

# JACKIN

## JACKIN INTERNATIONAL HOLDINGS LIMITED

(輝影國際集團有限公司)\*

( Stock Code 股份代號 : 630 )

( Incorporated in Bermuda with limited liability )

( 於百慕達註冊成立之有限公司 )

# 2010

Interim Report

中期報告

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## Management Discussion and Analysis

## 管理層討論及分析

### RESULTS, BUSINESS REVIEW AND PROSPECTS

### 業績、業務回顧及前景

#### Results

The period under review was another difficult period for the manufacturing businesses of the Group, in particular the operation in remanufacturing and sale of computer printing and imaging products. For the six months ended 30 June 2010, the Group's turnover decreased by 29% to approximately HK\$99.8 million, compared to approximately HK\$141.6 million for the corresponding period of last year. The gross margin of the Group during the period was eroded by the high direct manufacturing and material costs, which coupled with the decrease in turnover, has resulted in the Group recording gross loss of approximately HK\$24.5 million, compared to gross profit of approximately HK\$45.6 million for the six months ended 30 June 2009. Loss attributable to owners of the Company for the six months ended 30 June 2010 was approximately HK\$137.9 million, compared to approximately HK\$12.5 million for the corresponding period of last year.

#### 業績

本集團製造業務於回顧期內再次經歷嚴峻考驗，尤其是在經營環保再造及銷售電腦打印及影像產品方面。截至二零一零年六月三十日止六個月，本集團營業額減少29%至約99,800,000港元，而於去年同期則約為141,600,000港元。期內，本集團之毛利率被高企之直接製造及物料成本所蠶食，再加上營業額下跌，以致本集團錄得毛損約24,500,000港元，而截至二零零九年六月三十日止六個月則錄得毛利約45,600,000港元。截至二零一零年六月三十日止六個月，本公司擁有人應佔虧損約為137,900,000港元，而去年同期則約為12,500,000港元。

#### Business Review

##### Manufacturing

The manufacturing businesses of the Group comprise three divisions: the remanufacturing and sale of computer printing and imaging products, the manufacture and sale of data media products and the distribution of data media products. The business environment for the manufacturing operations of the Group remains competitive and challenging. As is common to all manufacturers in the Pearl River Delta Region of Mainland China, the Group's factories in Shenzhen and Zhuhai had to cope with the increase in labour costs as resulted from the implementation of the new national labour laws and the shortage of workers in the period under review, which had further pushed up the wages levels of the workers. The prices of empty cartridges, which are the main raw materials used in the Group's remanufactured products, had also escalated during the period under review. This has also affected the profitability of the Group during the period under review.

#### 業務回顧

##### 製造業務

本集團製造業務包括三個分部：環保再造及銷售電腦打印及影像產品、製造及銷售數據媒體產品，以及分銷數據媒體產品。本集團製造業務之營商環境仍然艱困，且競爭激烈。與中國內地珠江三角洲地區之所有製造商一樣，本集團之深圳及珠海廠房亦需應付因回顧期內實施新國家勞動法而引起之勞工成本上漲問題及勞工短缺問題，有關問題令員工之工資水平進一步推高。於回顧期內，本集團再造產品所使用之主要原材料—空碳粉匣之價格亦走高，也影響了本集團於回顧期內之盈利能力。

## Management Discussion and Analysis

## 管理層討論及分析

### RESULTS, BUSINESS REVIEW AND PROSPECTS

(continued)

