,500,000,000	250,000
Consolidation of shares and subdivision	(10,000,000,000)	–
Increase during the period	3,000,000,000	300,000
Shares of HK\$0.1 each at 30 June 2009	5,500,000,000	550,000
<i>Issued and fully paid:</i>		
Shares of HK\$0.02 each at 1 January 2008	612,081,819	12,242
Issue of new shares of HK\$0.02 each	3,060,409,095	61,208
Shares of HK\$0.02 each at 31 December 2008	3,672,490,914	73,450
Issue of shares of HK\$0.02 each on subscription	122,000,000	2,440
Shares repurchased and cancelled	(34)	–
Shares consolidation	(3,699,628,608)	–
Reduction in share capital	–	(66,404)
Issue of shares of HK\$0.10 each on subscription of rights issue	853,760,448	85,376
Shares of HK\$0.10 each at 30 June 2009	948,622,720	94,862
Preference shares		
<i>Authorised:</i>		
Shares of HK\$100,000 each at 1 January 2008, 31 December 2008 and 30 June 2009	500	50,000



15. Share capital *(Continued)*

On 6 January 2009, the Company entered into a subscription agreement with an independent third party (the "Subscriber") pursuant to which the Subscriber conditionally agreed to subscribe for 122,000,000 ordinary shares of HK\$0.02 each in the Company at a cash price of HK\$0.027 per share. The new shares were issued on 19 January 2009 and ranked *pari passu* with existing shares in all aspects.

In May 2009, the Company conducted a capital reorganisation (the "Capital Reorganisation") which involved (i) the consolidation of every 40 issued and unissued shares of HK\$0.02 each in the share capital of the Company into 1 consolidated share of HK\$0.80 each; (ii) the reduction of the issued share capital of the Company through a cancellation of the paid-up capital of the Company to the extent of HK\$0.70 on each of the issued consolidated shares such that the nominal value of each issued consolidated share would be reduced from HK\$0.80 to HK\$0.10; (iii) the subdivision of each authorised but unissued consolidated share of HK\$0.80 each (including the unissued consolidated shares arising from the capital reduction) into 8 shares of HK\$0.10 each (the "New Shares"); (iv) the transfer of the credit arising from the capital reduction to the contributed surplus account of the Company; and (v) the application of the contributed surplus account of the Company to offset against the entire balance of the accumulated losses.

Upon the completion of the Capital Reorganisation, the authorised share capital of the Company was increased from HK\$300,000,000.00 divided into 2,500,000,000 New Shares and 500 convertible preference shares with a par value of HK\$100,000 each to HK\$600,000,000.00 divided into 5,500,000,000 New Shares and 500 convertible preference shares with a par value of HK\$100,000 each by the creation of 3,000,000,000 New Shares.

The fractional shares would be constituted upon the aforesaid Capital Reorganisation. In order to avoid the fractional shares, the Company repurchased 34 ordinary shares of the Company through the Stock Exchange for a consideration of HK\$0.019 per share and subsequently cancelled all the 34 ordinary shares of the Company on 20 February 2009.

The Company then issued and allotted 853,760,448 ordinary shares of HK\$0.1 each to the qualifying shareholders of the Company pursuant to the rights issue on the basis of nine rights shares for every share held by the qualifying shareholders of the Company as at 14 May 2009 (the "Rights Issue") at a subscription price of HK\$0.67 per share. The net proceeds of approximately HK\$562 million would be used for the development of the factoring business and as the general working capital of the Group. Details of the Capital Reorganisation is set out in the circular of the Company dated 20 April 2009 and the addendum to the circular dated 28 April 2009, and the details of the Rights Issue is set out in the prospectus of the Company dated 15 May 2009.



16. Disposal of subsidiaries

During the period, the Group disposed of its entire interests in State Empire Limited and the 80% interest in Pacific Glory Holdings Limited at nominal considerations of US\$1 and HK\$2 respectively. A gain of approximately HK\$2,052,000 arising from the disposals of the subsidiaries were recognised on the consolidated statements of comprehensive income for the period ended 30 June 2009.

