



**HOP FUNG GROUP**

合豐集團控股有限公司

**HOP FUNG GROUP HOLDINGS LIMITED**

*(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: 2320

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The board of directors (the "Directors") of Hop Fung Group Holdings Limited (the "Company") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30th June, 2010 together with the comparative figures for the corresponding period in 2009 as follows:

合豐集團控股有限公司(「本公司」)董事會(「董事」)欣然宣佈本公司及其附屬公司(統稱「本集團」/「集團」)截至二零一零年六月三十日止六個月之未經審核簡明綜合業績，連同二零零九年同期之比較數字如下：

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30TH JUNE, 2010

## 簡明綜合全面收益表

截至二零一零年六月三十日止六個月

		<b>Six months ended</b>	
		截至六月三十日止六個月	
		30.6.2010	30.6.2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Revenue	收益	621,156	355,333
Cost of sales	銷售成本	(500,083)	(299,241)
Gross profit	毛利	121,073	56,092
Other income	其他收入	8,519	6,961
Selling and distribution costs	銷售及分銷成本	(34,966)	(14,776)
Administrative expenses	行政開支	(38,660)	(25,051)
Other expenses	其他開支	(6,243)	(5,542)
Finance costs	財務成本	(9,624)	(4,245)
Change in fair value of unsecured structured borrowing	無抵押結構借貸 公平值之變動	214	2,352
Changes in fair value of derivative financial instruments	衍生金融工具 公平值之變動	600	19,846
Profit before taxation	稅前利潤	40,913	35,637
Income tax expense	所得稅開支	(6,775)	(499)
Profit for the period	期間利潤	34,138	35,138
Other comprehensive income:	其他全面收益：		
Exchange differences arising from translation of foreign operations	換算海外業務之 匯兌差額	9,863	(559)
Total comprehensive income for the period	期間全面收益總額	44,001	34,579
Dividends	股息	4,829	4,829
		<b>HK cents</b>	<b>HK cents</b>
		港仙	港仙
Earnings per share	每股盈利		
- basic	- 基本	7.07	7.28
- diluted	- 攤薄	6.87	7.28

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30TH JUNE, 2010

# 簡明綜合財務狀況表

於二零一零年六月三十日

			30.6.2010 於二零一零年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31.12.2009 於二零零九年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	10	1,190,344	1,201,243
Prepaid lease payments on land use rights	土地使用權預付租賃款項		34,297	34,361
			<b>1,224,641</b>	<b>1,235,604</b>
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨		203,739	154,862
Trade and other receivables	貿易及其他應收款項	11	211,181	163,550
Deposits and prepayments	按金及預付款		13,465	8,194
Prepaid lease payments on land use rights	土地使用權預付租賃款項		814	809
Derivative financial instruments	衍生金融工具		638	262
Bank balances and cash	銀行結餘及現金		139,735	174,438
			<b>569,572</b>	<b>502,115</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Trade, bills and other payables	貿易、票據及其他應付款項	12	184,296	190,499
Taxation payable	應付稅項		20,586	19,410
Derivative financial instruments	衍生金融工具		2,638	1,271
Unsecured bank borrowings	無抵押銀行貸款	13	323,065	271,161
Unsecured structured borrowing	無抵押結構借貸	14	7,800	7,750
			<b>538,385</b>	<b>490,091</b>
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>31,187</b>	<b>12,024</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>1,255,828</b>	<b>1,247,628</b>
<b>Capital and reserves</b>	<b>股本及儲備</b>			
Share capital	股本	15	48,292	48,292
Share premium and reserves	股份溢價及儲備		841,803	806,123
<b>Total equity</b>	<b>權益總額</b>		<b>890,095</b>	<b>854,415</b>
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Unsecured bank borrowings	無抵押銀行貸款	13	338,275	367,192
Unsecured structured borrowing	無抵押結構借貸	14	4,048	8,111
Deferred taxation	遞延稅項		23,410	17,910
			<b>365,733</b>	<b>393,213</b>
			<b>1,255,828</b>	<b>1,247,628</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30TH JUNE, 2010

## 簡明綜合權益變動表

截至二零一零年六月三十日止六個月

		Share capital 股本	Share premium 股份溢價	Special reserve 特別儲備	Translation reserve 匯兌儲備	Share options 購股權儲備	Retained profits 保留利潤	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
				(Note) (附註)				
At 1st January, 2010	於二零一零年 一月一日	48,292	425,382	(107,444)	11,744	12,874	463,567	854,415
Total comprehensive income for the period	期間全面收益 總額	-	-	-	9,863	-	34,138	44,001
Recognition of equity-settled share based payments	確認以股權 結算以股份 支付之支出	-	-	-	-	2,303	-	2,303
Final dividend paid in respect of 2009 (Note 8)	已派二零零九年 末期股息 (附註8)	-	-	-	-	-	(10,624)	(10,624)
At 30th June, 2010	於二零一零年 六月三十日	48,292	425,382	(107,444)	21,607	15,177	487,081	890,095
At 1st January, 2009	於二零零九年 一月一日	48,292	425,382	(107,444)	12,424	8,792	384,631	772,077
Total comprehensive income for the period	期間全面收益 總額	-	-	-	(559)	-	35,138	34,579
Recognition of equity-settled share based payments	確認以股權 結算以股份 支付之支出	-	-	-	-	262	-	262
At 30th June, 2009	於二零零九年 六月三十日	48,292	425,382	(107,444)	11,865	9,054	419,769	806,918

Note: Special reserve represents the difference between the costs of investments in subsidiaries of the Company and the aggregate amount of the non-voting deferred share capital of Fung Kong Hop Fung Paper Ware Factory Limited and Gong Ming Hop Fung Paper Ware Factory Limited and the nominal value of the share capital of the subsidiaries acquired as a result of the group reorganisation in 2003.

附註：特別儲備指本公司於附屬公司之投資成本，與鳳崗合豐紙品廠有限公司及公明合豐紙品廠有限公司無投票權遞延股本總額及因二零零三年集團重組而收購之附屬公司之股本面值之差額。

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30TH JUNE, 2010

## 簡明綜合現金流量表

截至二零一零年六月三十日止六個月

		Six months ended	
		截至六月三十日止六個月	
		30.6.2010	30.6.2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
<b>Net cash from operating activities</b>	經營活動產生之現金淨額	<b>11,330</b>	46,070
<b>Investing activities</b>	投資活動		
Payment for property, plant and equipment	支付物業、廠房及設備	<b>(26,899)</b>	(69,664)
Other investing cash flows	其他投資現金流量	<b>(11,762)</b>	1,295
<b>Net cash used in investing activities</b>	投資活動使用之現金淨額	<b>(38,661)</b>	(68,369)
<b>Financing activities</b>	融資活動		
New bank borrowings raised	新增銀行借貸	<b>319,057</b>	159,989
Repayment of bank borrowings	償還銀行借貸	<b>(303,797)</b>	(170,831)
Dividends paid	已派股息	<b>(10,624)</b>	-
Other financing cash flows	其他融資現金流量	<b>(9,624)</b>	(8,355)
<b>Net cash used in financing activities</b>	融資活動使用之現金淨額	<b>(4,988)</b>	(19,197)
<b>Net decrease in cash and cash equivalents</b>	現金及現金等值減少淨額	<b>(32,319)</b>	(41,496)
<b>Cash and cash equivalents at 1st January</b>	於一月一日現金及現金等值	<b>174,438</b>	254,795
<b>Effect of foreign exchange rate changes</b>	匯率變動之影響	<b>(2,384)</b>	(288)
<b>Cash and cash equivalents at 30th June</b>	於六月三十日現金及現金等值	<b>139,735</b>	213,011
<b>Analysis of the balances of cash and cash equivalents</b>	現金及現金等值之結餘分析		
Bank balances and cash	銀行結餘及現金	<b>139,735</b>	213,011

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30TH JUNE, 2010

### 1. GENERAL INFORMATION

The Company is an exempted company with limited liability incorporated in the Cayman Islands under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its parent is Hop Fung Industries Limited, a company incorporated in the British Virgin Islands and its ultimate parent is Hop Fung Industries (Holdings) Limited, a company also incorporated in the British Virgin Islands.

### 2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements ("interim financial statements") have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the "Listing Rules") on 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").

## 簡明綜合財務報表附註

截至二零一零年六月三十日止六個月

### 1. 一般資料

本公司根據開曼群島法例第22章公司法(一九六一年第3條法例,經綜合及修訂)於開曼群島註冊成立為獲豁免有限公司,其股份於香港聯合交易所有限公司(「聯交所」)上市。本公司之母公司為英屬處女群島註冊成立之Hop Fung Industries Limited,而最終母公司則為於英屬處女群島註冊成立之Hop Fung Industries (Holdings) Limited。

### 2. 編製基準

未經審核簡明綜合財務報表(「中期財務報表」)乃根據聯交所證券上市規則(「上市規則」)附錄16之適用披露規定及香港會計師公會(「香港會計師公會」)發出之香港會計準則(「香港會計準則」)第34號「中期財務報告」而編製。

### 3. PRINCIPAL ACCOUNTING POLICIES

The interim financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

The accounting policies used in the preparation of these interim financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31st December, 2009, except as described below. The interim financial statements should be read in conjunction with the annual financial statements for the year ended 31st December, 2009.

In the current period, the Group has applied the following new and revised standards, amendments and interpretations issued by the HKICPA which are effective for the annual periods beginning on or after 1st January, 2010.

HKFRSs (Amendments)

香港財務報告準則 (修訂本)

HKFRSs (Amendments)

香港財務報告準則 (修訂本)

HKAS 27 (Revised)

香港會計準則第27號 (經修訂)

HKAS 39 (Amendment)

香港會計準則第39號 (修訂本)

HKFRS 1 (Amendment)

香港財務報告準則第1號 (修訂本)

HKFRS 2 (Amendment)

香港財務報告準則第2號 (修訂本)

HKFRS 3 (Revised)

香港財務報告準則第3號 (經修訂)

HK (IFRIC)-Int 17

香港 (國際財務報告詮釋委員會)  
— 詮釋第17號

### 3. 主要會計政策

中期財務報表乃按歷史成本法編製，惟若干金融工具按公平值列賬（倘適用）除外。

編製中期財務報表所用之會計政策，與本集團在其截至二零零九年十二月三十一日止年度之全年財務報表內所用之編製基準相同，惟下文所述者除外。中期財務報表需與截至二零零九年十二月三十一日止年度之全年財務報表一併閱讀。

在本期間，本集團已採用下列由香港會計師公會頒佈之新訂及經修訂準則、修訂本及詮釋，此等新詮釋於二零一零年一月一日或以後開始之年度期間生效。

Amendment to HKFRS 5 as part of

Improvements to HKFRSs 2008

香港財務報告準則第5號之修訂本，作為

二零零八年香港財務報告準則之改進的一部分

Improvements to HKFRSs 2009

二零零九年香港財務報告準則之改進

Consolidated and Separate Financial Statements

綜合及獨立財務報表

Eligible Hedged Items

合資格對沖項目

Additional Exemptions for First-time Adopters

首次採用者之額外豁免

Group Cash-settled Share-based Payment

Transactions

集團以現金結算之以股份支付支出之交易

Business Combinations

業務合併

Distributions of Non-cash Assets to Owners

向擁有人分派非現金資產



The adoption of the above new and revised standards, amendments and interpretations had no material effect on how the financial statements of the Group are prepared and presented for the current or prior accounting periods.

