

INTERIM REPORT 2009 中期報告



FOREFRONT GROUP LIMITED
福方集團有限公司*

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)
Stock Code 股份代號 : 885

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CORPORATE INFORMATION

公司資料

DIRECTORS

Executive Directors

Mr. Yeung Ming Kwong# (*Acting Chairman*)
Ms. Lo Oi Kwok, Sheree
Mr. Ting Wing Cheung, Sherman
Mr. Wen Louis
Mr. Zhou Qi Jin
Mr. Zhuang You Dao

Independent Non-executive Directors

Mr. Chung Yuk Lun*#
Mr. Kwong Wai Tim, William*#
(*Resigned on 3 September 2009*)
Ms. Lam Yan Fong, Flora*#
Ms. Swartz Kristi Lynn**@

* *Member of Audit Committee*

Member of Remuneration Committee

@ *appointed as member of Audit Committee and Remuneration Committee on 3 September 2009*

COMPANY SECRETARY

Mr. Chui Kark Ming

AUDITOR

Mazars CPA Limited
42nd Floor, Central Plaza,
18 Harbour Road, Wanchai,
Hong Kong.

PRINCIPAL BANKERS

Standard Chartered Bank (Hong Kong) Limited
The Bank of East Asia, Limited

董事

執行董事

楊明光先生# (*署理主席*)
羅愛過女士
丁永章先生
溫耒先生
周奇金先生
莊友道先生

獨立非執行董事

鍾育麟先生*#
鄭維添先生*#
(*於二零零九年九月三日辭任*)
林欣芳女士*#
Swartz Kristi Lynn女士**@

* *審核委員會成員*

薪酬委員會成員

@ *於二零零九年九月三日獲委任為審核委員會及薪酬委員會成員*

公司秘書

崔格鳴先生

核數師

瑪澤會計師事務所有限公司
香港
灣仔港灣道18號
中環廣場42樓

主要往來銀行

渣打銀行(香港)有限公司
東亞銀行有限公司

CAYMAN ISLANDS LEGAL ADVISERS

Maples and Calder Asia
1504, One International Finance Centre,
1 Harbour View Street,
Hong Kong.

REGISTERED OFFICE

P. O. Box 309, Ugland House,
South Church Street, George Town,
Grand Cayman, Cayman Islands,
British West Indies.

PRINCIPAL PLACE OF BUSINESS

Room 1103, 11/F., China United Centre,
28 Marble Road,
North Point,
Hong Kong.

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
26/F., Tesbury Centre,
28 Queen's Road East, Wanchai,
Hong Kong.

STOCK CODE

885

WEBSITE

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開曼群島法律顧問

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香港
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國際金融中心一期1504室

註冊辦事處

P. O. Box 309, Ugland House,
South Church Street, George Town,
Grand Cayman, Cayman Islands,
British West Indies.

主要營業地點

香港
北角
馬寶道28號
華匯中心11樓1103室

香港股份過戶登記處

卓佳登捷時有限公司
香港
灣仔皇后大道東28號
金鐘匯中心26樓

股份代號

885

網址

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CONDENSED CONSOLIDATED INCOME STATEMENT

簡明綜合收益表

FOR THE SIX MONTHS ENDED 30 JUNE 2009

截至二零零九年六月三十日止六個月

The Board of Directors (the "Directors") of Forefront Group Limited (the "Company") reports the unaudited condensed consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 June 2009 as follows:

福方集團有限公司(「本公司」)董事會(「董事」)謹此匯報本公司及其附屬公司(統稱「本集團」)截至二零零九年六月三十日止六個月之未經審核簡明綜合財務報表如下:

		Unaudited	
		未經審核	
		Six months ended 30 June	
		截至六月三十日止六個月	
	Note 附註	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元 (Restated) (重列)
Continuing operations	持續經營業務		
Turnover	2	15,514	(25,810)
Other income		31,165	9,022
General and administrative expenses		(5,913)	(10,465)
Changes in fair value of financial assets at fair value through profit or loss		81,844	(39,490)
Profit (Loss) from operations	經營溢利(虧損)	122,610	(66,743)
Finance costs		(552)	(998)
Gain on disposal of subsidiaries		-	5,648
Share of results of associates		303	(1,500)
Profit (Loss) before taxation	3	122,361	(63,593)
Taxation	4	-	-
Profit (Loss) for the period from continuing operations		122,361	(63,593)
Discontinued operations	已終止經營業務		
Loss for the period from discontinued operations	5	(839)	(4,632)
Profit (Loss) for the period		121,522	(68,225)

CONDENSED CONSOLIDATED INCOME STATEMENT

簡明綜合收益表

FOR THE SIX MONTHS ENDED 30 JUNE 2009

截至二零零九年六月三十日止六個月

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元 (Restated) (重列)
	Note 附註		
Attributable to:	以下人士應佔：		
Equity holders of the parent	母公司股權持有人	121,522	(68,225)
Minority interest	少數股東權益	—	—
		121,522	(68,225)
Dividend	股息	—	—
Basic earnings (loss) per share:	每股基本盈利(虧損)：		
From continuing operations (HK cents per share)	來自持續經營業務 (每股港仙)	11.63	(8.56)
From discontinued operations (HK cents per share)	來自已終止經營業務 (每股港仙)	(0.08)	(0.62)
Diluted earnings per share:	每股攤薄盈利：		
From continuing operations (HK cents per share)	來自持續經營業務 (每股港仙)	11.34	N/A不適用
From discontinued operations (HK cents per share)	來自已終止經營業務 (每股港仙)	N/A不適用	N/A不適用

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

簡明綜合全面收入報表

FOR THE SIX MONTHS ENDED 30 JUNE 2009

截至二零零九年六月三十日止六個月

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Profit (loss) for the period	期內溢利(虧損)	121,522	(68,225)
Other comprehensive (loss) income	其他全面(虧損)收入		
Exchange difference arising from translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	(18)	142
Total comprehensive income (loss) attributable to equity holders of the Company	本公司股權持有人應佔全面收入(虧損)總額	<u>121,504</u>	<u>(68,083)</u>

CONDENSED CONSOLIDATED BALANCE SHEET

簡明綜合資產負債表

AS AT 30 JUNE 2009

於二零零九年六月三十日

			At 30 June 2009 於 二零零九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 December 2008 於 二零零八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	8	1,640	2,316
Interests in associates	於聯營公司之權益	9	193,621	37,218
Goodwill	商譽	10	-	-
Available-for-sale financial assets	可供出售財務資產	11	-	-
			195,261	39,534
Current assets	流動資產			
Financial assets at fair value through profit or loss	於損益帳按公平值處理之 財務資產	12	255,101	98,748
Inventories	存貨		-	6,782
Loan receivables	應收貸款	13	19,670	35,729
Trade and other receivables	應收貿易帳款及其他應收款項	14	12,736	23,841
Pledged deposits	有抵押存款	15	558	1,567
Bank balances and cash	銀行結存及現金		79,495	64,154
			367,560	230,821
Current liabilities	流動負債			
Trade and other payables	應付貿易帳款及其他應付款項	16	60,383	17,806
Interest-bearing borrowings	計息借貸		-	27,274
			60,383	45,080
Net current assets	流動資產淨值		307,177	185,741
NET ASSETS	資產淨值		502,438	225,275
Capital and reserves	資本及儲備			
Share capital	股本	17	168,994	93,636
Reserves	儲備		333,444	131,639
Equity attributable to equity holders of the parent	母公司股權持有人應佔股權		502,438	225,275
Minority interest	少數股東權益		-	-
TOTAL EQUITY	股權總值		502,438	225,275

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合股東權益變動表

FOR THE SIX MONTHS ENDED 30 JUNE 2009

截至二零零九年六月三十日止六個月

		Share capital	Share premium	Share option reserve	Equity component of Zero Coupon Convertible Notes 零息票 可換股票據之權益部分	Capital reserve	Capital redemption reserve	Cumulative translation reserve	Accumulated deficit	Total	Minority interest	Total equity
		股本	股份溢價	購股權儲備	可換股票據之權益部分	資本儲備	資本贖回儲備	累計換算儲備	累計虧絀	總計	少數股東權益	股權總值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Six months ended 30 June 2009 (Unaudited)	截至二零零九年六月三十日止六個月 (未經審核)											
Beginning of period	期初	93,636	709,566	-	-	10,482	1,173	243	(589,825)	225,275	-	225,275
Total comprehensive (loss) income attributable to equity holders of the Company	本公司股權持有人應佔全面(虧損)收入總額	-	-	-	-	-	-	(18)	121,522	121,504	-	121,504
Convertible notes issued and converted	發行及兌換可換股票據	52,631	47,691	-	-	-	-	-	-	100,322	-	100,322
Issuance of new shares	發行新股	22,727	32,610	-	-	-	-	-	-	55,337	-	55,337
End of period	期末	168,994	789,867	-	-	10,482	1,173	225	(468,303)	502,438	-	502,438
Six months ended 30 June 2008 (Unaudited)	截至二零零八年六月三十日止六個月 (未經審核)											
Beginning of period	期初	178,581	550,566	-	99,840	10,482	1,173	112	(593,870)	246,884	-	246,884
Total comprehensive income (loss) attributable to equity holders of the Company	本公司股權持有人應佔全面收入(虧損)總額	-	-	-	-	-	-	142	(68,225)	(68,083)	-	(68,083)
Issuance of shares on rights issue	供股時發行股份	89,291	89,291	-	-	-	-	-	-	178,582	-	178,582
Issuance of new shares	發行新股	91,922	55,716	-	-	-	-	-	-	147,638	-	147,638
Issuance cost	發行成本	-	(8,913)	-	-	-	-	-	-	(8,913)	-	(8,913)
Share options granted	授出購股權	-	-	6,239	-	-	-	-	-	6,239	-	6,239
Exercise of share options	行使購股權	14,749	22,906	(6,239)	-	-	-	-	-	31,416	-	31,416
Redemption of zero coupon convertible notes	贖回零息票可換股票據	-	-	-	(99,840)	-	-	-	(2,560)	(102,400)	-	(102,400)
End of period	期末	374,543	709,566	-	-	10,482	1,173	254	(664,655)	431,363	-	431,363

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

簡明綜合現金流量表

FOR THE SIX MONTHS ENDED 30 JUNE 2009

截至二零零九年六月三十日止六個月

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Net cash generated from (used in) operating activities	經營業務所得(所用)現金淨額	11,638	(105,064)
Net cash (used in) generated from investing activities	投資活動(所用)所得現金淨額	(25,350)	24,750
Net cash generated from financing activities	融資活動所得現金淨額	28,062	31,469
Increase (Decrease) in cash and cash equivalents	現金及現金等價物增加(減少)	14,350	(48,845)
Cash and cash equivalents at beginning of period	期初之現金及現金等價物	65,721	163,471
Effect on cumulative translation adjustments	累計換算調整之影響	(18)	142
Cash and cash equivalents at end of period	期終之現金及現金等價物	80,053	114,768
Analysis of cash and cash equivalents:	現金及現金等價物分析:		
Bank balances and cash	銀行結存及現金	79,495	93,294
Pledged deposits	有抵押存款	558	558
Cash balances maintained with broker	存於經紀帳戶之現金結存	-	20,916
		80,053	114,768
Cash and cash equivalents included in subsidiary held for sale	計入持作出售之附屬公司之現金及現金等價物	-	1,835
		80,053	116,603

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

FOR THE SIX MONTHS ENDED 30 JUNE 2009

截至二零零九年六月三十日止六個月

1. STATEMENT OF COMPLIANCE AND ACCOUNTING POLICIES

These unaudited interim condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting”, other relevant HKASs and Interpretations and Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The accounting policies used in preparing these unaudited interim condensed consolidated financial statements are consistent with those used in the Group’s audited financial statements for the year ended 31 December 2008 except for the impact of the adoption of the following.