17. Event after balance sheet date

Subsequent to the balance sheet date, the Company granted in aggregate of 90,100,000 share options to certain directors and eligible grantees on 22 July 2009 and 23 July 2009 respectively, under the share option scheme of the Company (the "Scheme") adopted on 28 January 2004. Details of options granted are as follows:

Date of grant	Exercise price per share (HK\$)	Exercisable period (dd.mm.yyyy)	No. of options granted
22 July 2009	0.654	22.1.2010 – 21.7.2019	5,000,000
	0.654	22.1.2011 – 21.7.2019	5,000,000
	0.654	22.1.2012 – 21.7.2019	5,000,000
	0.654	22.7.2009 – 21.7.2019	3,000,000
23 July 2009	0.652	23.7.2009 – 22.7.2019	1,000,000
	0.652	23.1.2010 – 22.7.2019	21,330,000
	0.652	23.1.2011 – 22.7.2019	21,330,000
	0.652	23.1.2012 – 22.7.2019	28,440,000
			90,100,000

The vesting period of the share options is from the date of the grant until the commencement of the exercise period.

At a special general meeting of the Company held on 20 July 2009, the Company's shareholders approved a refreshment of the 10% limit on the grant of options under the Scheme and the total number of shares which may be issued upon the exercise of options granted under the Scheme was re-set at 10% of the shares in issue on 20 July 2009, the date of approval of the refreshment (i.e. 94,862,272 shares).

The principal terms of the Scheme are summarized in Note 24 to the consolidated financial statements of the Company for the year ended 31 December 2008.



MANAGEMENT DISCUSSION AND ANALYSIS

Results

During the six months ended 30 June 2009 (the "Period"), the Group recorded a turnover of approximately HK\$7.17 million (2008: HK\$8.03 million), representing a decrease of approximately 10.7% from last year. The Group's loss for the period attributable to owner of the Company was approximately HK\$10.3 million (2008: HK\$86.1 million), which was mainly attributable to its restaurant operation and property investment business. The Group discontinued its operations in trading of glass eel and the cruised and cruised related business in March 2008 and October 2008 respectively. These two segments contributed to a net loss of approximately HK\$86.9 million for the six months ended 30 June 2008. As a result, net loss for the period attributable to the owner of the Company reduced significantly by 88.0% comparing with the same period last year.

Interim Dividend

The Directors do not recommend the payment of an interim dividend for the Period (2008: nil).

Business Review

The principal operations of the Group are being restructured. During the Period, the Group focused on the preparation for the launch of a factoring business in the second half of 2009, while the existing restaurant operation and property investment sectors showed no improvement.

Factoring business

With foresight and agility, the Group announced venturing into the factoring business in March 2009. As industrial development and exports of China continue to bloom, its factoring volume surged from approximately HK\$20.77 billion in 2002 (EUR2.077 billion) to approximately HK\$550 billion (EUR55 billion) in 2008. The compound annual growth rate was 72.65%. In 2008, China's factoring volume accounted for 4.15% of the world's total, and there is still much room for growth. Thus, the Group is optimistic about the prospects of the factoring business in China.

The Group will participate as a factoring company, providing factoring services to middle and small-sized companies in Hong Kong and the People's Republic of China (the "PRC"). Factoring services is a convenient way to raise additional working capital. Furthermore, as a business grows, factoring is the best solution for raising funds and increasing working capital quickly. Overall, the factoring services offered by the Group can reduce the difficulties in debt collection and lower the credit risk involved. The major revenues from the factoring services provided by Group include the factoring fee income and the discounting charge from the clients.



MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

Business Review *(Continued)*

Factoring business *(Continued)*

In June 2009, the Group was admitted as an associate member of Factors Chain International ("FCI"). FCI normally requires its associated members to have prior experiences in the factoring business and has achieved a certain amount of factoring volume. It serves to ensure that every FCI member has strong capability and expertise to provide quality factoring service. Leveraging on the management's experience and reputation in the industry, the Group was granted the associate membership despite of its short of history and track record transactions in the factoring business, which clearly reflected FCI's recognition and confidence in the Group's capability.