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

HKFRSs (Amendments)  
香港財務報告準則(修訂本)

HKAS 24 (Revised)  
香港會計準則第24號(經修訂)

HKAS 32 (Amendment)  
香港會計準則第32號(修訂本)

HKFRS 1 (Amendment)  
香港財務報告準則第1號(修訂本)

HKFRS 9  
香港財務報告準則第9號

HK (IFRIC)-Int 14 (Amendment)  
香港(國際財務報告詮釋委員會)  
— 詮釋第14號(修訂本)

HK (IFRIC)-Int 19  
香港(國際財務報告詮釋委員會)  
— 詮釋第19號

Improvements to HKFRSs 2010<sup>1</sup>  
二零一零年香港財務報告準則之改進<sup>1</sup>

Related Party Disclosures<sup>4</sup>  
關連人士披露<sup>4</sup>

Classification of Rights Issues<sup>2</sup>  
供股之分類<sup>2</sup>

Limited Exemption from Comparative  
HKFRS 7 Disclosures for First-time Adopters<sup>3</sup>  
首次採用者就香港財務報告準則第7號披露之  
比較資料所獲有限豁免<sup>3</sup>

Financial Instruments<sup>5</sup>  
金融工具<sup>5</sup>

Prepayments of a Minimum Funding  
Requirement<sup>4</sup>  
最低資本規定之預付款項<sup>4</sup>


Extinguishing Financial Liabilities with  
Equity Instruments<sup>3</sup>  
以權益工具抵銷財務負債<sup>3</sup>

採用上述新訂及經修訂準則、修訂本及詮釋對本集團本期間或以往會計期間財務報表之編製及呈列方式並無重大影響。

本集團並無提早應用下列已頒佈但尚未生效之新訂及經修訂準則、修訂本及詮釋。

- <sup>1</sup> Effective for annual periods beginning on or after 1st July, 2010 and 1st January, 2011, as appropriate
- <sup>2</sup> Effective for annual periods beginning on or after 1st February, 2010
- <sup>3</sup> Effective for annual periods beginning on or after 1st July, 2010
- <sup>4</sup> Effective for annual periods beginning on or after 1st January, 2011
- <sup>5</sup> Effective for annual periods beginning on or after 1st January, 2013

- <sup>1</sup> 於二零一零年七月一日及二零一一年一月一日(如適用)或以後開始之年度期間生效
- <sup>2</sup> 於二零一零年二月一日或以後開始之年度期間生效
- <sup>3</sup> 於二零一零年七月一日或以後開始之年度期間生效
- <sup>4</sup> 於二零一一年一月一日或以後開始之年度期間生效
- <sup>5</sup> 於二零一三年一月一日或以後開始之年度期間生效



HKFRS 9 *Financial Instruments* introduces new requirements for the classification and measurement of financial assets and will be effective from 1st January, 2013, with earlier application permitted. The Standard requires all recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* to be measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 might affect the classification and measurement of the Group's financial assets.

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

#### 4. SEGMENT INFORMATION

The Group's operations are mainly organised under the segments of manufacture and sale of:

- Containerboard – corrugating medium and linerboard
- Corrugated packaging – corrugated paper boards and carton boxes

香港財務報告準則第9號金融工具引入對財務資產之分類及計量之新規定，將於二零一三年一月一日起生效，並可提早應用。該項準則規定所有符合香港會計準則第39號金融工具：確認及計量範疇之已確認財務資產將按攤銷成本或公平值計量。特別是，(i)根據業務模式以收取合約現金流量為目的而持有的債務投資；及(ii)僅為支付未償還本金及本金之利息而產生合約現金流量之債務投資一般按攤銷成本計量。所有其他債務投資及股本投資乃按公平值計量。應用香港財務報告準則第9號可能對本集團財務資產之分類及計量造成影響。

本公司董事預期應用其他新訂及經修訂準則、修訂本及詮釋將不會對本集團之業績及財務狀況有重大影響。

#### 4. 分部資料

本集團業務主要由以下生產及銷售分部組成：

- 箱板紙 – 瓦楞芯紙及牛咭
- 瓦楞包裝 – 瓦楞紙板及紙箱

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

以下為按經營分部劃分之本集團收益及業績分析：

**Segment revenues and results**

**分部收益及業績**

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

**截至二零一零年六月三十日止六個月**

		Containerboard 箱板紙 HK\$'000 千港元	Corrugated packaging 瓦楞包裝 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>REVENUE</b>	<b>收益</b>				
External sales	對外銷售	52,524	568,632	-	621,156
Inter-segment sales	分部間銷售	364,036	993	(365,029)	-
<b>Total</b>	<b>總計</b>	<b>416,560</b>	<b>569,625</b>	<b>(365,029)</b>	<b>621,156</b>
<b>RESULT</b>	<b>業績</b>				
Segment profit	分部利潤	23,327	26,396	-	49,723
Finance costs	財務成本				(9,624)
Change in fair value of unsecured structured borrowing	無抵押結構借貸 公平值之變動				214
Changes in fair value of derivative financial instruments	衍生金融工具 公平值之變動				600
Profit before taxation	稅前利潤				40,913
Income tax expense	所得稅開支				(6,775)
Profit for the period	期間利潤				34,138

Six months ended 30th June, 2009

截至二零零九年六月三十日止  
六個月

		Containerboard 箱板紙 HK\$'000 千港元	Corrugated packaging 瓦楞包裝 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
REVENUE	收益				
External sales	對外銷售	34,651	320,682	-	355,333
Inter-segment sales	分部間銷售	167,949	-	(167,949)	-
Total	總計	202,600	320,682	(167,949)	355,333
RESULT	業績				
Segment profit	分部利潤	5,046	12,638	-	17,684
Finance costs	財務成本				(4,245)
Change in fair value of unsecured structured borrowing	無抵押結構借貸 公平值之變動				2,352
Changes in fair value of derivative financial instruments	衍生金融工具 公平值之變動				19,846
Profit before taxation	稅前利潤				35,637
Income tax expense	所得稅開支				(499)
Profit for the period	期間利潤				35,138

Inter-segment sales are charged at prevailing market rates.

分部間銷售乃參照現行市價計算。

The majority of the Group's revenue and contribution to operating profit is attributable to customers who have their manufacturing base in the People's Republic of China (the "PRC"). Accordingly, no analysis of geographical location is presented.

本集團大部份收益及經營溢利貢獻來自在中華人民共和國（「中國」）設有生產基地之客戶，因此並無呈列地區分析。

5. CHANGES IN FAIR VALUE OF DERIVATIVE FINANCIAL INSTRUMENTS

5. 衍生金融工具公平值之變動

		<b>Six months ended</b>	
		截至六月三十日止六個月	
		<b>30.6.2010</b>	30.6.2009
		二零一零年	二零零九年
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
		<b>(Unaudited)</b>	(Unaudited)
		(未經審核)	(未經審核)
Net cash inflow from settlement of derivative financial instruments	以衍生金融工具結算之淨現金流入	<b>1,591</b>	458
Other changes in fair value of derivative financial instruments	衍生金融工具公平值之其他變動	<b>(991)</b>	19,388
		<b>600</b>	19,846

6. PROFIT BEFORE TAXATION

6. 稅前利潤

		<b>Six months ended</b>	
		截至六月三十日止六個月	
		<b>30.6.2010</b>	30.6.2009
		二零一零年	二零零九年
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
		<b>(Unaudited)</b>	(Unaudited)
		(未經審核)	(未經審核)
Profit before taxation has been arrived at after charging (crediting):	稅前利潤乃扣除(計入)下列項目後得出：		
Release of prepaid lease payments on land use rights	土地使用權預付租賃款項之撥回	<b>301</b>	247
Depreciation of property, plant and equipment	物業、廠房及設備折舊	<b>33,774</b>	30,217
Interest income	利息收入	<b>(265)</b>	(762)

## 7. INCOME TAX EXPENSE

## 7. 所得稅開支

		<b>Six months ended</b>	
		<b>截至六月三十日止六個月</b>	
		<b>30.6.2010</b>	30.6.2009
		二零一零年	二零零九年
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
		<b>(Unaudited)</b>	(Unaudited)
		(未經審核)	(未經審核)
Current tax:	即期稅項：		
Hong Kong Profits Tax	香港利得稅	<b>695</b>	176
PRC Enterprise Income Tax	中國企業所得稅	<b>580</b>	110
		<b>1,275</b>	286
Deferred tax	遞延稅項	<b>5,500</b>	213
		<b>6,775</b>	499

Hong Kong Profits Tax is calculated at 16.5% (2009: 16.5%) on the estimated assessable profit for the period. Taxation arising in the PRC is calculated at the rates prevailing in the PRC.

A portion of the Group's profits are earned by the Macau subsidiaries of the Group incorporated under the Macau SAR's Offshore Law. Pursuant to the Macau SAR's Offshore Law, such portion of profits are exempted from Macau complimentary tax, which is currently at 12% of the profits. Further, in the opinion of the Directors of the Company, that portion of the Group's profit is not at present subject to taxation in any other jurisdiction in which the Group operates.

香港利得稅按期間估計應評稅利潤的16.5%（二零零九年：16.5%）之稅率計算。於中國之稅項乃按中國之適用稅率計算。

本集團部分利潤乃由本集團根據澳門特別行政區離岸法律註冊成立之澳門附屬公司所賺取。根據澳門特別行政區離岸法律，該部分利潤毋須繳納澳門優惠稅（目前按利潤之12%徵收）。此外，本公司董事認為，目前本集團該部分利潤亦毋須於本集團經營所在之任何其他司法權區內繳納稅項。

Pursuant to the relevant laws and regulations in the PRC, the major operating PRC subsidiaries of the Group are exempted from PRC Enterprise Income Tax for two years starting from the first profit-making year, followed by a 50% reduction for the next three years.

## 8. DIVIDENDS

During the six months ended 30th June, 2009, no payment of a final dividend was made for the year ended 31st December, 2008.

On 28th June, 2010 a dividend of 2.20 HK cents per share, amounting to approximately HK\$10,624,000, was paid to the shareholders as final dividend for the year ended 31st December, 2009.

An interim dividend for the six months ended 30th June, 2010 of 1.0 HK cent per share, amounting to approximately HK\$4,829,000, has been declared by the Directors (six months ended 30th June, 2009: 1.0 HK cent per share, amounting to approximately HK\$4,829,000).

根據中國有關法例及法規，本集團旗下主要於中國營運之附屬公司自首個獲利年度起計兩年獲豁免繳交中國企業所得稅，其後三年獲減免50%中國企業所得稅。

## 8. 股息

截至二零零九年六月三十日止六個月，本公司並無派發截至二零零八年十二月三十一日止年度末期股息。

於二零一零年六月二十八日，本公司向股東派付截至二零零九年十二月三十一日止年度末期股息每股2.20港仙，派息總額約達10,624,000港元。

董事宣派截至二零一零年六月三十日止六個月之中期股息每股1.0港仙，合共約4,829,000港元（截至二零零九年六月三十日止六個月：每股1.0港仙，總額約為4,829,000港元）。

## 9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

## 9. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利是按以下數據為計算基準：

		<b>Six months ended</b>	
		截至六月三十日止六個月	
		<b>30.6.2010</b>	30.6.2009
		二零一零年	二零零九年
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
		<b>(Unaudited)</b>	(Unaudited)
		(未經審核)	(未經審核)
<b>Earnings</b>	<b>盈利</b>		
Earnings for the purposes of basic and diluted earnings per share	計算每股基本及攤薄盈利之盈利	<b>34,138</b>	35,138
		<b>30.6.2010</b>	30.6.2009
		於二零一零年	於二零零九年
		六月三十日	六月三十日
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利之加權平均普通股股數	<b>482,924,000</b>	482,924,000
Effect of dilutive potential ordinary shares in respect of share options	與購股權有關之潛在攤薄普通股之影響	<b>13,819,227</b>	-
Weighted average number of ordinary shares for the purpose of diluted earnings per share	計算每股攤薄盈利之加權平均普通股股數	<b>496,743,227</b>	482,924,000



## 10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30th June, 2010, the Group acquired machineries and equipment amounting to approximately HK\$12.5 million (for the year ended 31st December, 2009: approximately HK\$165.2 million).