HKAS 1: Revised Presentation of Financial Statements

The revised standard 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 which presents all items of recognised income and expense, either in one single statement, or in two linked statements. The Group has elected to present two statements: an income statement and a statement of comprehensive income. The interim condensed consolidated financial statements have been prepared under the revised disclosure requirements and the adoption had no impact on the results or financial position of the Group.

1. 遵例聲明及會計政策

此等未經審核中期簡明綜合財務報表乃根據香港聯合交易所有限公司證券上市規則附錄十六之適用披露規定，以及按香港會計師公會（「香港會計師公會」）頒佈之香港會計準則（「香港會計準則」）第34號「中期財務報告」及其他相關香港會計準則及詮釋，以及香港財務報告準則（「香港財務報告準則」）而編製。

編製此等未經審核中期簡明綜合財務報表所採用之會計政策與本集團截至二零零八年十二月三十一日止年度經審核財務報表所採用者貫徹一致，惟採納下列各項之影響除外。

香港會計準則第1號：經修訂財務報表呈列

經修訂準則將股權變動分為擁有人及非擁有人部分。股東權益變動表僅包括與擁有人進行之交易詳情，而非擁有人之股權變動作為單項予以呈列。此外，該準則引入全面收入報表，以單一報表或兩個聯繫報表呈列所有已確認收支項目。本集團已選擇以兩個報表作呈列，即收益表及全面收入報表。中期簡明綜合財務報表乃根據經修訂披露規定編製，而採納經修訂準則對本集團之業績或財務狀況並無影響。

1. STATEMENT OF COMPLIANCE AND ACCOUNTING POLICIES (continued)

Hong Kong Financial Reporting Standard 8: Operating segments

This standard replaces HKAS 14: *Segment Reporting*. It requires segment information to be reported based on internal information used by the Group's chief operating decision maker to evaluate the performance of operating segments and allocate resources to those segments and replaces the requirement to determine primary (business) and secondary (geographical) reporting segments previously identified under HKAS 14. The adoption of this standard did not have any effect on the result and the financial position of the Group. The Group determined that the operating segments were the same as the business segments previously identified under HKAS 14. Additional disclosures about each of these segments are shown in note 2 to the condensed consolidated financial statements.

Other than the above, amendments and interpretations issued by HKICPA which are or have become effective did not have any material impact on the accounting policies of the Group.

At the date of authorisation of these condensed consolidated financial statements, the HKICPA has issued a number of new/revised HKFRSs that are not yet effective for the current period. The Group is in the process of making an assessment of what the impact of these HKFRSs is expected to be in the period of initial application. So far it is concluded that the adoption of them is unlikely to have a significant impact on the Group's results of operations and financial position.

1. 遵例聲明及會計政策 (續)

香港財務報告準則第8號：經營分類

此準則取代香港會計準則第14號：分類報告。此準則規定，須按照本集團首席營運決策人在評估經營分類表現，以及將資源分配至該等分類所用之內部資料報告分類資料，並取代之前根據香港會計準則第14號所識別之主要（業務）及次要（地區）呈報分類之劃分規定。採納此準則對本集團之業績及財務狀況並無任何影響。本集團決定經營分類與之前根據香港會計準則第14號所識別之業務分類相同。各項分類之附加披露資料載於簡明綜合財務報表附註2。

除上述者外，香港會計師公會所頒佈現時或已經生效之修訂及詮釋對本集團之會計政策並無任何重大影響。

於此等簡明綜合財務報表批准日期，香港會計師公會已頒佈一系列於本期間尚未生效之新訂／經修訂香港財務報告準則。本集團現正評估該等香港財務報告準則在初步採納期間之預期影響，目前之結論為採納該等準則不大可能對本集團之經營業績及財務狀況構成重大影響。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

FOR THE SIX MONTHS ENDED 30 JUNE 2009

截至二零零九年六月三十日止六個月

2. SEGMENT INFORMATION

The chief decision makers have evaluated the performance of operating segments and allocated resources to those segments based on the Group's internal reporting in respect of these segments. Securities trading and provision of financing services are determined as the Group's major operating segments. Segment results represent the profit earned by each segment without allocation of finance costs and share of results of associates. The following analysis is the measure reported to chief operating decision maker for the purposes of resources allocation and assessment of segment performance.

2. 分類資料

首席決策人已就此等分類按照本集團之內部報告，評估經營分類之表現及將資源分配至該等分類。證券買賣及提供融資服務釐定本集團之主要經營分類。分類業績指各分類在未分配融資成本及應佔聯營公司之業績前所賺取之溢利。向首席營運決策人報告，以供彼等進行資源分配及評估分類表現之數字分析如下：

Six months ended 30 June 2009 (Unaudited)
截至二零零九年六月三十日止六個月（未經審核）

		Securities trading	Provision of financing services	Unallocated	Total
		證券買賣	融資服務	未經分配	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Turnover	營業額				
Net gain on disposal of financial assets at fair value through profit or loss	出售於損益帳按公平值處理之財務資產之收益淨額	14,603	-	-	14,603
Interest income from provision of financial services	提供金融服務之利息收入	-	911	-	911
Total turnover	總營業額	<u>14,603</u>	<u>911</u>	<u>-</u>	<u>15,514</u>
Operating results	經營業績				
Segment results	分類業績	<u>96,222</u>	<u>30,702</u>	<u>(4,866)</u>	122,058
Share of results of associates	應佔聯營公司之業績				303
Taxation	稅項				-
Profit from continuing operations	來自持續經營業務之溢利				122,361
Loss from discontinued operations	來自已終止經營業務之虧損				(839)
Profit for the period	期內溢利				<u>121,522</u>

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2. SEGMENT INFORMATION (continued)

2. 分類資料 (續)

Six months ended 30 June 2008 (Unaudited) (Restated)

截至二零零八年六月三十日止六個月

(未經審核) (重列)

		Securities trading	Provision of financing services	Unallocated	Total
		證券買賣	融資服務	未經分配	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Turnover	營業額				
Net loss on disposal of financial assets at fair value through profit or loss	出售於損益帳按公平值處理之財務資產之虧損淨額	(28,747)	–	–	(28,747)
Interest income from provision of financial services	提供金融服務之利息收入	–	2,937	–	2,937
Total turnover	總營業額	<u>(28,747)</u>	<u>2,937</u>	<u>–</u>	<u>(25,810)</u>
Operating results	經營業績				
Segment results	分類業績	<u>(68,237)</u>	<u>3,022</u>	<u>(2,526)</u>	(67,741)
Share of result of an associate	應佔一間聯營公司之業績				(1,500)
Gain on disposal of subsidiaries	出售附屬公司之收益				5,648
Taxation	稅項				–
Loss from continuing operations	來自持續經營業務之虧損				(63,593)
Loss from discontinued operations	來自已終止經營業務之虧損				<u>(4,632)</u>
Loss for the period	期內虧損				<u>(68,225)</u>

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2. SEGMENT INFORMATION (continued)

An analysis of the Group's assets by operating segment is set out below:

2. 分類資料 (續)

本集團資產按經營分類分析如下：

		At 30 June 2009 於二零零九年六月三十日			
		Securities trading	Provision of financing services	Unallocated	Total
		證券買賣	提供融資服務	未經分配	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Segment assets	分類資產				
– continuing operations	– 持續經營業務	<u>255,101</u>	<u>23,695</u>	<u>82,014</u>	<u>360,810</u>
– discontinued operations	– 已終止經營業務				8,390
Interests in associates	於聯營公司之權益				<u>193,621</u>
					<u>562,821</u>

		At 31 December 2008 (Restated) 於二零零八年十二月三十一日 (重列)			
		Securities trading	Provision of financing services	Unallocated	Total
		證券買賣	提供融資服務	未經分配	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Segment assets	分類資產				
– continuing operations	– 持續經營業務	<u>98,748</u>	<u>66,517</u>	<u>44,998</u>	210,263
– discontinued operations	– 已終止經營業務				22,874
Interests in an associate	於聯營公司之權益				<u>37,218</u>
					<u>270,355</u>

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3. PROFIT (LOSS) BEFORE TAXATION

Profit (Loss) from operations has been arrived at after charging (crediting):

3. 除稅前溢利(虧損)

經營溢利(虧損)經扣除(計入)下列各項後達致:

		Six months ended 30 June 截至六月三十日止六個月					
		2009 (Unaudited) 二零零九年(未經審核)			2008 (Unaudited) 二零零八年(未經審核)		
		Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
		持續經營業務	已終止經營業務	總計	持續經營業務	已終止經營業務	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Written back of provision for doubtful debts included in other income	計入其他收入之呆帳撥備撥回	(30,832)	-	(30,832)	-	-	-
Gain on redemption of convertible notes	贖回可換股票據之收益	-	-	-	(8,393)	-	(8,393)
Depreciation and amortisation	折舊及攤銷	-	546	546	134	1,055	1,189
Staff cost & related expenses	員工成本及相關開支	1,596	1,798	3,394	2,321	5,346	7,667
Share-based payment in respect of share options	有關購股權之以股份支付之款項	-	-	-	6,239	-	6,239
Amortisation of effective interest on convertible notes	攤銷可換股票據之實際利息	322	-	322	833	-	833

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4. TAXATION

Hong Kong Profits Tax has not been provided as the Group's assessable profits for the period are wholly absorbed by unrelieved tax losses brought forward from previous years.

5. DISCONTINUED OPERATIONS

Discontinued operations include trading of motor vehicle and vehicle accessories, provision of motor vehicle repairs and maintenance services and provision of other motor vehicle related services in Hong Kong and Shenzhen.

(a) Termination of Scania distributorship

Reference is made to the annual report of year 2008 and related announcements. The Group and Scania CV AB agreed to terminate the distributorship of Scania vehicle and accessories in Hong Kong and Macau effective from 1 April 2008. Certain assets of the Group were disposed of to Scania at HK\$11,416,000 in aggregate.