### 業績、業務回顧及前景 (續)

#### **Business Review** (continued)

#### 業務回顧 (續)

#### **Manufacturing** (continued)

#### 製造業務 (續)

##### *Remanufacture and sale of computer printing and imaging products*

##### *環保再造及銷售電腦打印及影像產品*

For the six months ended 30 June 2010, the Group's operation in remanufacture and sale of recycled toner cartridge and computer printing and imaging products suffered from a substantial drop in turnover, with decrease in sale of 60% from approximately HK\$116.5 million for the six months ended 30 June 2009 to approximately HK\$46.6 million for the period under review. The division recorded a segment loss of approximately HK\$44 million for the period under review, compared to a segment profit of approximately HK\$36.3 million for the corresponding period of last year. The resulted unsatisfactory performance was attributable to the continued high production and raw material costs for this division. The remanufacture business was still impacted by the price competitions from low-value new mould products during the period. In addition, as there are very high standards of environmental regulations and compliances imposed on this business as it involves treatment of environmental waste, such as toner powder, and the Group has established proper facilities and stringent procedures for the use, treatment and disposal of raw materials or product wastes to ensure proper compliances with the government regulations, certain capital and revenue expenditures had been incurred, thus increasing the overall production costs of this division. All these had attributed to the high production costs of this line of business. The costs of empty cartridges, which are the major components for the remanufacture of recycled toner cartridge, had also accelerated significantly during the period under review. The Group has been striving to increase the production efficiency of this line of business amid the high production cost structure in order to maintain its competitive edge.

截至二零一零年六月三十日止六個月，本集團經營之環保再造及銷售循環再造碳粉匣和電腦打印及影像產品業務因營業額大幅下跌而受打擊，銷售由截至二零零九年六月三十日止六個月之約116,500,000港元減少60%至回顧期之約46,600,000港元。於回顧期內，該分部錄得分部虧損約44,000,000港元，而於去年同期則錄得分部溢利約36,300,000港元。業績欠佳乃由於本分部之生產及原材料成本持續高企所致。期內，環保再造業務仍然受低價新模具產品之價格競爭所影響。此外，由於該業務涉及處理碳粉等環保廢料，故其環境規例及合規標準十分高，而本集團已設有合適設施及制定使用、處理及處置原材料或產品廢料之嚴謹程序，確保符合政府規例，因而產生若干資本及收益開支，導致本分部之整體生產成本上升。所有該等因素導致此業務之生產成本高昂。空碳粉匣（即環保再造循環再造碳粉匣之主要配件）之成本在回顧期內亦大幅飆升。本集團致力在高生產成本結構下提升此業務之生產效率，以保持競爭優勢。

## Management Discussion and Analysis

## 管理層討論及分析

### RESULTS, BUSINESS REVIEW AND PROSPECTS

### 業績、業務回顧及前景 (續)

(continued)

#### **Business Review** (continued)

#### 業務回顧 (續)

##### **Manufacturing** (continued)

##### 製造業務 (續)

##### *Remanufacture and sale of computer printing and imaging products (continued)*

##### *環保再造及銷售電腦打印及影像產品 (續)*

Not only that the low revenue of this division for the period under review had not matched its high production and administration costs, it had further impacted the profit margins, in that provisions were made for aged and obsolete inventory and for discontinued products of approximately HK\$7 million. This has resulted in a relatively high cost of goods sold for the period under review.

於回顧期內，此分部之低收入不但與其高生產及行政成本不符，更進一步影響了邊際利潤，就過時及陳舊存貨以及終止經營產品作出之撥備約為7,000,000港元，導致回顧期內之售貨成本較高。

In a move to alleviating part of the cost pressure of this division, the Group has down sized the Shenzhen factory operation in the first half of the year. The manufacturing activities of this division are now centered in the Zhuhai factory.

為了舒緩此分部之部份成本壓力，本集團已於本年度上半年削減深圳廠房之營運業務。現時，此分部之製造活動集中於珠海廠房進行。

##### *Manufacture and sale of data media products*

##### *製造及銷售數據媒體產品*

For the six months ended 30 June 2010, the division on manufacture and sale of data media products recorded an increase in turnover of 67% to approximately HK\$31.2 million, from approximately HK\$18.7 million for the corresponding period of last year. However, the division recorded a segment loss of approximately HK\$1.9 million for the period under review, compared to a segment profit of approximately HK\$1.8 million for the corresponding period of last year. The segment loss was principally attributable to a provision of approximately HK\$4 million for aged and obsolete inventory and a provision for staff relocation and redundancy payments approximately HK\$3 million made during the period under review. The Group has continuously reviewed the cost structure of this division in order to improve its overall profitability.