## 11. TRADE AND OTHER RECEIVABLES

Trade receivables	貿易應收款項	<b>206,213</b>	167,714
Less: allowance for doubtful debts	減：呆賬撥備	<b>(4,361)</b>	(4,356)
Other receivables	其他應收款項	<b>9,329</b>	192
Total trade and other receivables	貿易及其他應收款項總額	<b>211,181</b>	163,550

The Group allows credit periods ranging from 5 to 150 days to its trade customers which may be extended to selected trade customers depending on their trade volume and history of settlement with the Group. The following is an aged analysis of trade receivables net of allowance for doubtful debts presented based on the invoice date at the end of the reporting period:

## 10. 物業、廠房及設備

截至二零一零年六月三十日止六個月內，本集團使用約12,500,000港元購置機器及設備(截至二零零九年十二月三十一日止年度：約165,200,000港元)。

## 11. 貿易及其他應收款項

30.6.2010 於二零一零年 六月三十日	31.12.2009 於二零零九年 十二月三十一日
HK\$'000 千港元	HK\$'000 千港元
(Unaudited) (未經審核)	(Audited) (經審核)

本集團給予貿易客戶5至150日信貸期，該信貸期可以根據特定貿易客戶與本集團之貿易量及過往付款記錄而予以延長。下列為於報告期末基於發票日期扣除呆賬撥備後而呈列之貿易應收款項之賬齡分析：



		<b>30.6.2010</b>	31.12.2009
		於二零一零年	於二零零九年
		六月三十日	十二月三十一日
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
		<b>(Unaudited)</b>	(Audited)
		(未經審核)	(經審核)
Within 30 days	30日內	<b>165,420</b>	137,639
31-60 days	31至60日	<b>23,810</b>	11,823
61-90 days	61至90日	<b>7,140</b>	6,281
Over 90 days	90日以上	<b>5,482</b>	7,615
		<b>201,852</b>	163,358

Included in the Group's trade receivable balance are debtors with an aggregate carrying amount of HK\$32,787,000 (2009: HK\$17,487,000) which were past due at the reporting date but for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances. The average age of these receivables is 53 days based on invoice dates (2009: 54 days).

本集團之貿易應收款項結餘中包括賬面值總額為32,787,000港元（二零零九年：17,487,000港元）之應收款項，該等款項於報告日已逾期，但本集團並無作出減值虧損撥備。本集團並無就該等結餘持有任何抵押品。根據發票日期，該等應收款項之平均賬齡為53日（二零零九年：54日）。

## 12. TRADE, BILLS AND OTHER PAYABLES

The following is an aged analysis of trade and bills payables presented based on the invoice date at the end of the reporting period:

		<b>30.6.2010</b>	31.12.2009
		於二零一零年	於二零零九年
		六月三十日	十二月三十一日
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
		<b>(Unaudited)</b>	(Audited)
		(未經審核)	(經審核)
Current	即期	<b>84,162</b>	96,997
Overdue 1 to 30 days	逾期1至30日	<b>4,413</b>	6,005
Overdue 31 to 60 days	逾期31至60日	<b>472</b>	1,408
Overdue for more than 60 days	逾期60日以上	<b>869</b>	2,834
		<b>89,916</b>	107,244
Payables for the acquisition of property, plant and equipment	購置物業、廠房及設備之應付款項	<b>17,648</b>	29,931
Other payables and accrued charges	其他應付款項及應計支出	<b>76,732</b>	53,324
		<b>184,296</b>	190,499

The average credit period on purchases of goods is 32 days (2009: 34 days). The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe.

## 12. 貿易、票據及其他應付款項

下列為於報告期末基於發票日期而呈列之貿易及票據應付款項之賬齡分析：

		<b>30.6.2010</b>	31.12.2009
		於二零一零年	於二零零九年
		六月三十日	十二月三十一日
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
		<b>(Unaudited)</b>	(Audited)
		(未經審核)	(經審核)
Current	即期	<b>84,162</b>	96,997
Overdue 1 to 30 days	逾期1至30日	<b>4,413</b>	6,005
Overdue 31 to 60 days	逾期31至60日	<b>472</b>	1,408
Overdue for more than 60 days	逾期60日以上	<b>869</b>	2,834
		<b>89,916</b>	107,244
Payables for the acquisition of property, plant and equipment	購置物業、廠房及設備之應付款項	<b>17,648</b>	29,931
Other payables and accrued charges	其他應付款項及應計支出	<b>76,732</b>	53,324
		<b>184,296</b>	190,499

購買貨物之平均信貸期為32日(二零零九年：34日)。本集團訂有財務風險管理政策，以確保所有應付款項均不超逾信貸期限。

### 13. UNSECURED BANK BORROWINGS

Unsecured bank borrowings comprise:

		30.6.2010 於二零一零年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31.12.2009 於二零零九年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Bank loans	銀行貸款	445,142	487,217
Bank advances	銀行墊款	109,928	78,920
Trust receipt loans	信託收據貸款	106,270	72,216
		<b>661,340</b>	638,353

The bank loans obtained by the Group were used to finance the acquisition of property, plant and equipment.

### 13. 無抵押銀行借貸

無抵押銀行借貸包括：

	30.6.2010 於二零一零年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31.12.2009 於二零零九年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
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本集團所獲銀行貸款乃用於融資以購置物業、廠房及設備。

### 14. UNSECURED STRUCTURED BORROWING

Unsecured structured borrowing, classified as:  
Current (Note)  
Non-current

	無抵押結構借貸， 分類為：		
	即期（附註）	7,800	7,750
	非即期	4,048	8,111
		<b>11,848</b>	15,861

### 14. 無抵押結構借貸

	30.6.2010 於二零一零年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31.12.2009 於二零零九年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
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The unsecured structured borrowing contains embedded derivatives and the entire combined contract was designated as financial liabilities at fair value through profit or loss on initial recognition.

Note: The current portion represents the estimated fair value of amount repayable to the bank within one year from the reporting date.

The entire combined contract is measured at fair value that are estimated using a discounted cash flow analysis based on reasonable and supportable assumptions and market rates adjusted for specific features of this instrument. Decrease in the fair value of the unsecured structured borrowing for the period of HK\$214,000 has been credited to the unaudited condensed consolidated statement of comprehensive income. Decrease in the fair value of HK\$2,352,000 has been credited to the unaudited condensed consolidated statement of comprehensive income for the six months ended 30th June, 2009.

無抵押結構借貸包含附帶內在衍生工具，而於首次確認時該合併合約全數指定為以公平值計入損益表之財務負債。

附註：即期部份即須於報告日起計一年內向銀行償還金額之估計公平值。

該合併合約全數按公平值計量，而該公平值乃使用折現現金流量分析，根據合理和有理據之假設及就有關工具之特性作調整之市場利率而估計。期內無抵押結構借貸之公平值減少214,000港元已計入未經審核簡明綜合全面收益表內。截至二零零九年六月三十日止六個月，公平值減少2,352,000港元已計入未經審核簡明綜合全面收益表內。

## 15. SHARE CAPITAL

## 15. 股本

		Number of shares 股份數目	Nominal value 面值 HK\$'000 千港元
Ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股股份		
Authorised:	法定股本：		
At 1st January, 2010 and 30th June, 2010	於二零一零年一月一日及 二零一零年六月三十日	1,000,000,000	100,000
Issued and fully paid:	已發行及繳足股本：		
At 1st January, 2010 and 30th June, 2010	於二零一零年一月一日及 二零一零年六月三十日	482,924,000	48,292

## 16. CAPITAL COMMITMENTS

## 16. 資本承擔

		<b>30.6.2010</b>	31.12.2009
		於二零一零年	於二零零九年
		六月三十日	十二月三十一日
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
		<b>(Unaudited)</b>	(Audited)
		<b>(未經審核)</b>	(經審核)
Capital expenditure in respect of the acquisition of plant and equipment contracted for but not provided in the unaudited condensed consolidated financial statements	已訂約但未於未經審核簡明綜合財務報表提撥之廠房及設備之收購資本開支	<b>26,631</b>	15,832

## 17. RELATED PARTY TRANSACTIONS

## 17. 關連人士交易

(a) The Group has engaged Hop Fung (Australia) Pty Ltd, a company in which a director of the Company has beneficial interest, as the Group's purchase agent in Australia at an annual fee of HK\$1 for the agency services rendered to the Group.

(a) 本集團聘用本公司一名董事於當中擁有實益權益之公司Hop Fung (Australia) Pty Ltd為本集團於澳洲之採購代理人，並就其向本集團提供之代理服務支付年費1港元。

(b) Key management compensation:

(b) 主要管理人員酬金：

		<b>Six months ended</b>	
		截至六月三十日止六個月	
		<b>30.6.2010</b>	30.6.2009
		二零一零年	二零零九年
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
		<b>(Unaudited)</b>	(Unaudited)
		<b>(未經審核)</b>	(未經審核)
Salaries and other short-term employee benefits	薪酬及其他短期僱員福利	<b>6,100</b>	5,930
Post employment benefits	終止聘用後之福利	<b>120</b>	60

## 18. CONTINGENT LIABILITIES

On 9th December, 2004, a tax audit was commenced by the Hong Kong Inland Revenue Department (the "IRD") on certain subsidiaries of the Company, namely, Gong Ming Hop Fung Paper Ware Factory Limited ("GMHF"), Fung Kong Hop Fung Paper Ware Factory Limited ("FKHF") and Hop Fung (Overseas) Trading Limited (the "Subsidiaries"), in respect of the years of assessment 1998/1999 to 2003/2004. On 26th January, 2005, 5th January, 2006 and 2nd June, 2006, whilst these cases are still under investigation, the IRD issued protective assessments for the years of assessment 1998/1999, 1999/2000 and 2000/2001 to 2003/2004 respectively to the Subsidiaries in order not to jeopardise the assessment powers of the IRD which will be time-barred after 6 years of assessment. In addition, the IRD issued additional assessments to GMHF for the years of assessment 2004/2005 and 2005/2006 on 2nd June, 2006 and 19th October, 2006 respectively. Objections have been filed against all these assessments and, accordingly, no provision has been made in the unaudited condensed consolidated financial statements in respect of any potential tax liabilities.