4. 稅項

由於本集團於期內之應課稅溢利已被過往年度結轉之未抵銷稅項虧損全數抵銷，故並無計提香港利得稅撥備。

5. 已終止經營業務

已終止經營業務包括於香港及深圳買賣汽車及汽車配件、提供汽車維修及保養服務以及提供其他汽車相關服務。

(a) 終止Scania分銷權

謹請參閱二零零八年年報及相關公佈。本集團與Scania CV AB協定終止有關Scania汽車及配件於港澳地區之分銷權，由二零零八年四月一日起生效。本集團若干資產已按合共11,416,000港元出售予Scania。

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5. DISCONTINUED OPERATIONS (continued)

(b) Analysis of loss and cash flow for the period from discontinued operations

The combined results of the discontinued operations included in the income statement are set out below.

5. 已終止經營業務 (續)

(b) 已終止經營業務之期內虧損及現金流量分析

計入收益表之已終止經營業務合併業績載於下文。

		Six months ended 30 June 截至六月三十日止六個月	
		2009 二零零九年 (Unaudited) (未經審核) HK\$'000 千港元	2008 二零零八年 (Unaudited) (未經審核) HK\$'000 千港元
Loss for the period from discontinued operations	已終止經營業務之期內虧損		
Turnover	營業額	7,403	40,223
Less: Cost of sales	減：銷售成本	<u>(7,129)</u>	<u>(36,740)</u>
		274	3,483
Other income	其他收入	225	913
General and administrative expenses	一般及行政開支	<u>(1,338)</u>	<u>(9,028)</u>
Loss before taxation	除稅前虧損	(839)	(4,632)
Taxation	稅項	-	-
Loss for the period from discontinued operations	已終止經營業務之期內虧損	<u><u>(839)</u></u>	<u><u>(4,632)</u></u>
Cash flows from discontinued operations	已終止經營業務之現金流量		
Net cash generated from (used in) operating activities	經營業務所得(所用)現金淨額	4,502	(720)
Net cash generated from investing activities	投資活動所得現金淨額	-	8,154
Net cash used in financing activities	融資活動所用現金淨額	<u>(11,831)</u>	<u>(3,147)</u>
Net cash (outflows) inflows	現金(流出)流入淨額	<u><u>(7,329)</u></u>	<u><u>4,287</u></u>

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6. EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share

The calculation of basic earnings (loss) per share is based on the weighted average number of ordinary shares of 1,052,121,000 shares (2008 (restated): 742,763,000 shares) in issue during the period.

The weighted average number of ordinary shares adopted in the calculation of the basic loss per share for the six months ended 30 June 2008 has been adjusted to reflect the impact of the capital reorganisation effected in October 2008.

From continuing operations

The calculation of the basic earnings (loss) per share from continuing operations attributable to shareholders is based on the profit for the period from continuing operations of HK\$122,361,000 (2008: loss of HK\$63,593,000) and the denominators detailed above in respect of weighted average number of shares.

From discontinued operations

The calculation of the basic loss per share for the discontinued operations attributable to shareholders is based on the loss for the period from the discontinued operations of HK\$839,000 (2008: loss of HK\$4,632,000) and the denominators detailed above in respect of weighted average number of shares.

6. 每股盈利(虧損)

每股基本盈利(虧損)

每股基本盈利(虧損)乃按期內已發行1,052,121,000股(二零零八年(重列): 742,763,000股)普通股加權平均數計算。

計算截至二零零八年六月三十日止六個月之每股基本虧損時採納之普通股加權平均股數已作出調整,以反映二零零八年十月生效之股本重組之影響。

來自持續經營業務

股東應佔來自持續經營業務之每股基本盈利(虧損)乃根據持續經營業務之期內溢利122,361,000港元(二零零八年:虧損63,593,000港元)及上文所詳述之加權平均股數計算。

來自已終止經營業務

股東應佔來自已終止經營業務之每股基本虧損乃根據已終止經營業務之期內虧損839,000港元(二零零八年:虧損4,632,000港元)及上文所詳述之加權平均股數計算。

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6. EARNINGS (LOSS) PER SHARE (continued)

Diluted earnings per share

The calculation of diluted earnings (loss) per share is based on the weighted average number of ordinary shares of 1,078,815,000 shares representing basic weighted average number of shares of the Company of 1,052,121,000 shares plus the weighted average number of shares of 26,694,000 shares deemed to be issued if all outstanding convertible notes during the period had been converted.

For the six months ended 30 June 2009, the calculation of the diluted earnings per share from continuing operations attributable to shareholders is based on the profit for the period from continuing operations of HK\$122,361,000 and the denominators detailed above in respect of weighted average number of shares.

No diluted loss per share from discontinued operations is presented for the six months ended 30 June 2009 as the effect of all potential ordinary shares held at the balance sheet date is anti-dilutive.

No diluted loss per share from continuing and discontinued operations is presented for the six months ended 30 June 2008 as the effect of all potential ordinary shares held at the balance sheet date is anti-dilutive.

6. 每股盈利(虧損)(續)

每股攤薄盈利

每股攤薄盈利(虧損)乃根據1,078,815,000股普通股加權平均數(即本公司股份之基本加權平均數1,052,121,000股,另加假設期內所有未行使可換股票據獲轉換時被視為將予發行之加權平均股數26,694,000股)計算。

截至二零零九年六月三十日止六個月,股東應佔來自持續經營業務之每股攤薄盈利乃根據持續經營業務之期內溢利122,361,000港元及上文所詳述之加權平均股數計算。

由於在結算日持有之所有潛在普通股具反攤薄影響,故並無呈列截至二零零九年六月三十日止六個月來自已終止經營業務之每股攤薄虧損。

由於在結算日持有之所有潛在普通股具反攤薄影響,故並無呈列截至二零零八年六月三十日止六個月來自持續經營業務及已終止經營業務之每股攤薄虧損。

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7. RELATED PARTY TRANSACTIONS

Other than disclosed elsewhere in these interim financial statements, during the six months ended 30 June 2009, the Group had the following significant related party transactions:

- (a) Mr. Zhuang You Dao (“Mr. Zhuang”), a director of the Company, has given personal guarantee to the Group for a loan of HK\$5,000,000 granted to a subsidiary to finance its loan to Tianjin Kai Sheng Automobile Service Company Limited (“Tianjin Kai Sheng”), an associate of the Group.

In addition, during the period, the associate advanced RMB10,000,000 (equivalent to HK\$11,416,000) to Mr. Zhuang which amount has been deposited to a bank and pledged as a security to facilitate the associate to obtain banking facilities from the bank. In addition, such banking facilities are secured on a personal guarantee given by Mr. Zhuang to the extent of RMB10,000,000.

- (b) As more fully explained in note 9, on 26 August 2008, the Group entered into a subscription agreement (the “Subscription Agreement”) with Excel Way Investments Limited (“Excel Way”) and Mr. Yeung Ming Kwong (“Mr. Yeung”), a director of the Company. The Subscription Agreement was completed on 6 April 2009 at a consideration of USD7,500,000 (equivalent to HK\$58,500,000) for subscribing the shares in Excel Way.
- (c) On 6 April 2009, the Group entered into a sale and purchase agreement (the “S&P Agreement”) with Mr. Yeung and Mr. Zhang Hua. Pursuant to the S&P Agreement, the Group agreed to acquire 100% shareholding in Shinning Global Worldwide Limited (“Shinning Global”) at a consideration of HK\$100,000,000, which had been settled by issuance of convertible notes by the Company. The transaction was completed on 18 May 2009.

7. 關連人士交易

除此等中期財務報表其他部分所披露者外，本集團於截至二零零九年六月三十日止六個月內進行之重大關連人士交易如下：

- (a) 本公司董事莊友道先生（「莊先生」）就授予一間附屬公司之5,000,000港元貸款向本集團提供個人擔保，而有關貸款乃用作撥付其向本集團聯營公司天津市凱聲汽車維修有限公司（「天津市凱聲」）提供之貸款。

此外，期內，該聯營公司向莊先生墊付人民幣10,000,000元（相等於11,416,000港元），有關金額已存入一間銀行，並抵押作為該聯營公司從該銀行取得銀行融資之抵押品。此外，有關銀行融資乃以莊先生給予之個人擔保作抵押，金額以人民幣10,000,000元為限。

- (b) 於二零零八年八月二十六日，本集團與溢威投資有限公司（「溢威」）及本公司董事楊明光先生（「楊先生」）訂立認購協議（「認購協議」）。認購協議已於二零零九年四月六日完成，按代價7,500,000美元（相等於58,500,000港元）認購溢威股份（更詳盡說明請參閱附註9）。
- (c) 於二零零九年四月六日，本集團與楊先生及張化先生訂立買賣協議（「買賣協議」）。根據買賣協議，本集團同意收購Shinning Global Worldwide Limited（「Shinning Global」）全部股權，代價為100,000,000港元，已由本公司以發行可換股票據之方式償付。有關交易已於二零零九年五月十八日完成。

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8. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2009, the Group disposed of certain of its property, plant and equipment with aggregate carrying value of HK\$232,000 (six months ended 30 June 2008: HK\$588,000) with a loss on disposal of approximately HK\$68,000 (six months ended 30 June 2008: loss on disposal of HK\$290,000).

8. 物業、廠房及設備

截至二零零九年六月三十日止六個月，本集團出售其若干物業、廠房及設備，合共帳面值為232,000港元（截至二零零八年六月三十日止六個月：588,000港元），而出售虧損約為68,000港元（截至二零零八年六月三十日止六個月：出售虧損290,000港元）。

9. INTERESTS IN ASSOCIATES

9. 於聯營公司之權益

		As at 30 June 2009 (Unaudited)				As at 31 December 2008 (Audited) 於二零零八年 十二月 三十一日 (經審核)
		於二零零九年六月三十日（未經審核）				
		Golden Fame 金信 HK\$'000 千港元	Tianjin Kai Sheng 天津市凱聲 HK\$'000 千港元	Tinhua (Note a) 天華 (附註a) HK\$'000 千港元	Total 總計 HK\$'000 千港元	HK\$'000 千港元
Share of net assets	分佔資產淨值	31,862	3,259	66,507	101,628	37,218
Goodwill on acquisition (note 18)	收購產生之商譽 (附註18)	-	-	91,993	91,993	-
		<u>31,862</u>	<u>3,259</u>	<u>158,500</u>	<u>193,621</u>	<u>37,218</u>

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9. INTERESTS IN ASSOCIATES (continued)

(a) Investment in Tinhua Excel Way Special Fiber (Xintai) Company Limited ("Tinhua")

On 26 August 2008, the Group entered into a subscription agreement (the "Subscription Agreement") with Excel Way Investments Limited ("Excel Way") and Mr. Yeung Ming Kwong ("Mr. Yeung"), the director of the Company. Pursuant to the Subscription Agreement, Excel Way agreed to allot and issue and the Group agreed to subscribe the subscription shares, representing 51% of the enlarged issued share capital of Excel Way. Excel Way is wholly-owned by Shinning Global Worldwide Limited ("Shinning Global"), which in turn is held as to 51% by Mr. Yeung. The Subscription Agreement was completed on 6 April 2009 at a consideration of USD7,500,000 (equivalent to HK\$58,500,000).