截至二零一零年六月三十日止六個月，製造及銷售數據媒體產品分部之營業額錄得67%之升幅，由去年同期之約18,700,000港元增至約31,200,000港元。然而，此分部於回顧期內錄得分部虧損約1,900,000港元，而去年同期則錄得分部溢利約1,800,000港元。分部虧損主要來自就過時及陳舊存貨作出撥備約4,000,000港元，以及就職員調動及遣散費作出撥備約3,000,000港元。本集團持續檢討此分部之成本結構，以改善其整體盈利能力。

## Management Discussion and Analysis

## 管理層討論及分析

### RESULTS, BUSINESS REVIEW AND PROSPECTS

(continued)

### 業績、業務回顧及前景 (續)

#### **Business Review** (continued)

#### 業務回顧 (續)

##### **Manufacturing** (continued)

##### 製造業務 (續)

###### *Distribution of data media products*

###### 分銷數據媒體產品

For the six months ended 30 June 2010, the division on distribution of data media products recorded a slight decrease in turnover to approximately HK\$6 million, from approximately HK\$6.4 million for the corresponding period of last year. The division recorded a segment profit of approximately HK\$1.3 million for the period under review, compared to a segment loss of approximately HK\$2.8 million for the corresponding period of last year.

截至二零一零年六月三十日止六個月，分銷數據媒體產品分部之營業額錄得輕微跌幅，由去年同期之約6,400,000港元減至約6,000,000港元。於回顧期內，此分部錄得分部溢利約1,300,000港元，而於去年同期則錄得分部虧損約2,800,000港元。

##### **Mineral Trading**

##### 礦產品貿易

In a bid to diversify its business into the resources sector, the Group has entered into minerals trading business and set up a wholly-owned subsidiary, China Metal Trading Company Limited, in March 2010. Our mineral trading division is backed by a seasoned management team, which is well experienced in international mineral trading and investment in mining projects. During the period under review, the division recorded a turnover of approximately HK\$16 million and a segment profit of approximately HK\$0.8 million in trading of nickel ore to Mainland China. To begin with, the Group pursued this new line of business with caution in order to secure reliable trading partners with good credit worth. Through the business network of its management, the division is exploring opportunities in coal resources trading in the Asian region, particularly from Indonesia to Mainland China, which is a major importing country of coal resources.

為了將業務擴展至資源行業，本集團已涉足礦產品貿易業務，並於二零一零年三月成立全資附屬公司中國金屬貿易有限公司。本公司之礦產品貿易分部由資深管理團隊支持，彼等於國際礦產品貿易及採礦項目投資方面均有豐富經驗。於回顧期內，此分部錄得營業額約16,000,000港元，並在向中國內地買賣鎳礦方面錄得分部溢利約800,000港元。在此業務分部起步階段，本集團會審慎處事，鞏固擁有良好信貸聲譽之可信賴貿易夥伴關係。透過其管理層之業務網絡，此分部現正在亞洲區內，尤其是印度尼西亞至中國內地（為煤炭資源之主要進口國家）開拓煤炭資源之商機。

## Management Discussion and Analysis

## 管理層討論及分析

### RESULTS, BUSINESS REVIEW AND PROSPECTS

(continued)

### 業績、業務回顧及前景 (續)

#### Prospects

#### 前景

##### **Manufacturing**

##### **製造業務**

In light of the difficult business environment for the Group's remanufacturing and sale of computer printing and imaging products segment, the Group will continue to take measures to enhance productivity by streamlining the operations, reducing operational redundancy and tightening cost controls on one hand, and on the other to solicit more stable and higher volume customers to increase the utilization of the manufacturing facilities of the division. The business capability of this division has been hindered by the relatively high working capital requirements for the operation to stock up for high value raw materials and components such as empty cartridges. The Group will explore ways to either raising new banking facilities or factoring financings to fund the working capital needs of the remanufacturing and sale of computer printing and imaging products business, or to invite new investors to the business in order to raise new capital for the operation. As disclosed in the announcement of the Company dated 29 July 2010, the Company is in preliminary discussion with an existing creditor of one of its wholly-owned subsidiaries (which is engaged in the remanufacturing and sale of computer printing and imaging products business) in relation to a possible disposal of the equity interests in that subsidiary. The discussion with the aforesaid potential buyer is still underway. As at the date of this announcement, no understanding, arrangement or agreement has been reached between the parties. The Company will comply with the Listing Rules and make further announcement on this as and when appropriate.