## 18. 或然負債

於二零零四年十二月九日，香港稅務局（「稅務局」）就本公司若干附屬公司公明合豐紙品廠有限公司（「公明合豐」）、鳳崗合豐紙品廠有限公司（「鳳崗合豐」）及Hop Fung (Overseas) Trading Limited（「附屬公司」）於一九九八年／一九九九年至二零零三年／二零零四年評稅年度展開稅務審核。有關審核尚在進行期間，於二零零五年一月二十六日、二零零六年一月五日及二零零六年六月二日，稅務局分別就附屬公司之一九九八年／一九九九年、一九九九年／二零零零年及二零零零年／二零零一年至二零零三年／二零零四年評稅年度發出保障性評稅單，以免影響稅務局須於有關評稅年度後六年內行使之評稅權力。此外，稅務局於二零零六年六月二日及二零零六年十月十九日就公明合豐另行發出二零零四年／二零零五年及二零零五年／二零零六年評稅年度之評稅單。本集團已就所有該等評稅提出反對，因此，並無就任何潛在稅務負債於未經審核簡明綜合財務報表作出撥備。



Subsequent to the lodgement of objections by the Subsidiaries, tax payment of HK\$1,992,965 was made by GMHF and tax reserve certificates of HK\$3,597,000 and banker's undertakings of HK\$13,197,000 as security for payment of the taxes in dispute in respect of the assessments for GMHF and FKHF, pending the outcome of the tax audits and the objections, have been purchased and arranged by the Group.

In the opinion of the Company's Directors, the potential tax liabilities that may arise as a result of the tax audits, if any, would not have any significant effects on the unaudited condensed consolidated financial statements of the Group.

在附屬公司就公明合豐及鳳崗合豐之評稅提出反對後，公明合豐已繳付1,992,965港元稅款，本集團並已購買及安排3,597,000港元儲稅券及13,197,000港元之銀行承擔，作為支付稅項糾紛之抵押，以待稅務審核及提出反對之結果。

本公司董事認為，有關稅務審核可能產生潛在稅務負債，惟即使產生有關負債，亦不會對本集團未經審核簡明綜合財務報表構成任何重大影響。



## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

The first half of 2010 saw continued economic growth in the PRC, which helped solidify the Group's domestic business, and improvements in export markets lifted the Group's revenue. Revenue to domestic customers and exports rose by more than 100% and 50% respectively in the period under review compared to the same period of last year, and by nearly 30% compared to the second half of last year. Domestic revenue accounted for more than 50% of total revenue for the Group.

Revenue in the period rose by 75% year on year, and 10% half on half, demonstrating management's ability to improve business in the current economic recovery through strategic moves made in previous years. The strong sales pushed utilization to 80% for both the upstream containerboard (linerboard and corrugating medium) and downstream corrugated packaging (carton boxes and boards) and utilization for the downstream business in the second quarter reached 90% and broke new records.

## 管理層討論及分析

### 業務回顧

二零一零年上半年，中國經濟持續穩定增長，令本集團的內銷業務更加鞏固。加上出口市場表現改善，本集團於回顧期內錄得可觀的訂單增長。內銷及出口的營業額較去年同期分別上升超逾一倍及五成，而內銷更較去年下半年上升近三成；內銷已佔本集團之總銷售超逾五成。

期內營業額比去年同期增長75%，比去年下半年增長10%，印證了在管理層多年來的策略性部署下，本集團能充分把握經濟復甦過程中的商機，使業務表現進一步好轉。由於銷售情況理想，上游箱板紙（牛咭、瓦楞芯紙）及下游瓦楞包裝（紙箱、紙板）之設備使用率均可達80%，下游於第二季之使用率更高達90%，其銷售量更是歷年之冠。



In the period under review, the cost of raw materials (waste paper) started to ease back in the second quarter after a rally, and selling prices adjusted accordingly, but other costs including shipping, coal and wages continued to increase. Several provinces in the Mainland have also started to raise minimum wages, putting pressure on the overall market. The Group has however set strategies whereby staff salaries are paid per piece of work, so the increases in minimum wages have not significantly affected the Group's operations. The Group has also managed to increase orders for higher value added products, resulting in a 40% increase in the average selling price in the first half of 2010 compared to the same period of last year, and 25% half on half, helping margins at both the gross and net levels to stabilize.

The Group continues to improve production flows and strengthen product quality monitoring in raising production efficiency and equipment utilization and reducing production wastage. The Group's vertical integration of corrugated packaging production brings cost advantages, helping to offset the impact of fluctuating raw materials prices on gross margins and improve operating efficiencies. At the same time, the Group is striving to adjust inventory levels, and maintain tight credit controls to allow the Group to maintain a bad debts ratio close to zero. Our prudent financial management policy allows the Group to maintain its debt level at healthy levels.

期內，原材料(廢紙)價格上升後於第二季開始回落，銷售價也隨之變動，但其他費用如運輸費、煤、工資等卻不斷上漲，內地各省份陸續提高最低工資，對各行業構成一定的壓力。然而，本集團早已制定策略，員工們的薪酬按其工作量計算，所以提升最低工資對集團成本未有構成重大影響。加上本集團之高增值產品訂單有所上升，以致二零一零年上半年之平均銷售價較去年同期上升四成，並較去年下半年增長兩成半，使回顧期內毛利率及純利率得以維持穩定。

本集團亦繼續改良生產流程及加強產品質量監督，以提升生產效率和設備使用率，降低生產損耗。而我們由上游原紙至下游瓦楞紙板紙箱之縱向整合營運模式發揮了成本優勢，有助抵禦原材料價格波動對毛利所構成的壓力，同時提升本集團的營運效益。與此同時，本集團繼續努力調控存貨水平，實行嚴謹的信貸控制，使本集團仍保持接近零壞帳率。審慎的財務政策亦使本集團之借貸比率處於穩健水平。

## FINANCIAL REVIEW

### *Operating results*

The Group's revenue increased by 75% to HK\$621.2 million (2009: HK\$355.3 million) in the period under review. The average selling price and sales volume surged by 40% and 29% respectively, resulting from increase in all price levels and demand from economic recovery. Though the average selling price was 15% less than the price before financial crisis, revenue in the period under review was 24% higher than that in the same period of 2008. The increase was not only contributed by two new corrugators commencing operations in the third quarters of 2008 and 2009, but also by the management effort in expanding the domestic market share in the corrugated packaging industry.

Due to the Group's ability to pass on the cost increase to its customers and the improvement in utilization rate of machinery, the gross profit surged from HK\$56.1 million to HK\$121.1 million, representing a surge by 116%. The gross profit margin rose from 15.8% to 19.5%.

Other income increased by around 22% to HK\$8.5 million (2009: HK\$7 million). The rise was mainly due to the increase in sales prices of scraps.

## 財務回顧

### *營運業績*

於回顧期間，本集團收益增加75%至621,200,000港元（二零零九年：355,300,000港元）。由於整體價格水平上升加上經濟復甦帶動需求，令平均售價及銷售量分別急升40%及29%。儘管平均售價較金融危機前下跌15%，回顧期內收益仍較二零零八年同期上升約24%。這增長不僅由於兩條全新瓦楞紙板生產線於二零零八年及二零零九年第三季投產所貢獻，亦由於管理層致力擴展國內瓦楞紙板紙箱市場份額所致。

由於本集團成功將成本增長轉嫁予客戶，加上機器設備使用率的改善，毛利自56,100,000港元急升至121,100,000港元，升幅為116%。毛利率自15.8%升至19.5%。

其他收入增加約22%至8,500,000港元（二零零九年：7,000,000港元）。上升主要因為廢品售價上升所致。



As transportation cost was closely related to sales price and sales volume, their increases led to a surge in selling and distribution costs. The rise in transportation cost was also attributable to increasing number of delivery arising from a large number of small orders and just-in-time delivery. Selling and distribution costs finally climbed from HK\$14.8 million to HK\$35 million, representing a sharp increase by around 137%.

Administrative expenses increased by 54% to HK\$38.7 million (2009: HK\$25.1 million). The rise was due to the increase in salaries level, canteen service expenses and share-based payment. Other expenses rose by only HK\$0.7 million to HK\$6.2 million (2009: HK\$5.5 million). The slight increase was the depreciation charges for furniture, fixtures and office equipment for Qingyuan's new office. No provision for doubtful debts was considered necessary.

The increase in finance costs by 127% to HK\$9.6 million (2009: HK\$4.2 million) was primarily attributable to less interest capitalization. All material constructions were completed and machinery was put into use in 2009.

由於運輸成本與售價及銷售量有著密切關係，其增長引致銷售及分銷成本上升。運輸成本上升亦由於大量小規模訂單及按時交貨導致交付次數增加所致。銷售及分銷成本最終自14,800,000港元升至35,000,000港元，大幅上升約137%。

行政開支增長54%至38,700,000港元（二零零九年：25,100,000港元）。這上升乃由於薪金水平、食堂服務開支以及以股份支付之支出有所增長。其他開支僅上升700,000港元至6,200,000港元（二零零九年：5,500,000港元）。這輕微升幅是清遠新辦公室的傢俬、裝置及辦公室設備的折舊開支所致。本集團認為毋須計提呆賬撥備。

財務成本增加127%至9,600,000港元（二零零九年：4,200,000港元）主要由於利息資本化減少。所有重大建築工程已竣工，而機器亦已於二零零九年投入使用。

The net cash inflow from settlement of derivative financial instruments increased from HK\$0.5 million to HK\$1.6 million, indicating successful hedging. Other changes (negative changes) in fair value of derivative financial instruments of HK\$1 million (2009: positive changes HK\$19.4 million) and (positive) change in fair value of unsecured structured borrowing of HK\$0.2 million (2009: HK\$2.4 million) were recorded. These changes were non-cash in nature and would be reversed to zero at maturity date. No interest was incurred for unsecured structured borrowing during the period under review.

Income tax expense increased from HK\$0.5 million to HK\$6.8 million, representing an increase in effective tax rate from 1.4% to 16.6%. Further provision for deferred tax liabilities was made as there were big addition to factory premises and acquisition of a boiler for power plant in the second half of 2009.

EBITDA (excluding fair value changes) surged by 76% from HK\$48.6 million to HK\$85.4 million. Profit from operation (profit for the period before change in fair value of unsecured structured borrowing and other changes in fair value of derivative financial instruments) rose by 160% to HK\$34.9 million (2009: HK\$13.4 million). Profit for the period dropped by 3% to HK\$34.1 million (2009: HK\$35.1 million).

以衍生金融工具結算之淨現金流入自500,000港元增至1,600,000港元，顯示對沖成功。本集團錄得衍生金融工具公平值之其他變動(負變動)1,000,000港元(二零零九年：正變動19,400,000港元)及無抵押結構借貸的公平值(正)變動200,000港元(二零零九年：2,400,000港元)。該等變動屬非現金性質，並將於到期日回撥為零。回顧期內無抵押結構借貸概無產生利息。

所得稅開支自500,000港元增加至6,800,000港元，相當於實際稅率自1.4%上升至16.6%。二零零九年下半年大規模擴建廠房及購置熱電站鍋爐，故進一步計提遞延稅項負債撥備。

息稅折舊攤銷前盈利(撇除公平值變動)自48,600,000港元上升76%至85,400,000港元。營運利潤(撇除無抵押結構借貸公平值之變動及衍生金融工具公平值之其他變動的期間利潤)上升160%至34,900,000港元(二零零九年：13,400,000港元)，而期間利潤則下跌3%至34,100,000港元(二零零九年：35,100,000港元)。



## **Liquidity, financial and capital resources**

As at 30th June, 2010, the Group's total cash and cash equivalents, mostly denominated in Hong Kong dollars and Renminbi, amounted to approximately HK\$139.7 million (31st December, 2009: HK\$174.4 million). The fall in cash balance was for acquiring more raw materials during peak season. There were slight improvements in net current assets and current ratio of the Group, amounting to HK\$31.2 million (31st December, 2009: HK\$12 million) and 1.06 (31st December, 2009: 1.02) respectively.

In the first half of 2010, the Group spent approximately HK\$12.5 million as capital expenditures for acquiring new machines to increase efficiency.