On 6 April 2009, the Group entered into a sale and purchase agreement (the "S&P Agreement") with Mr. Yeung and Mr. Zhang Hua. Pursuant to the S&P Agreement, the Group agreed to acquire 100% share holding in Shinning Global at a consideration of HK\$100,000,000, which had been settled by issuance of convertible notes by the Company. The transaction was completed on 18 May 2009.

Before entering into the above transactions, Excel Way has entered into joint venture agreement with a PRC investment partner. Under the agreement, Excel Way holds 42.86% of the register capital of Tinhua. Under the joint venture agreement, the PRC investment partner has contributed US\$10,000,000 by way of machinery and held 57.14% of the registered capital of Tinhua. Excel Way is required to make capital contribution of US\$7,500,000 (equivalent to HK\$58,500,000) in cash.

9. 於聯營公司之權益 (續)

(a) 於天華溢威特種纖維 (新泰) 有限公司 (「天華」) 之投資

於二零零八年八月二十六日，本集團與溢威投資有限公司 (「溢威」) 及本公司董事楊明光先生 (「楊先生」) 訂立認購協議 (「認購協議」)。根據認購協議，溢威同意配發及發行而本集團同意認購認購股份 (相當於溢威經擴大已發行股本之51%)。溢威由Shinning Global Worldwide Limited (「Shinning Global」) 全資擁有，而Shinning Global由楊先生持有51%權益。認購協議已於二零零九年四月六日按代價7,500,000美元 (相等於58,500,000港元) 完成。

於二零零九年四月六日，本集團與楊先生及張化先生訂立買賣協議 (「買賣協議」)。根據買賣協議，本集團同意收購Shinning Global全部股權，代價為100,000,000港元，已由本公司以發行可換股票據之方式償付。有關交易已於二零零九年五月十八日完成。

於訂立上述交易前，溢威與中方投資夥伴已訂立合營協議，而根據該協議，溢威持有天華42.86%註冊資本。根據該合營協議，中方投資夥伴已以提供機器之方式出資10,000,000美元，並持有天華註冊資本之57.14%。溢威須出資現金7,500,000美元 (相等於58,500,000港元)。

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9. INTERESTS IN ASSOCIATES (continued)

(a) Investment in Tinhua Excel Way Special Fiber (Xintai) Company Limited ("Tinhua") (continued)

The equity interest of Tinhua attributable to the Group at acquisition is approximately HK\$66,507,000 and the excess of HK\$91,993,000 representing the excess of the aggregate consideration of HK\$158,500,000 over the Group's share of interest in Tinhua is recognised as goodwill. As both Shinning Global and Excel Way are effectively the investment holding vehicles owning the 42.86% interest in Tinhua, the majority of the goodwill arising from the transactions is attributable to Tinhua and recorded as a component of interests in associates.

- (b) The recoverable amounts of the cash generating units containing goodwill have been determined based on a value in use calculation. The value in use is calculated based on discounted cash flow projections, which are prepared on the basis of financial budgets approved by management covering a five-year period and a discount rate of 9% per annum. The directors believe that any reasonably foreseeable change in any of the above key assumptions would not cause the aggregate carrying amount of the goodwill to exceed its aggregate recoverable amount.

9. 於聯營公司之權益 (續)

(a) 於天華溢威特種纖維(新泰)有限公司(「天華」)之投資(續)

本集團於收購時應佔天華之股本權益約為66,507,000港元，而超出之數91,993,000港元(即總代價158,500,000港元超出本集團應佔天華權益之數額)則確認為商譽。由於Shinning Global及溢威實際上均為擁有天華42.86%權益之投資控股工具，故交易產生之大部分商譽均源自天華，並入帳列為於聯營公司之權益之組成部分。

- (b) 該等現金產生單位之可收回金額(包括商譽)根據使用價值計算法釐定。使用價值根據折現現金流量預測計算，有關預測以管理層批准之五年財政預算及折現率每年9%編製。董事相信，上述任何主要假設之任何合理可見變動將不會使商譽之帳面總值超出其可收回總額。

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10. GOODWILL

10. 商譽

			As at 31 December 2008 (Audited) 於二零零八年 十二月 三十一日 (經審核)
As at 30 June 2009 (Unaudited)			
於二零零九年六月三十日(未經審核)			
	Tianjin Kai Sheng 天津市凱聲 HK\$'000 千港元	Natural Harvest Investment Limited 盛然投資 有限公司 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Carrying value	帳面值		
Acquisition of subsidiaries/associates	收購附屬公司/聯營公司	20,000	75,000
Impairment loss	減值虧損	(20,000)	(75,000)
		-	-

11. AVAILABLE-FOR-SALE FINANCIAL ASSETS

11. 可供出售財務資產

		As at 30 June 2009 於二零零九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 December 2008 於二零零八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Unlisted equity interests in Taiwan, at cost	於台灣之非上市股本權益， 按成本	6,908	6,908
Unlisted equity interests in Hong Kong, at cost	於香港之非上市股本權益， 按成本	25,000	25,000
Less: Impairment loss recognised	減：已確認減值虧損	(31,908)	(31,908)
		-	-

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12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

12. 於損益帳按公平值處理之財務資產

	As at 30 June 2009 於二零零九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 December 2008 於二零零八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Equity securities listed in Hong Kong 香港上市股本證券	255,101	98,748

13. LOAN RECEIVABLES

Loans granted to borrowers are repayable according to repayment schedules. The balance represents:

13. 應收貸款

借款人獲授之貸款須按照還款時間表償還。有關結餘指：

	At 30 June 2009 於二零零九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 December 2008 於二零零八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Loan receivables from third parties 應收第三方貸款	33,078	79,969
Allowance for doubtful debts 呆帳撥備	(13,408)	(44,240)
	19,670	35,729

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13. LOAN RECEIVABLES (continued)

Notes:

- (a) At the balance sheet date, loan receivables (i) carry effective interest rates ranging from 2% per month to prime rate plus 4% (31 December 2008: from 2% to prime rate plus 4%); (ii) include balance of HK\$31,583,000 which is overdue and is secured by a legal charge over properties and share charges (note c); (iii) include balance of HK\$1,495,000 which is overdue.
- (b) The directors assessed the collectability of loan receivables at the balance sheet date individually with reference to borrowers' past collection history and current creditworthiness. An amount of HK\$13,408,000 (31 December 2008: HK\$44,240,000) in respect of two loans was determined to be impaired as a result of the assessment. In the directors' opinion, there was no indication of deterioration in the collectability of the remaining amount of HK\$19,670,000 and thus no additional allowance was considered necessary.
- (c) In 2008, the Group made a loan of HK\$27,500,000 to a third party (the "Borrower"). The loan is secured by (i) guarantee from the chairman of the Borrower; (ii) charges on all issued shares capital of two subsidiaries of the Borrower; and (iii) first legal charge properties.

At the time entering into the foregoing loan agreement, the Group also entered into a participation agreement with another third party (the "Participant") to accept the Participant in participating in such loan to the extent of HK\$7,500,000 and received HK\$7,500,000 remitted from the Participant to the Group, which has been recorded as other payable. Pursuant to the participation agreement, in the event of the default of the Borrower, the Participant will entitle to 27.27% of the right to (i) the accrued loan interest; and (ii) the proceeds from realisation of the properties under legal charges.

13. 應收貸款 (續)

附註:

- (a) 於結算日，應收貸款(i)按實際利率介乎每月2厘至最優惠利率加4厘(二零零八年十二月三十一日：介乎2厘至最優惠利率加4厘)計息；(ii)包括結餘31,583,000港元，乃逾期未付，並以物業之法定押記及股份押記作擔保(附註c)；(iii)包括結餘1,495,000港元，乃逾期未付。
- (b) 董事於結算日參照借款人過往之還款紀錄及現時之信用程度，個別評估能否收回應收貸款。於評估後，一筆涉及兩項貸款之13,408,000港元(二零零八年十二月三十一日：44,240,000港元)款項被釐定為經已減值。董事認為並無跡象顯示收回餘額19,670,000港元方面出現問題，故無須作出額外撥備。
- (c) 於二零零八年，本集團向一名第三方(「借款人」)借出一筆27,500,000港元之貸款。該筆貸款以(i)借款人之主席提供之擔保；(ii)有關借款人兩間附屬公司全部已發行股本之押記；及(iii)物業之第一法定押記作擔保。

於訂立上述貸款協議同時，本集團亦與另一名第三方(「參與方」)訂立參與協議，接受參與方參與提供該筆貸款中最多7,500,000港元。本集團已收取參與方匯入之7,500,000港元，並已將之記錄為其他應付款項。根據參與協議，倘借款人失責，參與方將有權享有(i)應計貸款利息；及(ii)變現法定押記所涉及物業之所得款項中之27.27%。

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13. LOAN RECEIVABLES (continued)

In September 2008, the Borrower defaulted the loan repayment. The Group has taken legal action for recovering of the loan. Pursuant to the Court Order dated 3 March 2009, the Borrower is required to deliver up to the Group the vacant procession of the properties comprised the legal charge. On 15 June 2009, the Court issued a writ of possession to the bailiff of the Court and required the bailiff to enter the properties and caused the Group to have possession of it. In assessing the fair value of the properties, management estimates the value of the properties under repossession to be HK\$17,000,000. After deducting the HK\$7,500,000 received from the Participant as well as the legal costs payable to the receiver, the shortfall of HK\$8,000,000 had been fully provided in 2008.

13. 應收貸款 (續)

於二零零八年九月，借款人欠繳貸款還款額。本集團已就收回貸款採取法律行動。根據日期為二零零九年三月三日之法令，借款人須向本集團交出法定押記下物業之空置管有權。於二零零九年六月十五日，法院向法院執達主任發出管有令狀，並要求執達主任進入該物業，促使本集團擁有物業管有權。在評估物業之公平值時，管理層估計重新管有物業之價值為17,000,000港元。經扣除收取參與方之7,500,000港元，以及應付接管人之法律費用後，本集團已於二零零八年將不足之數8,000,000港元計提全數撥備。

14. TRADE AND OTHER RECEIVABLES

14. 應收貿易帳款及其他應收款項

			At 30 June 2009 於二零零九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 December 2008 於二零零八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Trade receivables	應收貿易帳款		-	12
Other receivables	其他應收款項			
Deposits, prepayments and other debtors	按金、預付款項及其他應收帳款		4,873	8,763
Deposit paid on a proposed investment	就建議投資支付之按金		-	9,776
Due from an associate	應收一間聯營公司款項	(a)	5,463	5,290
Dividend receivable from an associate	應收一間聯營公司股息	(b)	2,400	-
			12,736	23,829
			12,736	23,841

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14. TRADE AND OTHER RECEIVABLES

(continued)

- (a) The amount due from an associate is unsecured, bearing interest at prime rate plus 2% per annum and repayable in 2010. During the period, the Group has recorded interest income in respect of the amount due amounting to HK\$174,000 (2008: HK\$109,000).
- (b) The amount represents dividend receivable from Golden Fame International Investments Group Limited ("Golden Fame") which is expected to be received in October 2009.