鑑於本集團環保再造及銷售電腦打印及影像產品分部之營商環境困難，本集團將繼續採取措施透過精簡業務及減少重覆營運工序以提高產能，並會一方面加強成本控制，另一方面吸納更多穩定及大交易量之客戶，以提升此分部生產設施之使用率。由於此業務需要備有高價值原材料及空碳粉匣等配件，故其營運資金要求相對較高，有礙此分部之業務發展。本集團將尋求方法籌集新銀行融資或保理融資，以應付環保再造及銷售電腦打印及影像產品業務之營運資金需要，或邀請新投資者投資業務以籌集新營運資金。誠如本公司於二零一零年七月二十九日刊發之公佈所披露，本公司現正與其中一間全資附屬公司（從事環保再造及銷售電腦打印及影像產品業務）之現有債權人就可能出售該附屬公司之股權而進行初步商討。上述與潛在買方進行之商討仍在進行。於本公佈日期，各方並無達成任何諒解、安排或協議。本公司將遵守上市規則之規定，並在合適時候另行就此刊發公佈。

## Management Discussion and Analysis

## 管理層討論及分析

### RESULTS, BUSINESS REVIEW AND PROSPECTS

(continued)

### 業績、業務回顧及前景 (續)

#### **Prospects** (continued)

#### **前景** (續)

#### **Manufacturing** (continued)

#### **製造業務** (續)

Regarding the business in manufacture, sale and distribution of data and media products, the Group will continue to improve its operational efficiency in order to capture maximum returns from the operation. Although the profit margin of these operations is relatively low, they provide stable revenue to the Group and the Directors expect that these operations will be able to contribute to support the operational overheads and expenses of the Group in the current financial year.

至於製造、銷售及分銷數據媒體產品業務，本集團將繼續改善其營運效率，以從業務爭取最大回報。雖然此等業務之邊際利潤較低，但卻為本集團帶來穩定收入，且董事預期此等業務有助支付本集團於本財政年度之間接營運成本及開支。

#### **Mineral Trading**

#### **礦產品貿易**

The Group will continue to develop its own core competence by aligning experienced channel partners to advance the mineral trading activities. To better manage the dynamics such as cost and delivery flow of the mineral trading business, as well as the demand and supply trend and conditions of the market, the Group has engaged experienced trading professionals in the trading sector to work with our in-house team to develop strategies in the logistics aspects and delivery flow, and in credit control and management. The Group considers that this work is important in order to establish a prudent operational system, in particular the credit assessment and control system, for the building of the mineral trading business. It is envisaged that the trading business of the Group, once developed, will better prepare the Group's mining business to thrive once the latter becomes operational.

本集團將繼續透過吸納資深渠道夥伴發展其本身之核心能力，以推進礦產品貿易活動。為改善管理礦產品貿易之成本及付運流程等事宜以及掌握市場之供求趨勢，本集團已聘請貿易行業內具豐富經驗之貿易專家，與本公司之內部團隊合作制訂物流及付運流程，以及信貸監控及管理之策略。本集團認為此等工作對建立審慎之經營系統（尤其是信貸評估及監控系統）甚為重要，有助礦產品貿易業務之發展。預期發展本集團之貿易業務後，將有助本集團採礦業務於展開運營後隨即蓬勃發展。



## Management Discussion and Analysis

### RESULTS, BUSINESS REVIEW AND PROSPECTS

(continued)