To facilitate the launch of the Group's factoring business, the Company has become strategic partners of Bank of China and Branch Banking and Trust, which are both global factoring companies, together joining hands to create synergy and boost growth of the Group's new business endeavor. Moreover, the Group has recruited personnel who are experienced in this industry to handle the strategic planning and operations of the factoring business. The Group plans to establish a subsidiary in the PRC to carry out related business activity.

Restaurant operation

The restaurant operation continued to be the major income sources of the Group for the period under review. The Group recorded a decrease of 11.6% in the turnover from the restaurant operation compared with the corresponding period last year. Despite the Group's effort to control the operation costs, the segment posted a loss of approximately HK\$223,000 whereas a net profit of HK\$576,000 was recorded in the corresponding period last year. The overall performance of the restaurant operation was weak.

Property investment

Turnover of this segment for the Period was mainly contributed by rental income. The increase in turnover of 5.2% was due to the favorable property market in Hong Kong during the Period. The segment recorded a profit (before the revaluation gain of investment properties) of approximately HK\$395,000, representing an increase of approximately 41.1% from last year (2008: approximately HK\$280,000). During the Period, the group revalued its investment properties at 30 June 2009 and recognized a revaluation gain of approximately HK\$1,890,000 (2008: approximately HK\$3,610,000) for the Period.



MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

New Company Name, New Business Focus

To reflect the Group's focus on its new factoring business, the name of the Company was changed to "Goldin Financial Holdings Limited" and adopted the Chinese name "高銀金融(集團)有限公司" for identification purposes. The proposed change of company name was passed by the shareholders of the Company at the special general meeting held on 13 May 2009 and have become effective on 27 May 2009.

Prospects

It has always been the Group's strategy to broaden its business horizon and diversify income stream in order to boost the long-term development of the Group and enhance shareholders' value. The Group launched the factoring business in July 2009. Looking ahead, the Group will streamline and reduce the scale of its existing restaurant and property investment business segments and gradually reallocate resources to focus on the factoring business and other future potential opportunities. The Board sees the restructuring as a good move and is confident that the Group is on the right track.

Financial Review

Liquidity, financial resources and gearing

On 12 February 2009, the Group announced a proposed rights issue to raise approximately HK\$572.0 million by issuing 853,760,448 rights shares (the "Rights Shares") at a subscription price of HK\$0.67 (the "Rights Issue Price") per Rights Share on the basis of nine Rights Shares for every one share of HK\$0.10 each in the share capital of the Company. The rights issue was completed in June 2009. The net proceed from the Rights Issue was HK\$562.2 million, which would be used for the development of the factoring business and general working capital of the Group. In view of the general tightening of credit in the banking and finance industry, as well as high borrowing costs, it is difficult for the Group to obtain bank financing of a large scale under the current market sentiment. The Rights Issue thus serves as a source of funding for the Group to enlarge its capital base.

The Group's working capital as of 30 June 2009 amounted to HK\$620.8 million, representing an increase of approximately 5,844.2% compared with the corresponding period last year.

As of 30 June 2009, the Group had approximately HK\$624.0 million in cash, compared with approximately HK\$20.8 million as of 31 December 2008. The strong cash position has paved the way for the Group to finance its working capital and the new factoring business.

As of 30 June 2009, the Group had no bank or other borrowing (31 December 2008: nil).

The Group's core operation is in Hong Kong and had limited exposure to the fluctuations in exchange rates. Bank balances were mainly denominated in Hong Kong dollars.



MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Contingent Liabilities

The Group had no contingent liabilities as of 30 June 2009.