15. PLEDGE OF ASSETS

As at 30 June 2009, bank deposits of HK\$558,000 (31 December 2008: HK\$1,567,000) were pledged as collateral for the Group's bank facilities for performance bond as required for certain sale contracts mainly on warranty consideration.

As at 30 June 2009, margin facilities from a regulated securities broker were granted to the Group which were secured by the Group's financial assets at fair value through profit or loss. As at 30 June 2009, the Group has utilised HK\$22,771,000 (31 December 2008: HK\$Nil) of these facilities and the carrying amount of the financial assets at fair value through profit or loss being charged by the securities broker is HK\$255,101,000 (31 December 2008: HK\$98,748,000).

14. 應收貿易帳款及其他應收款項 (續)

- (a) 應收一間聯營公司款項為無抵押、按最優惠利率加年利率2厘計息，並須於二零一零年償還。期內，本集團就應收款項收取利息收入174,000港元(二零零八年：109,000港元)。
- (b) 該筆款項指預期於二零零九年十月收取之應收金信環球投資集團有限公司(「金信」)股息。

15. 資產抵押

於二零零九年六月三十日，558,000港元銀行存款(二零零八年十二月三十一日：1,567,000港元)已抵押，作為本集團就若干銷售合約(主要關於保固代價)所規定之履約保證所獲授銀行信貸之擔保。

於二零零九年六月三十日，一名受規管證券經紀向本集團授出若干孖展融資，並以本集團於損益帳按公平值處理之財務資產作抵押。於二零零九年六月三十日，本集團已動用該等融資之22,771,000港元(二零零八年十二月三十一日：無)，而由該名證券經紀承押之於損益帳按公平值處理之財務資產之帳面值為255,101,000港元(二零零八年十二月三十一日：98,748,000港元)。

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16. TRADE AND OTHER PAYABLES

16. 應付貿易帳款及其他應付款項

		At 30 June 2009 於二零零九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 December 2008 於二零零八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Trade payables	應付貿易帳款	-	530
Other payables	其他應付款項		
Accrued charges and other creditors	應計費用及其他應付帳款	(a) 36,200	17,276
Due to an associate	應付聯營公司款項	(b) 24,183	-
		60,383	17,806

(a) Included in other payables is an amount of HK\$22,771,000 (31 December 2008: HK\$Nil) payable to a securities broker of which settlement term is two days after trade date and was subsequently settled on 2 July 2009.

(b) The amount represented balance of capital injection to Tinhua of US\$3,096,000 (HK\$24,183,000) which will be paid in September 2009.

(a) 其他應付款項包括應付一名證券經紀之款項22,771,000港元(二零零八年十二月三十一日:無),還款期為交易日後兩日。有關款項其後已於二零零九年七月二日償付。

(b) 該筆款項指注資天華之結餘3,096,000美元(24,183,000港元),將於二零零九年九月支付。

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17. SHARE CAPITAL

17. 股本

	As at 30 June 2009 (Unaudited) 於二零零九年 六月三十日 (未經審核)		As at 31 December 2008 (Audited) 於二零零八年 十二月三十一日 (經審核)	
	No. of Shares 股份數目 '000 千股	HK\$'000 千港元	No. of Shares 股份數目 '000 千股	HK\$'000 千港元
Authorised:	法定：			
Ordinary shares of HK\$0.10 each	每股面值0.10港元之 普通股			
	10,000,000	1,000,000	10,000,000	1,000,000
Issued and fully paid:	已發行及繳足：			
Ordinary shares of HK\$0.10 each	每股面值0.10港元之 普通股			
At beginning of period/year	於期／年初	936,358	1,785,813	178,581
Issuance of shares on rights issue	供股時發行股份	-	892,906	89,291
Issuance of shares under share option scheme	根據購股權計劃 發行股份	-	147,490	14,749
Issuance of shares on conversion of convertible notes	轉換可換股票據時 發行股份	526,316	-	-
Issuance of new shares	發行新股	227,270	919,222	91,922
Capital Reorganisation	股本重組	-	(2,809,073)	(280,907)
At balance sheet date	於結算日	1,689,944	936,358	93,636

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18. ACQUISITION OF SUBSIDIARIES/ ASSOCIATE

During the period, the Group acquired the entire equity interests in the following companies.

Acquisition date 收購日期	Name of acquired companies 已收購公司名稱	Place of incorporation 註冊成立地點	Principal activities 主要業務	Consideration 代價 HK\$'000 千港元
6 April 2009 二零零九年四月六日	Excel Way 溢威	Hong Kong 香港	Investment holding 投資控股	58,500
18 May 2009 二零零九年五月十八日	Shinning Global Shinning Global	British Virgin Islands 英屬處女群島	Investment holding 投資控股	100,000

The aggregate fair value of the identifiable assets and liabilities of the acquired subsidiaries as at the dates of acquisition and their carrying value determined in accordance with HKFRS immediately before combination are as follows:

期內，本集團收購下列公司之全部股本權益。

已收購附屬公司於收購日期之可識別資產及負債之總公平值及其緊接合併計算前按照香港財務報告準則釐定之帳面值載列如下：

		Carrying value and fair value 帳面值及 公平值 HK\$'000 千港元
Interest in associates – Tinhua	於聯營公司之權益－天華	66,114
Bank balances and cash	銀行結存及現金	7
Other receivables	其他應收款項	389
Other payables	其他應付款項	(3)
		<u>66,507</u>
Goodwill arising on acquisition – Tinhua	收購時產生之商譽－天華	91,993
Total consideration	總代價	<u>158,500</u>
Consideration satisfied by:	代價按下述方式支付：	
Cash	現金	58,500
Issuance of convertible notes	發行可換股票據	100,000
		<u>158,500</u>

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18. ACQUISITION OF SUBSIDIARIES/ ASSOCIATE (continued)

As more fully explained in note 9, the Group's acquisition of Shinning Global were satisfied by the issuance of convertible notes of the Company in the principal amount of HK\$100,000,000, which is convertible to 526,315,789 ordinary shares of the Company at a conversion price of HK\$0.19. The convertible notes were issued on 18 May 2009 and the fair value of the equity component at the issue date is HK\$45,000,000. The fair value of the liability component of the convertible notes was determined with reference to market interest rate of comparable non-convertible notes. The residual amount represents the fair value of the equity component.

Since the acquisition, the acquired subsidiaries made no significant contribution to the revenue and results of the Group.

The goodwill is attributable to the profitability expected to arise from the acquisition taken into consideration the future prospect of Tinhua's business.

19. MAJOR NON-CASH TRANSACTIONS

As detailed in note 18, the Group acquired the entire interest in Shinning Global at a consideration of HK\$100,000,000 which was satisfied by the issuance of convertible notes by the Company in the principal amount of HK\$100,000,000.

18. 收購附屬公司／聯營公司 (續)

如附註9所詳述，本集團收購Shinning Global透過由本公司發行本金額達100,000,000港元之可換股票據支付，有關可換股票據可按轉換價0.19港元轉換為526,315,789股本公司普通股。可換股票據已於二零零九年五月十八日發行，而權益部分於發行日期之公平值為45,000,000港元。可換股票據負債部分之公平值乃參照可資比較非可換股票據之市場利率釐定。餘值為股權部分之公平值。

自收購以來，已收購附屬公司並無對本集團之收益及業績帶來重大貢獻。

商譽源自預期收購所產生之盈利能力，當中並已考慮日後天華業務之前景。

19. 主要非現金交易

如附註18所詳述，本集團按代價100,000,000港元收購Shinning Global全部權益，有關代價透過由本公司發行本金額達100,000,000港元之可換股票據支付。

20. CONTINGENT LIABILITIES

Alleged agreement on investment in a customer

Mr. Lo Chia Yu ("Mr. Lo") has allegedly claimed a verbal agreement was entered into on 12 March 2002 by his wholly owned company, Global Travel Holdings Limited ("Global Travel") and Forefront Automotive Services Company Limited ("FAS"), a wholly owned subsidiary of the Company, relating to an equity investment by FAS in Global Travel amounting to HK\$7,800,000. FAS's position is that the agreement was subject to it conducting due diligence on Global Travel to its satisfaction. As requested, FAS paid a deposit of HK\$2,000,000 to Mr. Lo. Subsequently, the accounting firm employed by FAS reported unsatisfactory due diligence, therefore FAS did not elect to proceed with the alleged agreement. Mr. Lo has filed proceedings claiming HK\$7,800,000 together with alternative damage and FAS has lodged a counter claim to Mr. Lo for the return of the HK\$2,000,000 paid as deposit. A contingent liability netting off the counter claims as set out above amounting to HK\$5,800,000 are alleged to be due from FAS to Global Travel. The matter has not progressed after an initial hearing and was adjourned to a further date to be determined by the court subject to its receipt of sufficient documents from the two parties. The Company has not received any notice in relation to any specific dates for any further hearing.

20. 或然負債

於一名客戶之投資的指稱協議

駱家雨先生(「駱先生」)就彼指稱其全資擁有之公司Global Travel Holdings Limited(「Global Travel」)曾與本公司之全資附屬公司福方汽車服務有限公司(「福方汽車服務」)於二零零二年三月十二日訂立之口頭協議提出申索，當中涉及福方汽車服務於Global Travel之股權投資7,800,000港元。福方汽車服務之立場為該協議僅於其信納對Global Travel進行之盡職審查後方可作實。福方汽車服務已應要求向駱先生支付一筆按金2,000,000港元。其後，鑑於福方汽車服務委聘之會計師行報告並不信納該盡職審查結果，福方汽車服務因而選擇不繼續進行該指稱協議。駱先生已入稟索償7,800,000港元連同替代損害賠償，而福方汽車服務已向駱先生提出反索償，要求退回已付按金2,000,000港元。因此，於抵銷上述所載反索償款項後指稱福方汽車服務欠負Global Travel之或然負債為5,800,000港元。上述事宜於初步聆訊後並無任何進展，有關聆訊已押後至法院於接獲雙方足夠文件後決定之其他日子再行審理。本公司並無接獲有關於任何指定日期進行任何進一步聆訊之通知。

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21. POST BALANCE SHEET EVENTS

Other than disclosed elsewhere in these interim financial statements, a summary of post balance sheet events is set out below:

- (i) On 10 July 2009, Forefront Finance Co., Limited ("Forefront Finance"), an indirect wholly-owned subsidiary of the Group entered into an agreement with an independent third party (the "Plaintiff"), a wholly-owned subsidiary of the Borrower as more fully described in note 13(c), whereby Forefront Finance would support the litigation conducted by the Plaintiff. Management believes that any positive outcome on the litigation would enhance the recovery of debts owed by the Borrower.
- (ii) Pursuant to a resolution at an extraordinary general meeting held on 11 August 2009, the authorised share capital of the Company has been increased from HK\$1,000,000,000 divided into 10,000,000,000 ordinary shares of HK\$0.10 each to HK\$5,000,000,000 divided into 50,000,000,000 ordinary shares of HK\$0.10 each by the creation of an additional 40,000,000,000 ordinary shares of HK\$0.10 each.
- (iii) On 12 August 2009, the Company announced to have, subject to shareholders' approval and the approval by the Grand Court of the Cayman Islands, a share consolidation and the capital reduction of the Company ("Capital Reorganisation"). The effects of the Capital Reorganisation are as follows:
 - a) Under the capital reduction, the nominal value of all the issued existing share will be reduced from HK\$0.10 each to HK\$0.02 each by cancelling HK\$0.08 paid up on each issued existing share by way of a reduction of capital.