#### Prospects (continued)

##### **Acquisition of Mining Business**

On 18 December 2009, a wholly-owned subsidiary (the “Purchaser”) of the Company entered into an agreement (the “Acquisition Agreement”) with Mr. Cui Zhan Lin (the “Vendor”) in relation to the proposed acquisition of the entire equity interest of SE Metal Resource Corp. (“SE Metal”). SE Metal in turn through its wholly-owned subsidiary holds the mining rights claims of a copper-gold mine, an iron-ore mine and a gold mine in the United States. On the same day, the Company entered into a referral and retainer agreement and a consultancy agreement with China National Gold Investment Oversea Holdings Ltd (“CNGO”). Pursuant to the consultancy agreement, the Company has agreed to engage CNGO to provide consultancy services to the Company for a term of ten years, subject to the Acquisition Agreement having been completed, in relation to the mining business and operations of the Group. Pursuant to the referral and retainer agreement, the Company has agreed (i) to pay, and has paid, CNGO a referral fee of RMB6 million in return for the introduction of the opportunity for the Acquisition Agreement by CNGO to the Group and (ii) engage CNGO as a consultant for the year starting from 1 January 2010 on a monthly retainer fee of RMB500,000 to provide consultancy services to the Company in assisting the Company to perform its due diligence exercises on the three mines.

## 管理層討論及分析

### 業績、業務回顧及前景 (續)

#### 前景 (續)

##### **收購採礦業務**

於二零零九年十二月十八日，本公司一間全資附屬公司(「買方」)與崔占林先生(「賣方」)就建議收購SE Metal Resource Corp(「SE Metal」)之全部權益訂立一項協議(「收購協議」)。SE Metal透過其全資附屬公司持有位於美國之一個銅金礦、一個磁鐵礦及一個金礦之採礦權利。同日，本公司與中國黃金投資海外控股有限公司(「中國黃金海外」)訂立顧問協議及轉介及前期諮詢協議。根據顧問協議，本公司同意待收購協議完成後聘請中國黃金海外就本集團之採礦業務及運營提供顧問服務，為期十年。根據轉介及前期諮詢協議，本公司同意(i)支付，並已支付中國黃金海外轉介費人民幣6,000,000元，以換取中國黃金海外就收購協議向本集團轉介商機，及(ii)自二零一零年一月一日起一年內聘用中國黃金海外作為顧問，每月委聘費為人民幣500,000元，以向本公司提供顧問服務，協助本公司在該三個礦區進行盡職調查。

## Management Discussion and Analysis

## 管理層討論及分析

### RESULTS, BUSINESS REVIEW AND PROSPECTS

(continued)

### 業績、業務回顧及前景 (續)

#### Prospects (continued)

#### 前景 (續)

#### **Acquisition of Mining Business** (continued)

#### 收購採礦業務 (續)

The Acquisition Agreement is subject to, among other things, the results of the legal due diligence conducted on the mining rights claims of the three mines being to the satisfaction of the Purchaser. As referred to in the announcement of the Company dated 29 July 2010 in relation to, among other things, an update on the proposed acquisition (the "Update Announcement"), based on the due diligence conducted by the Company so far, validity issues (in whole or in part) have been identified in respect of the mining rights claims for each of the copper-gold mine, the gold mine and the iron-ore mine. It was also stated in the Update Announcement that the Vendor has taken additional time of about four months to resolve and satisfy the Company on the validity issues on the mining rights claims of the copper-gold mine and estimated that similar actions and time are required to be taken to remedy the relevant validity issues of the mining rights claims of the gold mine and iron-ore mine. As the validity issues on the mining rights claims of the copper-gold mine have been largely resolved, the Purchaser and the Vendor have agreed in principle, to enter into the necessary supplemental agreement (the "Related Supplemental Agreement") to supplement and amend certain terms of the Acquisition Agreement, so that the Purchaser will acquire from the Vendor the entire shareholding interest in SE Metal, which will hold, through its wholly-owned subsidiary, the mining rights claims of the copper-gold mine only. The terms to be amended in the Related Supplemental Agreement will include, but not limited to, a reduction in the consideration payable by the Purchaser for the acquisition and the extension of the date of completion of the Acquisition Agreement from 31 December 2010 to a later date.