Employment and Remuneration Policy

As of 30 June 2009, the Group had about 48 employees (2008: 351). Total staff costs were approximately HK\$5.60 million (2008: HK\$13.49 million). The remuneration policy and package of the Group's employees are structured in accordance to market terms and statutory requirements where appropriate. In addition, the Group provides other staff benefits such as medical insurance, mandatory provident fund and a share option scheme to its employees.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

During the Period, the Company repurchased 34 of its own shares through the Stock Exchange. The aggregate price paid for the repurchases amounted to HK\$0.646.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES

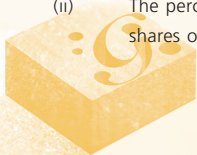
As at 30 June 2009, the interests and short positions of the directors and chief executive of the Company and their associates in shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

Long position in ordinary shares of HK\$0.10 each of the Company:

Name of Director	Nature of interest	Number of ordinary shares held	Percentage holdings
Pan Sutong	Interest of controlled corporations (Note (i))	611,738,800	64.49% (Note (ii))

Notes:

- (i) These shares were held by Goldin Global Holdings Limited. Goldin Global Holdings Limited is directly and wholly owned by Goldin Investment Holdings Limited, which is directly and wholly owned by Goldin Real Estate Financial Holdings Limited. Goldin Real Estate Financial Holdings Limited is directly, wholly and beneficially owned by Mr. Pan Sutong.
- (ii) The percentage of interest in the issued share capital was calculated on the basis of 948,622,720 shares of the Company in issue at 30 June 2009.



DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES

(Continued)

Save as disclosed above, as at 30 June 2009, none of the directors or chief executive of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company (within the meaning of Part XV of the SFO) 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 Model Code of the Listing Rules.

SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS IN SECURITIES

As at 30 June 2009, the following persons (other than any directors or chief executive of the Company) were substantial shareholders of the Company (as defined in the Listing Rules) and 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 the SFO:

Long position in ordinary shares of HK\$0.10 each of the Company:

Name of shareholder (Note (i))	Nature of interest	Number of shares interested or deemed to be interested	Percentage to the issued share capital of the Company (Note (ii))
Goldin Global Holdings Limited	Beneficial owner	611,738,800	64.49%
Goldin Investment Holdings Limited	Interest of controlled corporation	611,738,800	64.49%
Goldin Real Estate Financial Holdings Limited	Interest of controlled corporations	611,738,800	64.49%

Notes:

- (i) Goldin Global Holdings Limited is a wholly owned subsidiary and hence a controlled corporation of Goldin Investment Holdings Limited ("Goldin Investment"). Goldin Investment is a wholly owned subsidiary and hence a controlled corporation of Goldin Real Estate Financial Holdings Limited ("Goldin Real Estate Financial"). Goldin Real Estate Financial is wholly and beneficially owned by Mr. Pan Sutong, a non-executive director of the Company and the chairman of the Board whose interests in the shares of the Company are disclosed in the paragraph entitled "Directors' and Chief Executive's Interests in Securities" above. By virtue of the SFO, both Goldin Real Estate Financial and Goldin Investment were deemed to be interested in the same lot of 611,738,800 shares held by Goldin Global Holdings Limited in the Company as at 30 June 2009.
- (ii) The percentage of interest in the issued share capital was calculated on the basis of 948,622,720 shares of the Company in issue at 30 June 2009.



SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS IN SECURITIES *(Continued)*

Save as disclosed above, as at 30 June 2009, the Company had not been notified of any other persons (other than any directors or chief executive of the Company) who had an interest or a short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

SHARE OPTION SCHEME

The Scheme was adopted on 28 January 2004. The purpose of the Scheme is to provide incentives or rewards to participants thereunder for their contribution to the Group and/or enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any entity in which the Group holds an equity interest. At a special general meeting of the Company held on 20 July 2009, the Company's shareholders approved a refreshment of the 10% limit on the grant of options under the Scheme and the total number of shares which may be issued upon the exercise of options granted under the Scheme was re-set at 10% of the shares in issue on 20 July 2009, the date of approval of the refreshment (i.e. 94,862,272 shares). The key terms of the Scheme had been summarised under note 24 of the notes to consolidated financial statements from pages 94 to 96 of the Company's 2008 Annual Report published in April 2009.