21. 結算日後事項

除此等中期財務報表其他部分披露之資料外，結算日後事項之概要載列如下：

- (i) 於二零零九年七月十日，本集團之間接全資附屬公司福方財務有限公司（「福方財務」）與一名獨立第三方（「原告人」，借款人（詳見附註13(c)）之全資附屬公司）訂立一份協議，據此，福方財務將支持原告人進行訴訟。管理層相信訴訟之任何正面結果將可提高借款人所欠債務之收回程度。
- (ii) 根據於二零零九年八月十一日舉行之股東特別大會上之決議案，透過增設40,000,000,000股每股面值0.10港元之普通股，本公司之法定股本由1,000,000,000港元（分為10,000,000,000股每股面值0.10港元之普通股）增至5,000,000,000港元（分為50,000,000,000股每股面值0.10港元之普通股）。
- (iii) 於二零零九年八月十二日，本公司公佈進行股份合併及資本削減（「股本重組」），惟須待股東批准及開曼群島大法院批准後，方可作實。股本重組之影響如下：
 - a) 根據資本削減，透過以削減資本之方式註銷每股已發行現有股份已繳足股本之0.08港元，將所有已發行現有股份之面值由每股0.10港元削減至每股0.02港元。

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21. POST BALANCE SHEET EVENTS (continued)

- b) The credit arising from such reduction will be applied towards cancelling the accumulated deficit of the Company with the balance to be transferred to the distributable capital reduction reserve account of the Company.
- c) Under the share consolidation, every five reduced issued shares of HK\$0.02 each was consolidated into one adjusted issued share of HK\$0.10 each.

On the same date, the Company announced that it proposed to raise not less than HK\$228,370,000 after expenses and not more than HK\$297,580,000 after expenses by way of rights issue on a fully underwritten basis of not less than 844,971,800 rights shares and no more than 1,098,463,340 rights share to the qualifying shareholders at the subscription price of HK\$0.28 per rights share on the basis of five rights share for every two adjusted shares in issued held on the record date of 18 January 2010.

The proposed Capital Reorganisation and rights issue is subject to approval by shareholders at an extraordinary general meeting which will be held on 25 September 2009.

- (iv) On 20 August 2009, the Company entered into a placing agreement with the underwriter on a best effort basis whereby the Company conditionally agreed to place a maximum of 337,988,721 placing shares at HK\$0.11 per share to raise a net proceeds of up to a maximum of approximately HK\$36,160,000 for the general working capital of the Group. The placing was completed on 9 September 2009.

21. 結算日後事項 (續)

- b) 將有關資本削減所產生之進帳用於抵銷本公司之累計虧絀，而餘額將轉撥至本公司之可分派削減資本儲備帳。
- c) 根據股份合併，將每五股每股面值0.02港元之已發行經削減股份合併為一股每股面值0.10港元之已發行經調整股份。

同日，本公司宣佈建議透過以全數包銷基準之供股方式，按於二零一零年一月十八日之記錄日期每持有兩股經調整已發行股份可獲發五股供股股份之基準，按每股供股股份0.28港元之認購價向合資格股東發行不少於844,971,800股供股股份及不多於1,098,463,340股供股股份，籌集不少於228,370,000港元（已扣除開支）及不多於297,580,000港元（已扣除開支）。

建議股本重組及供股須待股東於二零零九年九月二十五日舉行之股東特別大會上批准後，方可作實。

- (iv) 於二零零九年八月二十日，本公司以盡力基準與包銷商訂立配售協議，據此，本公司有條件地同意配售最多337,988,721股配售股份，每股股份作價0.11港元，以籌集所得款項淨額最多約36,160,000港元用作為本集團之一般營運資金。配售已於二零零九年九月九日完成。

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22. COMPARATIVE FIGURES

In prior period, sale proceeds and related cost of sales of investments held for trading were presented in the consolidated income statement within turnover and cost of sales respectively.

In the current period, the Group changed its presentation of turnover and cost of sales, as in the opinion of the directors, it is more appropriate to present the gain/loss on investments held for trading disposed of during the period on a net basis so as to provide more relevant information in respect of the Group's operations and to conform with market practices.

The effects of this change in presentation have been accounted for retrospectively with comparative figures restated. The specific line items affected are as follows:

22. 比較數字

於過往期間，出售持作買賣投資之銷售所得款項及相關成本會於綜合收益表內之營業額及出售成本內分開呈列。

由於董事認為就提供更多有關本集團營運之相關資訊及符合市場慣例而言，以淨額基準呈列期內出售持作買賣之投資之收益／虧損較為合適，故本集團於本期間更改營業額及銷售成本之呈列方式。

上述更改呈列方式之影響已追溯入帳，並已重列比較數字。受影響之特定項目如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2009 二零零九 (Unaudited) (未經審核) HK\$'000 千港元	2008 二零零八年 (Unaudited) (未經審核) HK\$'000 千港元
Decrease in turnover	營業額下跌	73,623	136,494
Decrease in cost of sales	銷售成本下跌	(73,623)	(136,494)
		<u> -</u>	<u> -</u>

The above changes do not have any impact on the results of the Group in respect of the current and prior period.

上述變動不會對本集團本期間及過往期間之業績構成任何影響。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

The Group has the following major business activities during the period under review:

Carbon Fiber Business

During the period under review, the Company entered into manufacturing of carbon fiber operation in the PRC through its wholly-owned subsidiaries, Ready Capital Limited and Harvest Peace Limited, to invest in Excel Way Investments Limited and to acquire of Shinning Global Worldwide Limited. After completing the above, the Company indirectly holds 42.86% of the registered share capital of 天華溢威特種纖維(新泰)有限公司 (Tinhua Excel Way Special Fiber Special (Xintai) Co., Limited) (“Tinhua”). The business scope of Tinhua includes the sale and production of polyacrylonitrile based carbon fiber precursor, carbon fiber, carbon fiber prepreg and other special fiber. In the meantime, the construction of production plant of Tinhua is in progress and the production is expected to commence in the first quarter of year 2010.

Tianjin Motor Business

The Company through its indirect wholly-owned subsidiary, Crown Creation Limited, acquired 50% of the equity interest in 天津市凱聲汽車維修有限公司 (Tianjin Kai Sheng Automobile Service Co., Ltd.) (“Tianjin Kai Sheng”) on 23 November 2007. Tianjin Kai Sheng and its subsidiaries engaged in the business of selling and distribution of Nissan motor vehicles, operation of the Nissan 4S shops, provision of heavy motor vehicle repair and maintenance services in the PRC. During the period under review, the operation of Tianjin Kai Sheng is under intense competition and still not yet has positive contribution to the Group.

業務回顧

本集團於回顧期內曾進行下列主要業務活動：

碳纖維業務

於回顧期內，本公司透過其全資附屬公司Ready Capital Limited及Harvest Peace Limited投資於溢威投資有限公司及收購Shinning Global Worldwide Limited，進軍中國碳纖維製造業務。上述事項完成後，本公司間接持有天華溢威特種纖維(新泰)有限公司(「天華」)註冊股本之42.86%。天華之業務範圍包括銷售及生產聚丙烯基碳纖維原絲、碳纖維、碳纖維預浸布及其他特種纖維。與此同時，天華之生產廠房現正動工興建，預期於二零一零年首季投產。

天津汽車業務

於二零零七年十一月二十三日，本公司透過其間接全資附屬公司Crown Creation Limited收購天津市凱聲汽車維修有限公司(「天津市凱聲」)50%股權。天津市凱聲及其附屬公司於中國從事銷售及分銷日產汽車、經營日產4S店以及提供重型汽車維修保養服務等業務。於回顧期內，天津市凱聲之業務面對競爭激烈，仍然並未為本集團帶來正面貢獻。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW *(continued)*

Logistic Services

The Company through its indirect wholly-owned subsidiary, Smart Oriental Limited, invested 40% of the enlarged issued share capital of Golden Fame International Investment Group Limited (“GFIIGL”) on 13 September 2007. GFIIGL provides various logistic services in Hong Kong and the PRC. Amid the global recession started from last year, GFIIGL managed to maintain the same level of operation as of last year. GFIIGL contributed profit of approximately HK\$0.74 million to the Group’s results for the six month ended 30 June 2009.

Trading of securities

The Group invested its surplus cash in Hong Kong’s listed securities as short-term investments. As the Hong Kong stock market recovered during the first half of the year, the Group recorded a realised and unrealised profit of HK\$14.60 million and HK\$81.84 million respectively during the reporting period.

Money lending business

The Group also used its surplus cash to provide short-term loans to various borrowers. Those short-term loans normally carried interest rate of prime rate per annum. During the period under review, certain outstanding loans which were fully provided in last year were repaid by borrowers. In this regard, provision for doubtful debts amounting to HK\$30.83 million were written back.

業務回顧 *(續)*

物流服務

於二零零七年九月十三日，本公司透過其間接全資附屬公司Smart Oriental Limited投資於金信環球投資集團有限公司（「金信」）經擴大已發行股本之40%。金信在香港及中國提供各類物流服務。於去年開始之全球衰退中，金信得以維持與去年相同之業務水平。於截至二零零九年六月三十日止六個月，金信為本集團業績貢獻溢利約740,000港元。

證券買賣

本集團將現金盈餘投資於香港上市證券作為短期投資。由於香港股市於本年度上半年復甦，本集團於報告期內錄得已變現及未變現溢利分別約14,600,000港元及81,840,000港元。

貸款業務

本集團亦動用現金盈餘向不同借款人提供短期貸款。該等短期貸款一般按最優惠年利率計息。於回顧期內，借款人已償還若干已於去年計提全數撥備之未償還貸款。就此，呆帳30,830,000港元之撥備已經撥回。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OUTLOOK

The Group entered into carbon fiber manufacturing business in the PRC through 42.86% indirect holding equity interest in Tinhua. Currently, the construction of the production plant of Tinhua is in progress. Trial run for the production is expected to start in the last quarter of year 2009 and the normal production is expected to start in the first quarter of year 2010. The management expects that the commencement of the normal production of Tinhua will start its contribution to the Group in year 2010.

As announced by the Company on 12 and 20 August 2009, the Company proposed to have a capital reorganisation, a fully underwritten rights issue exercise and placing of 337,988,721 new shares at the price of HK\$0.11 per share on best effort basis respectively. Subject to fulfillment of certain conditions and shareholders approval on the rights issue and the result of the placing, the Company will have the maximum net proceeds of HK\$297.58 million from the rights issue and approximately HK\$36.16 million from the placing.

On 9 September 2009, the placing of 337,988,721 shares on best effort basis was completed and the Company received approximately HK\$36.16 million for its general working capital.