收購協議須待(其中包括)就該三個礦區之開採權利進行法定盡職調查之結果獲買方信納,方可作實。誠如本公司日期為二零一零年七月二十九日有關(其中包括)建議收購之最新進展之公佈(「最新進展公佈」)所提述,根據本公司迄今進行之盡職調查,已分別就銅金礦、金礦及磁鐵礦之開採權利確認有效性問題。其亦於最新進展公佈中提述賣方已用額外約四個月時間解決及滿足本公司有關銅金礦之開採權利問題,並估計需要相約之行動及時間糾正金礦及磁鐵礦開採權利之有效性問題。由於銅金礦開採權利之問題已大致解決,買方與賣方原則上已同意訂立所需之補充協議(「相關補充協議」)以補充及修訂收購協議之若干條款,從而使買方向賣方收購 SE Metal 之全部股權,而 SE Metal 則透過其全資附屬公司僅持有銅金礦之開採權利。將於相關補充協議修訂之條款包括(但不限於)減少買方應付之收購代價及將收購協議之完成日期由二零一零年十二月三十一日延至較後日期。

## Management Discussion and Analysis

### RESULTS, BUSINESS REVIEW AND PROSPECTS

(continued)

#### Prospects (continued)

##### **Acquisition of Mining Business** (continued)

Regarding the aforesaid consultancy agreement entered into between the Company and CNGO, in light of (i) the validity issues of the mining claims rights of the three mines which has delayed the completion timetable of the Acquisition Agreement, as a result of which the consultancy agreement will not be able to become effective by 31 December 2010; and (ii) the intention of the Company to set up its own professional team in respect of its resources related business, in the late evening of 23 August 2010, CNGO and the Company entered into a deed of termination (the "Termination Deed") to terminate the consultancy agreement and the referral and retainer agreement.

It is expected that the Related Supplemental Agreement will also be entered into between the relevant parties very shortly. Details of the Related Supplemental Agreement and the Termination Deed will be announced by the Company as soon as practicable.

#### Change of Company Name

To better reflect its new focus on the resources business, the Company has sought the shareholders' approval in the Annual General Meeting on 21 August 2010 for the change of its name to "Guojin Resources Holdings Limited" ("國金資源控股有限公司") (for identification purposes) from "Jackin International Holdings Limited" ("輝影國際集團有限公司") (for identification purposes).

## 管理層討論及分析

### 業績、業務回顧及前景 (續)

#### 前景 (續)

##### 收購採礦業務 (續)

就本公司與中國黃金海外訂立之上述顧問協議而言，基於(i)該三個礦區之開採權利有效性問題導致收購協議之完成時間表出現延誤，致使顧問協議將無法於二零一零年十二月三十一日生效；及(ii)本公司計劃就其資源相關業務成立自己之專業團隊，中國黃金海外與本公司於二零一零年八月二十三日晚上訂立中止契據（「中止契據」），以中止顧問協議及轉介及前期諮詢協議。

預期有關各方亦將於短時間內訂立相關補充協議。本公司將盡快公佈相關補充協議及中止契據之詳情。

#### 更改公司名稱

為突顯資源業務作為本集團之新業務重心，本公司於二零一零年八月二十一日的股東週年大會上已尋求股東批准，以將其名稱由 Jackin International Holdings Limited（「輝影國際集團有限公司」）（僅供識別）更改為 Guojin Resources Holdings Limited（「國金資源控股有限公司」）（僅供識別）。

## Management Discussion and Analysis

### RESULTS, BUSINESS REVIEW AND PROSPECTS

(continued)

#### Change of Company Name (continued)

The change of the name of the Company is also subject to the approval of the Registrar of Companies in Bermuda. Subject to the aforesaid approval being obtained, the effective date of the change of the name of the Company will be the date on which the Registrar of Companies in Bermuda enters the new English name of the Company on the register of companies in place of its existing English name. The Company will carry out all necessary filing procedures in respect of the change of name with the Registrar of Companies in Hong Kong and Bermuda. Further announcement will be made by the Company in relation to the effective date of the change of the name of the Company and change in stock short name of the shares of the Company in both English and Chinese.