As at 30th June, 2010, the Group's total bank borrowings increased by HK\$19.2 million to HK\$673.1 million. Short term bank borrowings increased by HK\$52 million and long term bank borrowings decreased by HK\$32.8 million. More trust receipt loans were raised for financing higher raw materials costs and inventory level. Net gearing ratio (measured by total bank borrowings net of cash to equity attributable to shareholders) was 60% (31st December, 2009: 56%).

## **流動資金、財務及資本資源**

於二零一零年六月三十日，本集團大部分以港元及人民幣列值的現金及現金等值總額約達139,700,000港元（二零零九年十二月三十一日：174,400,000港元）。現金結餘下跌是由於旺季購置更多原材料所致。本集團流動資產淨值及流動比率略有改善，分別達31,200,000港元（二零零九年十二月三十一日：12,000,000港元）及1.06（二零零九年十二月三十一日：1.02）。

二零一零年上半年，本集團使用約12,500,000港元作為購置新機器以提高效率的資本開支。

於二零一零年六月三十日，本集團的銀行借貸總額增加19,200,000港元至673,100,000港元。短期銀行借貸增加52,000,000港元，而長期銀行借貸減少32,800,000港元。更多信託收據貸款乃為提供資金應付原材料成本及存貨水平上升而籌集。淨資本負債比率（按銀行借貸總額減現金除以股東應佔權益計算）為60%（二零零九年十二月三十一日：56%）。

## Contingent liabilities

A tax audit had been conducted by the Inland Revenue Department in December 2004. The Inland Revenue Department issued protective assessments for the years of assessment 1998/1999 to 2005/2006 to certain subsidiaries of the Group. Objections have been filed against all these assessments. As the tax audit was still in progress, in the opinion of the Directors, the outcome and impact of this matter could not be determined with reasonable certainty at this stage.

## OUTLOOK

Although European debt issues have created problems towards the economic recovery in that region, bringing uncertainty to the global economy, the Group has successfully shifted its business focus to the PRC market and achieving satisfactory returns, building through solid foundations for the Group's long term business. With solid growth in the domestic market we are cautiously optimistic towards our business performance in the second half.

The Group will continue to develop its vertically integrated business model to achieve better cost controls. Through the experience of management in the corrugated packaging sector, and its position as one of the largest makers of corrugated paper products in Guangdong Province, the Group believes it can continue to expand its domestic market sales and market share to deliver even better returns to shareholders.

## 或然負債

稅務局於二零零四年十二月進行稅務稽查。稅務局就一九九八年／一九九九年至二零零五年／二零零六年之課稅年度向本集團若干附屬公司發出保障性評稅。本集團已就所有該等評稅提出反對。由於仍在進行稅務稽查程序，董事認為現階段未能合理確定此事宜之結果及影響。

## 展望

雖然歐洲的債務問題對當地經濟復甦構成障礙，令全球經濟環境增添不明朗因素；然而，合豐集團已成功將業務重心轉移至中國市場，並持續錄得理想增長，為本集團的長遠業務發展奠下穩固基石。在中國內銷市場於今年上半年取得強勁增長下，我們對於下半年的業務表現感到審慎樂觀。

本集團會更積極發展上下游業務之縱向整合模式，達致更有效的成本控制。憑藉管理層多年來專注於瓦楞包裝的經驗，及作為廣東省最大型瓦楞包裝紙品製造商之一，集團相信可繼續擴大內銷市場及市場佔有率，為股東爭取更佳的回報。

## DISCLOSURE OF INTERESTS

### Directors' Interests in Shares, Underlying Shares and Debentures

As at 30th June, 2010, the interests and/or short positions of the Directors and their associates in the shares, underlying shares and debentures of the Company and its associated corporations within the meaning of the Securities and Futures Ordinance ("SFO"), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

#### (a) Shares

Name of director 董事姓名	Company/ Name of associated corporation 本公司/ 相聯法團名稱	Capacity 身分	Number and class of securities 證券數目及類別	Approximate percentage of issued share capital 佔已發行股本 概約百分比
Mr. Hui Sum Kwok 許森國先生	Company 本公司	Founder of a discretionary trust / interest of controlled corporations 全權信託創立人/ 受控法團權益	252,000,000 shares Long position (Note 1) 252,000,000股股份 好倉(附註1)	52.18%
Mr. Hui Sum Kwok 許森國先生	Company 本公司	Beneficial owner 實益擁有人	10,128,000 shares Long position 10,128,000股股份 好倉	2.10%

## 權益披露

### 董事於股份、相關股份及債券之權益

於二零一零年六月三十日，按照本公司根據證券及期貨條例（「證券及期貨條例」）第352條之規定置存之登記冊所記錄，或根據上市公司董事進行證券交易的標準守則已知會本公司及聯交所者，董事及彼等之聯繫人士於本公司及其相聯法團（定義見證券及期貨條例）之股份、相關股份及債券中擁有之權益及／或淡倉如下：

#### (a) 股份



Name of director 董事姓名	Company/ Name of associated corporation 本公司/ 相聯法團名稱	Capacity 身分	Number and class of securities 證券數目及類別	Approximate percentage of issued share capital 佔已發行股本 概約百分比
Mr. Hui Sum Kwok 許森國先生	Company 本公司	Interest of spouse 配偶之權益	500,000 shares Long position 500,000股股份 好倉	0.10%
Mr. Hui Sum Ping 許森平先生	Company 本公司	Founder of a discretionary trust / interest of controlled corporations 全權信託創立人/ 受控法團權益	252,000,000 shares Long position (Note 1) 252,000,000股股份 好倉 (附註1)	52.18%
Mr. Hui Sum Ping 許森平先生	Company 本公司	Beneficial owner 實益擁有人	7,894,000 shares Long position 7,894,000股股份 好倉	1.63%
Mr. Hui Sum Tai 許森泰先生	Company 本公司	Interest of a controlled corporation 受控法團權益	Nil (Note 1) 無 (附註1)	-
Mr. Hui Sum Tai 許森泰先生	Company 本公司	Beneficial owner 實益擁有人	6,246,000 shares Long position 6,246,000股股份 好倉	1.29%
Mr. Wong Wing Por 王榮波先生	Company 本公司	Founder of a discretionary trust / interest of controlled corporations 全權信託創立人/ 受控法團權益	Nil (Note 1) 無 (附註1)	-

Name of director 董事姓名	Company/ Name of associated corporation 本公司/ 相聯法團名稱	Capacity 身分	Number and class of securities 證券數目及類別	Approximate percentage of issued share capital 佔已發行股本 概約百分比
Mr. Wong Wing Por 王榮波先生	Company 本公司	Beneficial owner 實益擁有人	6,020,000 shares Long position 6,020,000股股份 好倉	1.25%
Ms. Hui Yuen Li 許婉莉女士	Company 本公司	Beneficial owner 實益擁有人	3,670,000 shares Long position 3,670,000股股份 好倉	0.76%
Mr. Liu Kwok Fai, Alvan (Note 8) 廖國輝先生 (附註8)	Company 本公司	Beneficial owner 實益擁有人	222,000 shares Long position 222,000股股份 好倉	0.05%
Mr. Chee Man Sang, Eric 池民生先生	Company 本公司	Beneficial owner 實益擁有人	96,000 shares Long position 96,000股股份 好倉	0.02%
Mr. Hui Sum Kwok 許森國先生	Hop Fung Industries Limited ("Hop Fung Industries")	Founder of a discretionary trust / interest of controlled corporations 全權信託創立人/ 受控法團權益	7,886 shares of US\$0.01 each Long position (Notes 1 and 2) 7,886股每股面值 0.01美元之股份 好倉(附註1及2)	78.86%

Name of director 董事姓名	Company/ Name of associated corporation 本公司/ 相聯法團名稱	Capacity 身分	Number and class of securities 證券數目及類別	Approximate percentage of issued share capital 佔已發行股本 概約百分比
Mr. Hui Sum Ping 許森平先生	Hop Fung Industries	Founder of a discretionary trust / interest of controlled corporations 全權信託創立人/ 受控法團權益	7,886 shares of US\$0.01 each Long position (Notes 1 and 2) 7,886股每股面值0.01美元 之股份 好倉(附註1及2)	78.86%
Mr. Hui Sum Tai 許森泰先生	Hop Fung Industries	Beneficial owner 實益擁有人	857 shares of US\$0.01 each Long position (Notes 1 and 2) 857股每股面值0.01美元 之股份 好倉(附註1及2)	8.57%
Mr. Wong Wing Por 王榮波先生	Hop Fung Industries	Founder of a discretionary trust / interest of a controlled corporation 全權信託創立人/ 受控法團權益	1,257 shares of US\$0.01 each Long position (Notes 1 and 2) 1,257股每股面值0.01美元 之股份 好倉(附註1及2)	12.57%
Mr. Hui Sum Kwok 許森國先生	Hop Fung Industries (Holdings) Limited ("Hop Fung Industries BVI")	Beneficial owner / founder of a discretionary trust / interest of a controlled corporation 實益擁有人/ 全權信託創立人/ 受控法團權益	5,000 shares of US\$0.01 each Long position (Notes 1 and 3) 5,000股每股面值0.01美元 之股份 好倉(附註1及3)	50%

Name of director 董事姓名	Company/ Name of associated corporation 本公司/ 相聯法團名稱	Capacity 身分	Number and class of securities 證券數目及類別	Approximate percentage of issued share capital 佔已發行股本 概約百分比
Mr. Hui Sum Ping 許森平先生	Hop Fung Industries BVI	Beneficial owner / founder of a discretionary trust / interest of a controlled corporation 實益擁有人/ 全權信託創立人/ 受控法團權益	5,000 shares of US\$0.01 each Long position (Notes 1 and 3) 5,000股每股面值0.01美元 之股份 好倉 (附註1及3)	50%
Mr. Hui Sum Kwok 許森國先生	Gong Ming Hop Fung Paper Ware Factory Limited ("Hop Fung GM") 公明合豐紙品廠 有限公司 (「合豐公明」)	Interest of controlled corporations 受控法團權益	3,000,000 non-voting deferred shares of HK\$1 each Long and short positions (Notes 1 and 4) 3,000,000股每股面值 1港元之無投票權遞延股 好倉及淡倉 (附註1及4)	100%
Mr. Hui Sum Ping 許森平先生	Hop Fung GM 合豐公明	Founder of a discretionary trust / interest of controlled corporations 全權信託創立人/ 受控法團權益	3,000,000 non-voting deferred shares of HK\$1 each Long and short positions (Notes 1 and 4) 3,000,000股每股面值 1港元之無投票權遞延股 好倉及淡倉 (附註1及4)	100%

Name of director 董事姓名	Company/ Name of associated corporation 本公司/ 相聯法團名稱	Capacity 身分	Number and class of securities 證券數目及類別	Approximate percentage of issued share capital 佔已發行股本 概約百分比
Mr. Hui Sum Tai 許森泰先生	Hop Fung GM 合豐公明	Interest of a controlled corporation / short position of a controlled corporation 受控法團權益/ 受控法團淡倉	Nil (Notes 1 and 4) 無 (附註1及4)	-
Mr. Wong Wing Por 王榮波先生	Hop Fung GM 合豐公明	Interest of a controlled corporation 受控法團權益	Nil (Notes 1 and 4) 無 (附註1及4)	-
Mr. Hui Sum Kwok 許森國先生	Fung Kong Hop Fung Paper Ware Factory Limited ("Hop Fung FG") 鳳崗合豐紙品廠 有限公司 ([合豐鳳崗])	Interest of controlled corporations 受控法團權益	3,000,000 non-voting deferred shares of HK\$1 each Long and short positions (Notes 1, 4 and 5) 3,000,000股每股面值 1港元之無投票權遞延股 好倉及淡倉 (附註1、4及5)	100%
Mr. Hui Sum Ping 許森平先生	Hop Fung FG 合豐鳳崗	Founder of a discretionary trust / interest of controlled corporations 全權信託創立人/ 受控法團權益	3,000,000 non-voting deferred shares of HK\$1 each Long and short positions (Notes 1, 4 and 5) 3,000,000股每股面值 1港元之無投票權遞延股 好倉及淡倉 (附註1、4及5)	100%