There is no outstanding options remain un-exercised at the beginning and at the end of the Period. No options was granted, exercised, cancelled nor lapsed during the Period.



SHARE OPTION SCHEME (Continued)

Subsequent to the balance sheet date, the Company granted an aggregate of 90,100,000 share options to eligible grantees under the Scheme. The details of the options granted are as follow:

Grantee	Date of grant	Exercise price per share (HK\$)	Exercisable period (dd.mm.yyyy)	No. of options granted
Directors:				
Mr. Du Peng	22 July 2009	0.654	22.1.2010 – 21.7.2019	1,000,000
			22.1.2011 – 21.7.2019	1,000,000
			22.1.2012 – 21.7.2019	1,000,000
Mr. Wang Zhixiong	22 July 2009	0.654	22.1.2010 – 21.7.2019	1,000,000
			22.1.2011 – 21.7.2019	1,000,000
			22.1.2012 – 21.7.2019	1,000,000
Mr. Wong Hau Yan, Helvin	22 July 2009	0.654	22.1.2010 – 21.7.2019	1,000,000
			22.1.2011 – 21.7.2019	1,000,000
			22.1.2012 – 21.7.2019	1,000,000
Mr. Zhou Dengchao	22 July 2009	0.654	22.1.2010 – 21.7.2019	1,000,000
			22.1.2011 – 21.7.2019	1,000,000
			22.1.2012 – 21.7.2019	1,000,000
Ms. Hou Qin	22 July 2009	0.654	22.1.2010 – 21.7.2019	1,000,000
			22.1.2011 – 21.7.2019	1,000,000
			22.1.2012 – 21.7.2019	1,000,000
Other eligible grantees	22 July 2009	0.654	22.7.2009 – 21.7.2019	3,000,000
(in aggregate)	23 July 2009	0.652	23.7.2009 – 22.7.2019	1,000,000
	23 July 2009	0.652	23.1.2010 – 22.7.2019	21,330,000
	23 July 2009	0.652	23.1.2011 – 22.7.2019	21,330,000
	23 July 2009	0.652	23.1.2012 – 22.7.2019	28,440,000
Total options granted				90,100,000

The vesting period of the share options is from the date of the grant until the commencement of the exercise period.

The closing prices of the Company's shares immediately before 22 July 2009 and 23 July 2009, the dates of grant options, were HK\$0.65 per share and HK\$0.64 per share, respectively.



CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied throughout the six months ended 30 June 2009 with the code provisions of the Code on Corporate Governance Practices (the “CG Code”) as set out in Appendix 14 to the Listing Rules, except for deviation from code provision A.4.1 of the CG Code.

Under the CG Code provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. None of the existing non-executive directors of the Company are appointed for a specific term but are subject to retirement by rotation at least once every three years at the Company’s annual general meeting in accordance with the provisions of the bye-laws of the Company. The Board believes that such practice will offer stability at the Board level while at the same time, independence is safeguarded by the necessary rotation, retirement and re-election procedures which involves shareholders’ approval. As such, the Board considers that such provisions are sufficient to meet the underlying objectives of the relevant provisions of the CG Code.

DIRECTORS’ SECURITIES TRANSACTIONS

The Board has adopted the Model Code contained in Appendix 10 of the Listing Rules (as amended from time to time by the Stock Exchange) as its own code of conduct regarding directors’ and relevant employees’ securities transactions. Having made specific enquiry of all the directors of the Company, all the directors confirmed that they have complied with the required standard of dealings set out in the Model Code throughout the six months ended 30 June 2009.

REVIEW BY AUDIT COMMITTEE

The audit committee of the Company (the “Audit Committee”) comprises three independent non-executive Directors, namely Mr. Tso Hon Sai, Bosco (Chairman), Ms. Hui Wai Man, Shirley and Mr. Tang Yiu Wing. The Audit Committee, together with the management of the Company, have reviewed the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including the review of the unaudited consolidated interim financial statements of the Company for the six months ended 30 June 2009.

By Order of the Board

Pan Sutong

Chairman

Hong Kong, 24 August 2009