### FINANCIAL REVIEW

#### Capital and debt structure

As at 30 June 2010, the Group's net assets was approximately HK\$72 million (31 December 2009: net liabilities of HK\$15 million), representing approximately HK\$87 million increase compared with that of 31 December 2009, mainly due to the enlargement of equity base by placing of new shares and less net loss for the period.

As at 30 June 2010, the Group's total bank and other borrowings plus finance lease obligations decreased by HK\$18 million to HK\$24 million (31 December 2009: HK\$42 million), of which HK\$17 million was payable within one year and HK\$7 million was payable after one year. Most of the Group's borrowings are denominated in Hong Kong dollars and subject to floating interest rates. Hence the risk of currency exposure was minimal. The Group's total cash and bank balances amounted to approximately HK\$66 million (31 December 2009: HK\$18 million), representing an increase of approximately HK\$48 million.

## 管理層討論及分析

### 業績、業務回顧及前景 (續)

#### 更改公司名稱 (續)

更改公司名稱亦須待獲得百慕達公司註冊處處長批准後，方可作實。待取得上述批准後，更改公司名稱將於百慕達公司註冊處處長將本公司新英文名稱載入公司登記冊以取代現有英文名稱之日起生效。本公司將就更改公司名稱向香港公司註冊處處長及百慕達公司註冊處處長辦理一切必要之存檔手續。本公司將會就更改公司名稱之生效日期及更改公司股份之中英文簡稱另行刊發公告。

### 財務回顧

#### 資本及債務架構

於二零一零年六月三十日，本集團之資產淨值約為72,000,000港元（二零零九年十二月三十一日：負債淨值為15,000,000港元），較二零零九年十二月三十一日增加約87,000,000港元，主要由於期內透過配售新股份擴大股本基礎及減去虧損淨額所致。

於二零一零年六月三十日，本集團之銀行及其他借貸總額及融資租約承擔減少18,000,000港元至24,000,000港元（二零零九年十二月三十一日：42,000,000港元），其中17,000,000港元須於一年內償還，而7,000,000港元須於一年後償還。本集團大部份借貸均以港元計值，並按照浮動息率計息。因此，本集團之匯兌風險較低。本集團之現金及銀行結餘總額約為66,000,000港元（二零零九年十二月三十一日：18,000,000港元），增加約48,000,000港元。

## Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW (continued)

### 財務回顧(續)

#### Capital and debt structure (continued)

#### 資本及債務架構(續)

The Group's net debt to equity ratio was at 3.5 (31 December 2009: (20.7)), which is determined by total bank and other borrowings, notes payable, convertible bonds and obligation under finance leases over net assets (liabilities).

本集團之債務淨額與權益比率為3.5(二零零九年十二月三十一日: (20.7))，此比率乃以銀行及其他借貸總額、應付票據、可換股債券及融資租約承擔除以資產(負債)淨值計算。

#### Working capital and liquidity

#### 營運資金及流動資金

As at 30 June 2010, the Group's current ratio and quick ratio were 3.6 and 2.1, respectively (31 December 2009: 1.7 and 0.7). Inventory turnover on sales decreased to 217 days (31 December 2009: 248 days) primarily due to the impairment losses on inventories and the reduction of inventory level in order to save working capital. Receivable turnover increased to 115 days in the period under review (31 December 2009: 89 days) which was mainly due to prolonged payment from customers.

於二零一零年六月三十日，本集團之流動比率及速動比率分別為3.6及2.1(二零零九年十二月三十一日: 1.7及0.7)。存貨銷售周轉期減至217日(二零零九年十二月三十一日: 248日)，主要由於存貨減值虧損及減低存貨水平以節省營運資金所致。於回顧期內，應收款項周轉期增加至115日(二零零九年十二月三十一日: 89日)，主要由於客戶延期還款所致。

#### Redemption of guaranteed notes

#### 贖回保證票據

On 10 October 2008, the Company issued, and Martin Currie China Hedge Fund L.P. (the "Subscriber") subscribed for guaranteed notes (the "Guaranteed Notes") in the aggregate principal amount of HK\$31.2 million. The Guaranteed Notes were guaranteed by Sun Union Enterprises Limited, the Company's substantial shareholder, carried interest at 15% per annum and repayable on 27 June 2010. The Guaranteed Notes were fully redeemed during the period.