Name of director 董事姓名	Company/ Name of associated corporation 本公司/ 相聯法團名稱	Capacity 身分	Number and class of securities 證券數目及類別	Approximate percentage of issued share capital 佔已發行股本 概約百分比
Mr. Hui Sum Tai 許森泰先生	Hop Fung FG 合豐鳳崗	Interest of a controlled corporation / short position of a controlled corporation 受控法團權益/ 受控法團淡倉	Nil (Notes 1, 4 and 5) 無 (附註1、4及5)	-
Mr. Wong Wing Por 王榮波先生	Hop Fung FG 合豐鳳崗	Interest of a controlled corporation / short position of a controlled corporation 受控法團權益/ 受控法團淡倉	Nil (Notes 1, 4 and 5) 無 (附註1、4及5)	-
Mr. Hui Sum Kwok 許森國先生	Applewood Forest Limited	Founder of a discretionary trust 全權信託創立人	1 share of US\$1 Long position (Notes 1 and 6) 1股面值1美元之股份 好倉 (附註1及6)	100%
Mr. Hui Sum Kwok 許森國先生	Profit Luck Limited 利萊有限公司	Founder of a discretionary trust 全權信託創立人	100 shares of HK\$1 Long position (Notes 1, 6 and 7) 100股每股面值 1港元之股份 好倉 (附註1、6及7)	100%

Notes:


1. The 252,000,000 shares are owned by Hop Fung Industries. The issued share capital of Hop Fung Industries is owned as to 78.86%, 12.57% and 8.57% by Hop Fung Industries BVI, Delight Ocean Limited ("Delight") and Mr. Hui Sum Tai respectively.

The issued share capital of Hop Fung Industries BVI is owned as to 11.81%, 11.81%, 38.19% and 38.19% by Mr. Hui Sum Kwok, Mr. Hui Sum Ping, Fullwood Holdings Limited ("Fullwood") and Goldspeed Holdings Limited ("Goldspeed") respectively. Fullwood is wholly owned by Pinecity Investments Limited ("Pinecity") and Pinecity is wholly owned by HSBC International Trustee Limited ("HSBC") in its capacity as the trustee of Hui & Wong 2004 Family Trust, a discretionary trust the founder of which is Mr. Hui Sum Kwok and the discretionary objects of which include family members of Mr. Hui Sum Kwok. Goldspeed is wholly owned by Goldkeen Assets Management Limited ("Goldkeen") and Goldkeen is wholly owned by HSBC in its capacity as the trustee of HSP 2004 Family Trust, a discretionary trust the founder of which is Mr. Hui Sum Ping and the discretionary objects of which include family members of Mr. Hui Sum Ping. Accordingly, each of Mr. Hui Sum Kwok and Mr. Hui Sum Ping is deemed to be interested in the 252,000,000 shares under the SFO.

附註：

1. 該252,000,000股股份由Hop Fung Industries擁有。Hop Fung Industries已發行股本分別由Hop Fung Industries BVI、Delight Ocean Limited (「Delight」)及許森泰先生擁有78.86%、12.57%及8.57%。

Hop Fung Industries BVI之已發行股本分別由許森國先生、許森平先生、Fullwood Holdings Limited (「Fullwood」)及Goldspeed Holdings Limited (「Goldspeed」)擁有11.81%、11.81%、38.19%及38.19%。Fullwood由Pinecity Investments Limited (「Pinecity」)全資擁有，而Pinecity由HSBC International Trustee Limited (「HSBC」)以Hui & Wong 2004 Family Trust受託人之身分全資擁有。該信託為一項全權信託，其創立人為許森國先生，全權信託對象包括許森國先生之家族成員。Goldspeed由Goldkeen Assets Management Limited (「Goldkeen」)全資擁有，而Goldkeen由HSBC以HSP 2004 Family Trust受託人之身分全資擁有。該信託為一項全權信託，其創立人為許森平先生，全權信託對象包括許森平先生之家族成員。因此，根據證券及期貨條例，許森國先生及許森平先生各自被視為擁有該252,000,000股股份之權益。



Delight is wholly owned by Richfaith Assets Management Limited (“Richfaith”) and Richfaith is wholly owned by HSBC in its capacity as the trustee of Wong’s 2004 Family Trust, a discretionary trust the founder of which is Mr. Wong Wing Por and the discretionary objects of which include family members of Mr. Wong Wing Por.


2. Hop Fung Industries is a holding company of the Company and therefore an associated corporation of the Company under the SFO. The entire issued share capital of Hop Fung Industries is US\$100 divided into 10,000 shares of US\$0.01 each which is owned as to 7,886, 1,257 and 857 shares by Hop Fung Industries BVI, Delight and Mr. Hui Sum Tai respectively. Under the SFO, each of Mr. Hui Sum Kwok and Mr. Hui Sum Ping is deemed to be interested in the 7,886 shares of US\$0.01 each and Mr. Wong Wing Por is deemed to be interested in the 1,257 shares of US\$0.01 each in Hop Fung Industries.

Delight由Richfaith Assets Management Limited (「Richfaith」) 全資擁有，而Richfaith由HSBC以Wong’s 2004 Family Trust 受託人之身分全資擁有。該信託為一項全權信託，其創立人為王榮波先生，全權信託對象包括王榮波先生之家族成員。

2. Hop Fung Industries乃本公司之控股公司，因此根據證券及期貨條例，屬本公司之相聯法團。Hop Fung Industries之全部已發行股本為100美元，分為10,000股每股面值0.01美元之股份，分別由Hop Fung Industries BVI、Delight及許森泰先生擁有7,886、1,257及857股。根據證券及期貨條例，許森國先生及許森平先生均被視為擁有Hop Fung Industries 7,886股每股面值0.01美元股份之權益，而王榮波先生則被視為擁有Hop Fung Industries 1,257股每股面值0.01美元股份之權益。



3. Hop Fung Industries BVI is a holding company of Hop Fung Industries and therefore an associated corporation of the Company under the SFO. The entire issued share capital of Hop Fung Industries BVI is US\$100 divided into 10,000 shares of US\$0.01 each which is owned as to 1,181, 1,181, 3,819 and 3,819 shares by Mr. Hui Sum Kwok, Mr. Hui Sum Ping, Fullwood and Goldspeed respectively. Under the SFO, each of Mr. Hui Sum Kwok and Mr. Hui Sum Ping is interested and/or deemed to be interested in an aggregate of 5,000 shares of US\$0.01 each in Hop Fung Industries BVI.
4. Hop Fung GM is a subsidiary of the Company and therefore an associated corporation of the Company under the SFO. The entire issued share capital of Hop Fung GM is HK\$3,000,100 divided into 100 ordinary shares of HK\$1 each and 3,000,000 non-voting deferred shares of HK\$1 each. The 3,000,000 non-voting deferred shares of HK\$1 each in Hop Fung GM are beneficially owned by Hop Fung Group (HK) Limited ("Hop Fung Group HK") which is owned as to 78.86%, 12.57% and 8.57% by Hop Fung Holdings Limited ("Hop Fung Holdings (BVI)"), Mr. Wong Wing Por and Mr. Hui Sum Tai respectively.
3. Hop Fung Industries BVI 乃Hop Fung Industries之控股公司，因此根據證券及期貨條例，屬本公司之相聯法團。Hop Fung Industries BVI之全部已發行股本為100美元，分為10,000股每股面值0.01美元之股份，分別由許森國先生、許森平先生、Fullwood及Goldspeed擁有1,181、1,181、3,819及3,819股。根據證券及期貨條例，許森國先生及許森平先生均擁有及／或被視為擁有Hop Fung Industries BVI合共5,000股每股面值0.01美元股份之權益。
4. 合豐公明乃本公司之附屬公司，因此根據證券及期貨條例，屬本公司之相聯法團。合豐公明之全部已發行股本為3,000,100港元，分為100股每股面值1港元之普通股及3,000,000股每股面值1港元之無投票權遞延股。該3,000,000股每股面值1港元之合豐公明無投票權遞延股由合豐集團（香港）有限公司（「合豐集團香港」）實益擁有，而合豐集團香港則分別由Hop Fung Holdings Limited（「Hop Fung Holdings (BVI)」）、王榮波先生及許森泰先生擁有78.86%、12.57%及8.57%。



The issued share capital of Hop Fung Holdings (BVI) is owned as to 50%, 11.81% and 38.19% by Mr. Hui Sum Kwok, Mr. Hui Sum Ping and Goldspeed respectively. Under the SFO, each of Mr. Hui Sum Kwok and Mr. Hui Sum Ping is deemed to be interested in the 3,000,000 non-voting deferred shares of HK\$1 each in Hop Fung GM.

Pursuant to an option deed dated 19th August, 2003, Hop Fung Group HK and its nominee granted to Hop Fung Group Company Limited ("Hop Fung Group (BVI)"), a wholly owned subsidiary of the Company, an option to purchase from them such 3,000,000 non-voting deferred shares of HK\$1 each in Hop Fung GM. Accordingly, each of Mr. Hui Sum Kwok and Mr. Hui Sum Ping is deemed to have a short position in the underlying shares of the option granted under the option deed pursuant to the SFO.

Hop Fung Holdings (BVI) 之已發行股本分別由許森國先生、許森平先生及Goldspeed擁有50%、11.81%及38.19%。根據證券及期貨條例，許森國先生及許森平先生均被視為擁有合豐公明3,000,000股每股面值1港元無投票權遞延股之權益。

根據日期為二零零三年八月十九日之購股權契據，合豐集團香港及其代名人向本公司之全資附屬公司Hop Fung Group Company Limited (「Hop Fung Group (BVI)」) 授出購股權，以向彼等購買3,000,000股每股面值1港元之合豐公明無投票權遞延股。因此，根據證券及期貨條例，許森國先生及許森平先生均被視為擁有根據購股權契據所授出購股權涉及之相關股份之淡倉。

5. Hop Fung FG is a subsidiary of the Company and therefore an associated corporation of the Company under the SFO. The entire issued share capital of Hop Fung FG is HK\$3,000,100 divided into 100 ordinary shares of HK\$1 each and 3,000,000 non-voting deferred shares of HK\$1 each. The 3,000,000 non-voting deferred shares of HK\$1 each in Hop Fung FG are beneficially owned by Hop Fung Group HK. Under the SFO, each of Mr. Hui Sum Kwok and Mr. Hui Sum Ping is deemed to be interested in the 3,000,000 non-voting deferred shares of HK\$1 each in Hop Fung FG.

Pursuant to an option deed dated 19th August, 2003, Hop Fung Group HK and its nominee granted to Hop Fung Group (BVI) an option to purchase from them such 3,000,000 non-voting deferred shares of HK\$1 each in Hop Fung FG. Accordingly, each of Mr. Hui Sum Kwok and Mr. Hui Sum Ping is deemed to have a short position in the underlying shares of the option granted under the option deed pursuant to the SFO.