If the rights issue is completed as expected, the Company will further have a maximum inflow of working capital of approximately HK\$297.58 million to consider investment project when arise.

前景

本集團透過其於天華之42.86%間接持股權益，進軍中國碳纖維製造業務。目前，天華之生產廠房現正動工興建，預期於二零零九年最後一季開始試產，並於二零一零年首季正式投產。管理層預期，天華於正式投產後，將可於二零一零年開始為本集團帶來貢獻。

如本公司於二零零九年八月十二日及二十日所公佈，本公司建議進行股本重組、按悉數包銷基準進行供股以及按盡力基準以每股0.11港元配售337,988,721股新股份。待若干條件達成、股東批准供股及得到配售結果後，本公司將可從供股及配售獲得所得款項淨額分別最多約297,580,000港元及約36,160,000港元。

於二零零九年九月九日，已完成按盡力基準配售337,988,721股股份，而本公司已收取約36,160,000港元作為其一般營運資金。

倘供股以預期方式完成，本公司將額外獲得最多約297,580,000港元，作營運資金之用，可於出現投資項目時加以考慮。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Result for the period

For the six months ended 30 June 2009, the Group recorded a profit from operation of HK\$122.61 million (2008: loss of HK\$66.74 million) and turnover of HK\$15.51 million (2008 (restated): HK\$(25.81) million).

The net profit attributable to shareholders for the period was HK\$121.52 million (2008: loss of HK\$68.23 million). The operating profit was mainly due to the realised profit of HK\$14.60 million, unrealised profit of HK\$81.84 million on securities dealings and the written back of the provision on doubt debts of HK\$30.83 million.

Liquidity, financial resources, borrowing and gearing ratio

During the period under review, the Group financed its operation through internal cash resources and a fund raising exercise. As at the balance sheet date, the Group maintained cash and bank balances of approximately HK\$79.50 million (as at 31 December 2008: HK\$64.15 million). The increase in cash and bank balances was mainly contributed from a placing exercise during the period and the repayment of loans from borrowers. The Group's gearing ratio, calculated as total borrowings divided by net assets, is stated at 0% (as at 31 December 2008: 12.11%) since the Group had no outstanding borrowing as at 30 June 2009 (as at 31 December 2008: HK\$27.27 million).

As at 30 June 2009, the Group's net assets value amounted to approximately HK\$502.44 million (as at 31 December 2008: HK\$225.28 million) with total assets amounted to approximately HK\$562.82 million (as at 31 December 2008: HK\$270.36 million). Net current assets were approximately HK\$307.18 million (as at 31 December 2008: HK\$185.74 million) and the current ratio was 6.09 times (as at 31 December 2008: 5.12 times).

期內業績

截至二零零九年六月三十日止六個月，本集團錄得經營溢利122,610,000港元（二零零八年：虧損66,740,000港元），而營業額為15,510,000港元（二零零八年（重列）：(25,810,000)港元）。

期內股東應佔純利為121,520,000港元（二零零八年：虧損68,230,000港元）。錄得經營溢利主要由於證券買賣產生已變現及未變現溢利分別約14,600,000港元及81,840,000港元，以及撥回呆帳撥備30,830,000港元。

流動資金、財務資源、借貸及負債資產比率

回顧期內，本集團透過內部現金資源及集資活動為其業務提供資金。於結算日，本集團之現金及銀行結餘約為79,500,000港元（於二零零八年十二月三十一日：64,150,000港元）。現金及銀行結餘增加主要是由於期內進行配售活動及借款人償還貸款所致。由於本集團於二零零九年六月三十日並無尚未償還之借貸（於二零零八年十二月三十一日：27,270,000港元），故本集團之負債資產比率（以借貸總額除以資產淨值計算）為0%（於二零零八年十二月三十一日：12.11%）。

於二零零九年六月三十日，本集團之資產淨值約為502,440,000港元（於二零零八年十二月三十一日：225,280,000港元），總資產值約為562,820,000港元（於二零零八年十二月三十一日：270,360,000港元）。流動資產淨值約為307,180,000港元（於二零零八年十二月三十一日：185,740,000港元），而流動比率為6.09倍（於二零零八年十二月三十一日：5.12倍）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Capital structure

On 18 June 2009, the Company through a placing agent to place 227,270,000 shares to independent investors at the placing price of HK\$0.25 per share. The placing was completed on 25 June 2009. The Company received a net proceed of approximately HK\$55.34 million from the subscription which was used for general working capital of the Group.

Connected transactions

During the period, the Company has incurred the following connected transactions:–

1) Subscription Agreement

On 26 August 2008, Ready Capital Limited, an indirect wholly-owned subsidiary of the Company entered into a subscription agreement with Excel Way Investments Limited (“Excel Way”) and Mr. Yeung Ming Kwong (“Mr. Yeung”), an executive director and the acting chairman of the Company who holds 51% of the issued share capital of Shinning Global Worldwide Limited (“**Shinning Global**”) which in turn wholly-owns Excel Way. Excel Way agreed to allot and issue and Ready Capital Limited agreed to subscribe share representing 51% of the enlarged issued share capital of Excel Way at an aggregate consideration of US\$11 million. Excel Way holds 42.86% of the registered capital of Tinhua, a manufacturer of polyacrylonitrile based carbon fiber precursor, carbon fiber, carbon fiber prepreg and other special fiber.

As Mr. Yeung is the acting chairman and an executive director of the Company and a connected person of the Company, the subscription agreement constitutes a major and connected transaction for the Company and is subject to the approval of independent shareholders of the Company at an EGM.

The transaction was approved at EGM of the Company on 15 October 2008 and completed at a revised consideration of US\$7.5 million through a supplemental subscription agreement on 6 April 2009.

資本架構

於二零零九年六月十八日，本公司透過配售代理配售227,270,000股股份予獨立投資者，配售價為每股股份0.25港元。是項配售已於二零零九年六月二十五日完成。本公司從是次認購收取所得款項淨額約55,340,000港元，有關款項已用作本集團之一般營運資金。

關連交易

於期內，本公司已進行以下關連交易：

1) 認購協議

於二零零八年八月二十六日，本公司間接全資附屬公司Ready Capital Limited與溢威投資有限公司（「溢威」）及本公司執行董事兼署理主席楊明光先生（「楊先生」）訂立認購協議。楊先生持有Shinning Global Worldwide Limited（「**Shinning Global**」）已發行股本51%權益，而Shinning Global則全資擁有溢威。溢威同意配發及發行而Ready Capital Limited同意認購相當於溢威經擴大已發行股本51%之股份，總代價為11,000,000美元。溢威持有天華註冊資本之42.86%。天華為聚丙烯基碳纖維原絲、碳纖維、碳纖維預浸布及其他特種纖維製造商。

由於楊先生為本公司署理主席兼執行董事及本公司關連人士，故該認購協議構成本公司之主要及關連交易，須獲本公司獨立股東於股東特別大會上批准。

有關交易已於二零零八年十月十五日在本公司之股東特別大會上獲得批准，並於二零零九年四月六日按經補充認購協議修訂之代價7,500,000美元完成。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Connected transactions (continued)

2) Acquisition of Shinning Global

On 6 April 2009, Harvest Peace Limited, an indirect wholly-owned subsidiary of the Company entered into a conditional sale and purchase agreement with Mr. Yeung and Mr. Zhang Hua ("Vendors") pursuant to which the Vendors agreed to sell and Harvest Peace Limited agreed to purchase the entire issued share capital of Shinning Global at a consideration of HK\$100 million, which is to be satisfied by the issue of the convertible notes by the Company to Mr. Yeung. On completion to the acquisition, the Company will indirectly own the entire issued share capital of Excel Way.

As Mr. Yeung is the acting chairman and an executive director of the Company and a connected person of the Company, the conditional sale and purchase agreement constitutes a major and connected transaction for the Company and is subject to the approval of independent shareholders at the EGM of the Company.

The acquisition was approved at EGM of the Company on 15 May 2009 and completed on 18 May 2009. Details of the above connected transactions can be referred to the Company's announcements dated 26 August 2008, 7 April 2009 and circulars dated 16 September 2008 and 28 April 2009 respectively.

關連交易 (續)

2) 收購Shinning Global

於二零零九年四月六日，本公司間接全資附屬公司Harvest Peace Limited與楊先生及張化先生（「賣方」）訂立有條件買賣協議，據此，賣方同意出售而Harvest Peace Limited同意購買Shinning Global全部已發行股本，代價為100,000,000港元，將由本公司向楊先生發行可換股票據支付。收購完成時，本公司將間接擁有溢威全部已發行股本。

由於楊先生為本公司署理主席兼執行董事及本公司關連人士，故該有條件買賣協議構成本公司一項主要及關連交易，須獲獨立股東於本公司之股東特別大會上批准。

是項收購已於二零零九年五月十五日在本公司之股東特別大會上獲得批准，並於二零零九年五月十八日完成。上述關連交易之詳情可參閱本公司分別於二零零八年八月二十六日及二零零九年四月七日發表之公佈以及分別於二零零八年九月十六日及二零零九年四月二十八日刊發之通函。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Pledge of Assets

As at 30 June 2009, the Group maintained a bank deposit of approximately HK\$558,000 (*as at 31 December 2008: HK\$1,567,000*) as collateral to satisfy contingent warranty and delivery obligations in relation to certain sales contracts.

As at 30 June 2009, margin facilities from a regulated securities broker were granted to the Group which were secured by the Group's financial assets at fair value through profit or loss. As at 30 June 2009, the Group has utilised HK\$22,771,000 (*as at 31 December 2008: HK\$Nil*) of these facilities and the carrying amount of the financial assets at fair value through profit or loss being charged by the securities broker is HK\$255,101,000 (*as at 31 December 2008: HK\$98,748,000*). The utilised amount of HK\$22,771,000 had been settled by the Group on 2 July 2009.

Exchange rate exposure

The Group is not subject to significant foreign currency exposure since its operations are mainly denominated in Hong Kong dollars.

資產抵押

於二零零九年六月三十日，本集團約有558,000港元銀行存款（於二零零八年十二月三十一日：1,567,000港元）已作為與若干銷售合約有關之或然保固責任及交付責任之抵押。

於二零零九年六月三十日，一名受規管證券經紀向本集團授出若干孖展融資，並以本集團於損益帳按公平值處理之財務資產作擔保。於二零零九年六月三十日，本集團已動用該等融資之22,771,000港元（於二零零八年十二月三十一日：無），而由該名證券經紀承押之於損益帳按公平值處理之財務資產之帳面值為255,101,000港元（於二零零八年十二月三十一日：98,748,000港元）。本集團已於二零零九年七月二日清償已動用之22,771,000港元。

匯率風險

由於本集團之業務主要以港元計值，故本集團並無面對任何重大外幣風險。

DISCLOSURE OF OTHER INFORMATION

其他資料披露

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend in respect of the six months ended 30 June 2009 (*six months ended 30 June 2008: HK\$Nil*).

DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST AND SHORT POSITION

As at 30 June 2009, the interests and short positions of the Directors and the Company's chief executive in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Future Ordinance ("SFO")) which were required to be notified to the Company and the Stock Exchange of Hong Kong Limited ("**Stock Exchange**") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest and short positions which they are taken or deemed to have under such provisions of the SFO), the Model Code for Securities Transactions by Directors of the Listed Companies and which were required to be entered in the register to be kept under section 352 of the SFO were as follows:

(a) Long positions in shares of the Company

Name 姓名	Nature of Interests 權益性質	Number of shares 股份數目	% of voting right 投票權百分比
Yeung Ming Kwong 楊明光	Beneficial Owner 實益擁有人	6,315,789 6,315,789	0.37% 0.37%
Wen Louis (Note) 溫耒(附註)	Interest attributed by spouse 配偶權益	37,500 37,500	0.00% 0.00%

Note: These shares are held by Ms. Warphon Suwannahong, who is the spouse of Mr. Wen Louis, an executive director of the Company.

中期股息

董事會不建議就截至二零零九年六月三十日止六個月派發中期股息(截至二零零八年六月三十日止六個月:零港元)。

董事及主要行政人員之權益及淡倉

於二零零九年六月三十日,董事及本公司主要行政人員於本公司或任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債權證中,擁有根據證券及期貨條例第XV部第7及8分部及上市公司董事進行證券交易的標準守則須知會本公司及香港聯合交易所有限公司(「聯交所」)之權益及淡倉(包括根據證券及期貨條例有關條文被當作或視為擁有之權益及淡倉),以及須根據證券及期貨條例第352條而存置之登記冊所記錄之權益及淡倉如下:

(a) 於本公司股份中之好倉

附註: 該等股份由本公司執行董事溫耒先生之配偶Warphon Suwannahong女士持有。

DISCLOSURE OF OTHER INFORMATION

其他資料披露

DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST AND SHORT POSITION (continued)**(b) Long position in shares or registered capital of associated corporations****董事及主要行政人員之權益及淡倉** (續)**(b) 於相聯法團之股份或註冊資本中之好倉**

Name of Director	Name of associated corporation	Capacity	Number of shares or amount of registered capital on associated corporations 相聯法團 股份數目或 註冊資本金額	Approximate percentage of shareholding or registered capital 佔股權或 註冊資本之 概約百分比
董事姓名	相聯法團名稱	身份		
Zhuang You Dao	Tianjin Kai Sheng Automobile Service Co., Ltd.	Corporate interest	RMB7,500,000	50%
莊友道	天津市凱聲汽車維修有限公司	公司權益	人民幣7,500,000元	50%
Zhuang You Dao	Tianjin Jinri Automobile Sale & Service Co., Ltd	Beneficial interest	RMB6,750,000	45%
莊友道	天津津日汽車銷售服務有限公司	實益權益	人民幣6,750,000元	45%

Save as disclosed above, as at 30 June 2009, none of the Directors or the chief executive had under Division 7 and 8 of Part XV of the SFO, nor were they taken to or deemed to have under such provisions of the SFO, any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) or any interests which are required to be entered into the register kept by the Company pursuant to section 352 of the SFO or any interests which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transaction by Directors of Listed Companies in the Listing Rules.

除上文所披露者外，於二零零九年六月三十日，董事或主要行政人員概無於本公司或任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債權證中，擁有證券及期貨條例第XV部第7及8分部所指或根據證券及期貨條例有關條文被當作或視為擁有之權益或淡倉，或擁有本公司根據證券及期貨條例第352條存置之登記冊所記錄之權益，或根據上市規則所載上市公司董事進行證券交易的標準守則須知會本公司及聯交所之權益。

DISCLOSURE OF OTHER INFORMATION

其他資料披露

EMPLOYEES

As at 30 June 2009, the Group had approximately 13 employees in Hong Kong and 1 employee in Macau. Remuneration packages including basic salary, bonus and benefits in kind are structured by reference to market terms and individual merit and are reviewed on annual basis based on performance.

SHARE OPTIONS

The Company adopted a new share option scheme (the "Scheme") on 6 August 2007. Under the Scheme, the Directors may grant Options to those participants who, in the opinion of the Board, have contributed or may contribute to the development and growth of the Group and any entity in which the Group holds any equity interest.

There was no share option granted and exercised under the Scheme during the period.

SUBSTANTIAL SHAREHOLDERS

The following table set forth information regarding ownership of the short positions in, the outstanding shares as at 30 June 2009 by those person who beneficially own more than 5% of the issued share, as recorded in the register maintained by the Company pursuant to Part XV of the Securities and Future Ordinance.

Name	Number of shares (Long position) 股份數目 (好倉)	% of voting right (Long position) 投票權百分比 (好倉)	Number of shares (Short position) 股份數目 (淡倉)	% of voting right (Short position) 投票權百分比 (淡倉)
Unity Investments Holdings Limited (Note 1)	142,137,250	8.41	—	—
合一投資控股有限公司(附註1)	142,137,250	8.41	—	—

Note 1: Unity Investments Holdings Limited (Stock code 913), a company listed on the Stock Exchange, is interested in the shared capital of the Company through its wholly-owned subsidiary Gufalore Investment Limited and which in turn wholly owns Great Panorama International Limited. Ms. Swartz Kristi Lynn is an independent non-executive director of the Company and Unity Investments Holdings Limited.

僱員

於二零零九年六月三十日，本集團於香港及澳門分別約有13名及1名僱員。薪酬方案（包括基本薪金、花紅及實物利益）乃經參考市場條款及個人優點而釐定，並根據表現每年進行檢討。

購股權

本公司於二零零七年八月六日採納一項新購股權計劃（「該計劃」）。根據該計劃，董事可向董事會認為曾經或可能對本集團及本集團持有任何股權之任何實體之發展及增長作出貢獻之參與者授出購股權。

期內並無根據該計劃授出及行使之購股權。

主要股東

下表載列於二零零九年六月三十日，本公司根據證券及期貨條例第XV部存置之名冊所記錄，實益擁有已發行股份5%以上之人士於已發行股份淡倉之擁有權。

附註1：合一投資控股有限公司（股份代號：913）為聯交所上市公司，透過其全資附屬公司Gufalore Investment Limited擁有本公司股本之權益，而Gufalore Investment Limited則全資擁有Great Panorama International Limited。Swartz Kristi Lynn女士為本公司及合一投資控股有限公司之獨立非執行董事。

DISCLOSURE OF OTHER INFORMATION 其他資料披露

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

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the period under review.

CODE ON CORPORATE GOVERNANCE PRACTICES

Save as disclosed below, in the opinion of the Directors, the Company has complied with Code on Corporate Governance Practices ("CG Code") as set out in Appendix 14 to the Listing Rules during the six months ended 30 June 2009.

- a) Code Provision A.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company has no such title as the chief executive officer but the daily operation and management of the Company is monitored by the executive directors. On 27 February 2008, Ms. Yau Shum Tek, Cindy, resigned from her post as chairwoman of the Company due to health reason. Mr. Yeung Ming Kwong, executive director of the Company, was appointed as acting chairman of the Group on 27 February 2008 after the resignation of former Chairman.
- b) Code Provision A.4.1 stipulated that non-executive directors should be appointed for a specific term and be subject to re-election. The Company has not fixed the term of appointment for non-executive directors, which constitutes a deviation from Code Provision of A.4.1. However, all non-executive directors are also subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to Article 116 in the Articles of Association of the Company.

購買、出售或贖回本公司上市證券

於回顧期內，本公司或其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

企業管治常規守則

除下文所披露者外，董事認為，本公司於截至二零零九年六月三十日止六個月內一直遵守上市規則附錄十四所載之企業管治常規守則（「企業管治守則」）。

- a) 守則條文A.2.1規定主席及行政總裁之職務須予分開，並不應由同一人兼任。本公司並無設立行政總裁一職，惟執行董事負責監督本公司日常營運及管理。於二零零八年二月二十七日，邱深笛女士因健康理由辭任本公司主席一職。本公司執行董事楊明光先生於前主席辭任後，在二零零八年二月二十七日獲委任為本集團之署理主席。
- b) 守則條文A.4.1規定非執行董事應按特定任期委任，並須接受重選。本公司並無釐定非執行董事之任期，因而構成偏離守則條文A.4.1。然而，按照本公司組織章程細則第116條，全體非執行董事須於本公司股東週年大會上輪流告退並接受重選。

DISCLOSURE OF OTHER INFORMATION

其他資料披露

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code of the Listing Rules as the Company's code of conduct for dealing in securities of the Company by the directors. Except for Mr. Zhou Qi Jin who cannot be reached for his confirmation, all directors confirmed that they have complied with the required standards as set out in the Model Code throughout the period.

REMUNERATION COMMITTEE

A Remuneration Committee has been established in accordance with the requirements of the CG Code. The Remuneration Committee comprises three independent non-executive Directors and an executive Director. On 3 September 2009, Mr. Kwong Wai Tim, William resigned as member of the remuneration committee and Ms. Swartz Kristi Lynn was appointed to fill the vacancy on the same date.

AUDIT COMMITTEE

The unaudited interim financial report of the Group for the six months ended 30 June 2009 have been reviewed by the Audit Committee of the Company. The audit committee comprises three independent non-executive Directors namely Mr. Chung Yuk Lun, Ms. Lam Yan Fong, Flora, Ms. Swartz Kristi Lynn (appointed on 3 September 2009) and Mr. Kwong Wai Tim, William (resigned on 3 September 2009).

APPRECIATION

On behalf of the Directors, I would like to extend our gratitude and sincere appreciation to all management and staff members for their diligence and dedication, the continuing support of our business partners, customers and the Company's shareholders.

BY ORDER OF THE BOARD

YEUNG MING KWONG
DIRECTOR

Hong Kong, 11 September 2009

證券交易標準守則

本公司已採納上市規則之標準守則作為本公司董事進行本公司證券買賣之操守守則。除未能聯絡周奇金先生作出確認外，全部董事均確認彼等於期內一直遵守標準守則所載之規定標準。

薪酬委員會

本公司已根據企業管治守則之規定成立薪酬委員會。薪酬委員會由三名獨立非執行董事及一名執行董事組成。於二零零九年九月三日，鄭維添先生已辭任薪酬委員會成員，而 Swartz Kristi Lynn 女士已於同日獲委任，以填補有關空缺。

審核委員會

本集團截至二零零九年六月三十日止六個月之未經審核中期財務報告已由本公司審核委員會審閱。審核委員會由三名獨立非執行董事鍾育麟先生、林欣芳女士、Swartz Kristi Lynn 女士（於二零零九年九月三日獲委任）及鄭維添先生（於二零零九年九月三日辭任）組成。

致謝

本人謹代表各董事對全體盡責忠誠之管理層人員及員工，以及不斷支持本集團之業務夥伴、客戶及本公司股東致以衷心謝意。

承董事會命

董事
楊明光

香港，二零零九年九月十一日



FOREFRONT GROUP LIMITED
福方集團有限公司*