5. 合豐鳳崗乃本公司之附屬公司，因此根據證券及期貨條例，屬本公司之相聯法團。合豐鳳崗之全部已發行股本為3,000,100港元，分為100股每股面值1港元之普通股及3,000,000股每股面值1港元之無投票權遞延股。該3,000,000股每股面值1港元之合豐鳳崗無投票權遞延股由合豐集團香港實益擁有。根據證券及期貨條例，許森國先生及許森平先生均被視為擁有3,000,000股每股面值1港元之合豐鳳崗無投票權遞延股之權益。

根據日期為二零零三年八月十九日之購股權契據，合豐集團香港及其代名人向Hop Fung Group (BVI) 授出購股權，以向彼等購買3,000,000股每股面值1港元之合豐鳳崗無投票權遞延股。因此，根據證券及期貨條例，許森國先生及許森平先生均被視為擁有根據購股權契據所授出購股權涉及之相關股份之淡倉。



6. Applewood Forest Limited (“Applewood”) is a company incorporated in the British Virgin Islands. The entire issued share capital of Applewood is US\$1 comprising 1 share of US\$1 which is wholly owned by Pinacity and is ultimately owned by HSBC in its capacity as the trustee of Hui & Wong 2004 Family Trust. Applewood is an associated corporation of the Company under the SFO. Under the SFO, Mr. Hui Sum Kwok is deemed to be interested in the 1 share of US\$1 in Applewood ultimately owned by HSBC in its capacity as the trustee of Hui & Wong 2004 Family Trust.
7. Profit Luck Limited (“Profit”) is a company incorporated in Hong Kong. The entire issued share capital of Profit is HK\$100 comprising 100 shares of HK\$1 each which is indirectly owned by HSBC through its wholly owned subsidiary, Applewood. Details of Applewood are set out in note 6 above.
8. Mr. Liu Kwok Fai, Alvan, an independent non-executive director of the Company, resigned on 15th July 2010.
6. Applewood Forest Limited (「Applewood」) 乃於英屬處女群島註冊成立之公司。Applewood之全部已發行股本為1美元，包括1股面值1美元之股份。該股股份由Pinacity全資擁有及最終控股權則由HSBC以Hui & Wong 2004 Family Trust受託人之身分擁有。根據證券及期貨條例，Applewood屬本公司之相聯法團。根據證券及期貨條例，許森國先生被視為擁有由HSBC以Hui & Wong 2004 Family Trust受託人身分最終擁有之Applewood 1股面值1美元股份之權益。
7. 利萊有限公司(「利萊」) 乃於香港註冊成立之公司。利萊之全部已發行股本為100港元，分為100股每股面值1港元之股份，由HSBC透過其全資附屬公司Applewood間接擁有。Applewood之詳情載於上文附註6。
8. 本公司獨立非執行董事廖國輝先生已於二零一零年七月十五日辭任。

### **(b) Share options**

Details of the Directors' and their associates' interests in share options of the Company are set out in the Section headed "Share Options" below.

Other than as disclosed above, none of the Directors nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as at 30th June, 2010.

### **Substantial Shareholders**

As at 30th June, 2010, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that the following shareholders had notified the Company of relevant interests and short positions in the issued share capital of the Company:

### **(b) 購股權**

董事及彼等之聯繫人士於本公司購股權之權益詳情載於下文「購股權」一節。

除上文披露者外，於二零一零年六月三十日，董事及彼等之聯繫人士概無於本公司或其任何相聯法團之任何股份、相關股份或債券中擁有任何權益或淡倉。

### **主要股東**

於二零一零年六月三十日，本公司根據證券及期貨條例第336條置存之主要股東名冊顯示，以下股東已知會本公司彼等持有本公司已發行股本之相關權益及淡倉：



Name of shareholder 股東名稱／姓名	Capacity 身份	Number of issued shares held 持有已發行 股份數目	Note(s) 附註	Approximate percentage of issued share capital 佔已發行股本 概約百分比
Hop Fung Industries	Beneficial owner 實益擁有人	252,000,000	1	52.18%
Hop Fung Industries BVI	Interest of a controlled corporation 受控法團權益	252,000,000	1, 2	52.18%
Fullwood	Interest of controlled corporations 受控法團權益	252,000,000	1, 2, 3, 4	52.18%
Pinecity	Interest of controlled corporations 受控法團權益	252,000,000	1, 2, 3, 4	52.18%
Goldspeed	Interest of controlled corporations 受控法團權益	252,000,000	1, 2, 3, 5	52.18%
Goldkeen	Interest of controlled corporations 受控法團權益	252,000,000	1, 2, 3, 5	52.18%

Name of shareholder 股東名稱／姓名	Capacity 身份	Number of issued shares held 持有已發行 股份數目	Note(s) 附註	Approximate percentage of issued share capital 佔已發行股本 概約百分比
HSBC	Trustee of discretionary trust / interest of controlled corporations 全權信託受託人／ 受控法團權益	252,000,000	1, 2, 3, 4, 5	52.18%
Mr. Hui Sum Kwok 許森國先生	Beneficial owner / founder of a discretionary trust / interest of controlled corporations / interest of spouse 實益擁有人／ 全權信託創立人／ 受控法團權益／ 配偶之權益	262,628,000	1, 2, 3, 4, 6	54.38%
Mr. Hui Sum Ping 許森平先生	Beneficial owner / founder of a discretionary trust / interest of controlled corporations 實益擁有人／ 全權信託創立人／ 受控法團權益	259,894,000	1, 2, 3, 5, 7	53.82%
Hallgain Management Limited ("Hallgain")	Interest of controlled corporations 受控法團權益	57,952,000	8	12%
Montpelier Asset Management Limited	Investment manager 投資經理	29,744,000	–	6.16%



Notes:

1. The 252,000,000 shares are owned by Hop Fung Industries.
2. The issued share capital of Hop Fung Industries is owned as to 78.86%, 12.57% and 8.57% by Hop Fung Industries BVI, Delight and Mr. Hui Sum Tai respectively and Hop Fung Industries BVI is deemed to be interested in the 252,000,000 shares under the SFO.
3. The issued share capital of Hop Fung Industries BVI is owned as to 11.81%, 11.81%, 38.19% and 38.19% by Mr. Hui Sum Kwok, Mr. Hui Sum Ping, Fullwood and Goldspeed respectively.
4. The entire issued share capital of Fullwood is indirectly held by HSBC through its 100% controlled corporation, Pinacity in its capacity as the trustee of Hui & Wong 2004 Family Trust, a discretionary trust the founder of which is Mr. Hui Sum Kwok and the discretionary objects of which include family members of Mr. Hui Sum Kwok. Accordingly, each of Fullwood, Pinacity, HSBC and Mr. Hui Sum Kwok is deemed to be interested in the 252,000,000 shares under the SFO.

附註：

1. 該252,000,000股股份由Hop Fung Industries擁有。
2. Hop Fung Industries之已發行股本由Hop Fung Industries BVI、Delight及許森泰先生分別擁有78.86%、12.57%及8.57%，而根據證券及期貨條例，Hop Fung Industries BVI被視為擁有該252,000,000股股份之權益。
3. Hop Fung Industries BVI之已發行股本分別由許森國先生、許森平先生、Fullwood及Goldspeed擁有11.81%、11.81%、38.19%及38.19%。
4. Fullwood之全部已發行股本由HSBC透過其100%受控法團Pinacity以Hui & Wong 2004 Family Trust受託人之身分間接持有。Hui & Wong 2004 Family Trust乃一項全權信託，其創立人為許森國先生；而全權信託對象包括許森國先生之家族成員。因此，根據證券及期貨條例，Fullwood、Pinacity、HSBC及許森國先生各自被視為擁有該252,000,000股股份之權益。



5. The entire issued share capital of Goldspeed is indirectly held by HSBC through its 100% controlled corporation, Goldkeen in its capacity as the trustee of HSP 2004 Family Trust, a discretionary trust the founder of which is Mr. Hui Sum Ping and the discretionary objects of which include family members of Mr. Hui Sum Ping. Accordingly, each of Goldspeed, Goldkeen, HSBC and Mr. Hui Sum Ping is deemed to be interested in the 252,000,000 shares under the SFO.
6. Of 262,628,000 shares, Ms. Wong Mui is directly interested in 500,000 shares in the Company and is deemed to be interested in 262,128,000 shares under the SFO as she is the spouse of Mr. Hui Sum Kwok, a director of the Company.
7. Ms. Jian Jian Yi is deemed to be interested in 259,894,000 shares under the SFO as she is the spouse of Mr. Hui Sum Ping, a director of the Company.
8. Hallgain is deemed to be interested in 57,952,000 shares. Hallgain holds 30.97% of Kingboard Chemical Holdings Limited ("Kingboard Chemical") which is directly interested in 49,580,000 shares of the Company. Jamplan (BVI) Limited ("Jamplan") is a wholly owned subsidiary of Kingboard Chemical. Jamplan wholly owns Kingboard Investments Limited which is directly interested in 8,372,000 shares of the Company.
5. Goldspeed之全部已發行股本由HSBC透過其100%受控法團Goldkeen以HSP 2004 Family Trust之受託人身分間接持有。HSP 2004 Family Trust乃一項全權信託，其創立人為許森平先生；而全權信託對象包括許森平先生之家族成員。因此，根據證券及期貨條例，Goldspeed、Goldkeen、HSBC及許森平先生各自被視為擁有該252,000,000股股份之權益。
6. 於262,628,000股股份中，黃梅女士直接持有本公司500,000股股份權益，以及由於彼為本公司董事許森國先生之配偶，根據證券及期貨條例，黃梅女士被視為擁有該262,128,000股股份之權益。
7. 根據證券及期貨條例，由於簡健儀女士為本公司董事許森平先生之配偶，簡健儀女士被視為擁有該259,894,000股股份之權益。
8. Hallgain被視為擁有57,952,000股股份之權益。Hallgain持有建滔化工集團有限公司(「建滔化工」)之30.97%權益，而建滔化工則直接持有本公司之49,580,000股股份之權益。Jamplan (BVI) Limited (「Jamplan」)乃建滔化工之全資附屬公司。Jamplan全資擁有之建滔投資有限公司直接持有本公司之8,372,000股股份之權益。



Other than as disclosed above, the Company had not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 30th June, 2010.

## Share Options

The Company's share option scheme ("the Scheme") was adopted pursuant to a resolution passed on 4th September, 2003 for the primary purpose of providing incentives or rewards to selected participants for their contribution to the Group. The Scheme will expire on 3rd September, 2013.

The following table discloses movements in the Company's share options during the period:

除上文披露者外，於二零一零年六月三十日，本公司並無獲悉任何其他人士於本公司已發行股本中擁有相關權益或淡倉。

## 購股權

根據於二零零三年九月四日通過之決議案，本公司已採納購股權計劃（「該計劃」），主要目的為向指定參與者授予購股權，以鼓勵或獎賞彼等對本集團作出之貢獻。該計劃將於二零一三年九月三日屆滿。

下表披露本公司購股權於期內之變動：

Category 類別	Option type 購股權種類 (Note 1) (附註1)	Date of grant 授出日期	Exercisable price 行使價 HK\$ 港元	Outstanding at beginning of the period 期初尚未行使	Granted during the period 期內授出	Exercised during the period 期內行使	Cancelled during the period 期內註銷	Outstanding at end of the period 期末尚未行使
<b>Directors</b>								
<b>董事</b>								
Mr. Hui Sum Kwok (Note 2) 許森國先生 (附註2)	D	29.5.2007	2.640	1,893,000	-	-	-	1,893,000
	E	7.7.2009	0.752	4,828,000	-	-	-	4,828,000
Mr. Hui Sum Ping 許森平先生	D	29.5.2007	2.640	1,893,000	-	-	-	1,893,000
	E	7.7.2009	0.752	4,828,000	-	-	-	4,828,000
Mr. Hui Sum Tai 許森泰先生	D	29.5.2007	2.640	3,678,360	-	-	-	3,678,360
	E	7.7.2009	0.752	4,828,000	-	-	-	4,828,000
Mr. Wong Wing Por 王榮波先生	D	29.5.2007	2.640	1,500,000	-	-	-	1,500,000
	E	7.7.2009	0.752	4,828,000	-	-	-	4,828,000
Ms. Hui Yuen Li 許婉莉女士	D	29.5.2007	2.640	1,100,000	-	-	-	1,100,000
	E	7.7.2009	0.752	1,100,000	-	-	-	1,100,000
Mr. Liu Kwok Fai, Alvan 廖國輝先生	D	29.5.2007	2.640	120,000	-	-	-	120,000
	E	7.7.2009	0.752	120,000	-	-	-	120,000
Mr. Chee Man Sang, Eric 池民生先生	D	29.5.2007	2.640	120,000	-	-	-	120,000
	E	7.7.2009	0.752	120,000	-	-	-	120,000
Mr. Wong Chu Leung 黃珠亮先生	D	29.5.2007	2.640	120,000	-	-	-	120,000
	E	7.7.2009	0.752	120,000	-	-	-	120,000
				31,196,360	-	-	-	31,196,360
<b>Other employees</b> <b>其他僱員</b>	D	29.5.2007	2.640	7,950,000	-	-	-	7,950,000
	E	7.7.2009	0.752	9,228,000	-	-	-	9,228,000
				17,178,000	-	-	-	17,178,000
<b>Total all categories</b> <b>全部類別總計</b>				48,374,360	-	-	-	48,374,360

Notes:

- The vesting period of the share options granted is determined by Directors at each time when the options are granted. Holders of share options granted under the Company's share option scheme may only exercise their options during the exercisable periods as follows:

**Option type D**  
D類購股權

**Option type E**  
E類購股權

1.3.2008 – 28.2.2009	1.5.2010 – 30.4.2011
1.3.2009 – 28.2.2010	1.5.2011 – 30.4.2012
1.3.2010 – 28.2.2011	1.5.2012 – 30.4.2013

- Out of the 1,893,000 type D share options and 4,828,000 type E share options granted, Mr. Hui Sum Kwok was directly interested in 1,393,000 type D share options and 4,328,000 type E share options respectively and was deemed to be interested in 500,000 type D share options and 500,000 type E share options respectively owned by Ms. Wong Mui, who is the spouse of Mr. Hui Sum Kwok and a member of the senior management of the Group.

For the period ended 30th June, 2010, no share options were granted.

At 30th June, 2010, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 48,374,360, representing approximately 10% of the shares of the Company in issue at that date.

附註：

- 授出購股權之歸屬期由董事於每次授出購股權時釐定。本公司購股權計劃下購股權持有人僅可於以下行使期行使彼等之購股權：

**Maximum % of share options exercisable**  
可行使購股權之最高百分比

up to 50% 最高可達50%
up to 75% (to the extent not already exercised) 最高可達75% (以尚未行使者為限)
up to 100% (to the extent not already exercised) 最高可達100% (以尚未行使者為限)

- 於已授出之1,893,000份D類購股權及4,828,000份E類購股權中，許森國先生分別於1,393,000份D類購股權及4,328,000份E類購股權中持有直接權益，並被視為於黃梅女士（許森國先生之配偶及本集團高級管理層成員）分別擁有之500,000份D類購股權及500,000份E類購股權中持有權益。

截至二零一零年六月三十日止期間內，並無授出購股權。

於二零一零年六月三十日，根據該計劃授出而尚未行使購股權涉及之股份數目為48,374,360股，約佔本公司當日已發行股份10%。

## OTHER INFORMATION

### INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Directors had declared an interim dividend of 1.0 HK cent per share for the six months ended 30th June, 2010 (corresponding period in 2009: 1.0 HK cent per share) to be payable on or about 22nd October, 2010 to those shareholders whose names appear on the register of members of the Company on 15th October, 2010.

The register of members of the Company will be closed from 13th October, 2010 to 15th October, 2010, both dates inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend, all completed transfer forms together with relevant share certificates must be lodged with the Company's branch share registrar and transfer agent in Hong Kong, Tricor Abacus Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:00 p.m. on 12th October, 2010.

## 其他資料

### 中期股息及暫停辦理股東登記手續

董事已宣派截至二零一零年六月三十日止六個月每股1.0港仙之中期股息（二零零九年同期：每股1.0港仙），此等股息將於二零一零年十月二十二日前後派付予於二零一零年十月十五日名列本公司股東名冊之股東。

本公司將由二零一零年十月十三日至二零一零年十月十五日（包括首尾兩日）暫停辦理股東登記手續，期間不會辦理任何股份過戶登記手續。為符合收取中期股息之資格，所有填妥之過戶表格連同有關股票，必須於二零一零年十月十二日下午四時正前，送交本公司之股份過戶登記處香港分處卓佳雅柏勤有限公司辦理登記，其地址為香港灣仔皇后大道東28號金鐘匯中心26樓。



## HUMAN RESOURCES

As at 30th June, 2010, the Group and the processing factory have a total workforce of around 2,000 full time staff (31st December, 2009: 2,000). Competitive remuneration packages were offered to employees. The Group may also grant share options and discretionary bonuses to eligible employees based on the performance of the Group and individuals.

## AUDIT COMMITTEE

The audit committee comprises three independent non-executive Directors namely, Mr. Chee Man Sang, Eric, Mr. Yip Kwok Kwan and Mr. Wong Chu Leung. The audit committee has reviewed with the management the unaudited condensed consolidated financial statements of the Group for the six months ended 30th June, 2010 and has discussed auditing, internal control, the accounting principles and practices adopted by the Group.

## PURCHASE, SALE OR REDEMPTION OF SHARES

During the six months ended 30th June, 2010, the Company and its subsidiaries had not purchased, redeemed or sold any of the Company's listed securities on the Stock Exchange.

## 人力資源

於二零一零年六月三十日，本集團及加工廠房僱用工人總數約為2,000名全職員工（二零零九年十二月三十一日：2,000名）。本集團向僱員提供具競爭力之薪酬福利。本集團亦會授出購股權及酌情花紅予合資格之僱員，授出之基準按本集團之業績及個人之表現而釐定。

## 審核委員會

審核委員會包括三名獨立非執行董事，即池民生先生、葉國均先生及黃珠亮先生。審核委員會已與管理層審閱本集團截至二零一零年六月三十日止六個月之未經審核簡明綜合財務報表，並已討論本集團採用之審核程序、內部監控、會計原則及慣例。

## 購買、出售或贖回股份

截至二零一零年六月三十日止六個月，本公司及其附屬公司並無於聯交所購買、贖回或出售任何本公司之上市證券。

## CORPORATE GOVERNANCE

The Company has complied with the code provisions set out in the Code on Corporate Governance Practices as set out in Appendix 14 of Rules Governing the Listing of Securities on the Stock Exchange, during the six months ended 30th June, 2010, except with the following deviations:

### **Code Provision A.2.1**

- Code Provision A.2.1 stipulates that the division of responsibilities between the chairman and the chief executive officer should be clearly established and set out in writing.
- There is no written terms on division of responsibilities between the chairman and the chief executive officer. The Directors consider that the responsibilities of the chairman and chief executive officer respectively are clear and distinctive and hence written terms thereof are not necessary.

### **Code Provision A.4.2**

- Code Provision A.4.2 stipulates that all Directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment.
- In accordance with the Company's Articles of Association, any new Directors appointed to fill a casual vacancy are subject to re-election at the next following annual general meeting.

## 公司管治

截至二零一零年六月三十日止六個月，本公司一直遵守聯交所證券上市規則附錄14企業管治常規守則所載之守則條文，惟以下之偏離除外：

### **守則條文A.2.1條**

- 守則條文A.2.1條規定主席與行政總裁之職責範圍應清楚地制定，並以書面列出。
- 本公司並無書面列出主席與行政總裁之職責範圍。董事會認為，主席與行政總裁各自之職責均有明確界定，故毋須明文編製彼等之職權範圍。

### **守則條文A.4.2條**

- 守則條文A.4.2條規定所有填補臨時空缺而獲委任之董事須於委任後之首次股東大會上接受股東選舉。
- 根據本公司組織章程，為填補臨時空缺而獲委任之任何新董事須於下屆股東週年大會上重選。



### **Code Provision B.1.3**

- A major deviation from the code provision B.1.3 is that the Remuneration Committee of the Company review and make recommendations to the Directors on the remuneration packages of the Executive Directors only but not senior management.
- Currently, the remuneration of senior management is attended by the chairman and/or chief executive officer of the Company.

### **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted its own code of conduct regarding directors' dealings in the Company's securities (the "Company's Code") on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Company's Code throughout the six months ended 30th June, 2010. Relevant employees who are likely to be in possession of unpublished price-sensitive information of the Company are also subject to compliance with the written guidelines on no less exacting terms than the Model Code.

### **守則條文B.1.3條**

- 主要之偏離為守則條文B.1.3規定本公司薪酬委員會僅就執行董事（而非就高級管理層）之薪酬進行檢討及向董事作出建議。
- 目前，高級管理層之薪酬由本公司主席及／或行政總裁處理。

### **證券交易之標準守則**

本公司已採納有關董事進行本公司證券交易之守則（「本公司守則」），其條款嚴謹程度不低於上市規則附錄10載列之上市發行人董事進行證券交易之標準守則（「標準守則」）之條款。已向所有董事作出具體查詢並獲彼等確認，彼等於截至二零一零年六月三十日止六個月一直遵守本公司守則。可能持有本公司未經公佈股價敏感資料之有關僱員亦須遵守其條款嚴謹程度不低於標準守則之書面指引。



## APPRECIATION

The Directors would like to take this opportunity to express our sincere thanks to our shareholders and all other associates for their supports and to our staff for their commitment and diligence during the period.

By Order of the Board

**HUI Sum Kwok**

*Chairman*

Hong Kong, 23rd August, 2010

### **Board of Directors:**

#### *Executive Directors*

Mr. Hui Sum Kwok (*Chairman*)  
Mr. Hui Sum Ping (*Vice Chairman*)  
Mr. Hui Sum Tai (*Chief Executive Officer*)  
Mr. Wong Wing Por  
Ms. Hui Yuen Li

#### *Independent Non-Executive Directors*

Mr. Chee Man Sang, Eric  
Mr. Yip Kwok Kwan  
Mr. Wong Chu Leung

## 致謝

董事謹此對本公司股東及所有其他業務夥伴於本期間對本公司之支持以及員工之努力不懈與盡忠職守致以衷心謝意。

承董事會命

主席

許森國

香港，二零一零年八月二十三日

### **董事會：**

#### *執行董事*

許森國先生 (*主席*)  
許森平先生 (*副主席*)  
許森泰先生 (*行政總裁*)  
王榮波先生  
許婉莉女士

#### *獨立非執行董事*

池民生先生  
葉國均先生  
黃珠亮先生