於二零零八年十月十日，本公司發行，而Martin Currie China Hedge Fund L.P. (「認購人」)則認購總金額為31,200,000港元之保證票據(「保證票據」)。保證票據乃由本公司主要股東Sun Union Enterprises Limited擔保，按年利率15厘計息，並須於二零一零年六月二十七日償還。保證票據已於期內全數贖回。

## Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW (continued)

### 財務回顧(續)

#### Placing of new shares

#### 配售新股份

The completion of the placing of new shares took place on 21 January 2010. A total of 210,000,000 new shares were issued at the subscription price of HK\$0.95 per share and the Company received the net proceeds of approximately HK\$193.1 million.

新股份之配售已於二零一零年一月二十一日完成。合共210,000,000股新股份已按每股認購價0.95港元發行，而本公司已獲得所得款項淨額約193,100,000港元。

### EMPLOYEES AND REMUNERATION POLICIES

### 僱員及薪酬政策

As at 30 June 2010, the number of employees of the Group was approximately 789. The remuneration packages of the Group's employees are mainly based on their performance and experience, taking into account the current industry practices. Remuneration package of employees includes salaries, insurance, mandatory provident fund and share option scheme. Other employee benefits include medical cover, housing allowance and discretionary bonuses.

於二零一零年六月三十日，本集團僱員人數約為789人。本集團給予僱員之薪酬主要按彼等之表現及經驗而定，並參考行內目前慣例。僱員薪酬包括薪金、保險、強制性公積金及購股權計劃。其他僱員福利包括醫療保障、房屋津貼及酌情花紅。

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES OF THE COMPANY AND ASSOCIATED CORPORATION

### (a) Shares

#### **Directors' and chief executives' interests and short positions in shares, underlying shares and debentures**

As at 30 June 2010, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

#### Long positions

(a) Shares and underlying shares of the Company

Name of Director	Capacity	Number of ordinary shares		Number of underlying shares held under share options 根據購股權持有之相關股份數目	Total	Percentage of the issued share capital of the Company 佔本公司已發行股本百分比
		Personal interests 個人權益	Corporate interests 公司權益			
Ms. Ho Yin King, Helena 何燕琼女士	Beneficial owner and interest of controlled corporation 實益擁有人及受控制公司之權益	29,283,000	178,194,000	628	207,477,628	15.44%
Mr. Yip Wai Lun, Alvin 葉偉倫先生	Interest of controlled corporation 受控制公司之權益	-	3,000,000	-	3,000,000	0.22%
Mr. Leung Ka Kui, Johnny 梁家駒先生	Beneficial owner 實益擁有人	290,000	-	1,542	291,542	0.02%
Mr. Chan Kam Kwan, Jason 陳錦坤先生	Beneficial owner 實益擁有人	-	-	1,542	1,542	0.00%

## 董事及主要行政人員於本公司及相聯法團之股份之權益及淡倉

### (a) 股份

#### 董事及主要行政人員於股份、相關股份及債券之權益及淡倉

於二零一零年六月三十日，本公司董事及主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中擁有根據證券及期貨條例第352條須列入本公司置存之登記冊內之權益及淡倉，或根據上市發行人董事進行證券交易之標準守則須知會本公司及香港聯合交易所有限公司之權益及淡倉如下：

#### 好倉

(a) 本公司股份及相關股份

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES OF THE COMPANY AND ASSOCIATED CORPORATION (continued)

董事及主要行政人員於本公司及相聯法團之股份之權益及淡倉 (續)

### (b) Share options

The following table discloses movements in the Company's share options during the six months ended 30 June 2010:

Name of participants	Date of share option granted	Share option scheme category (Note (i) and (ii))	Outstanding at beginning of the period	Grant during the period	Exercised during the period	Cancelled/lapsed during the period	Outstanding at end of the period	Subscription price HK\$	Exercise period
參與者姓名	購股權授出日期	購股權計劃類別 (附註(i)及(ii))	期初尚未行使之購股權	於期內授出	於期內行使	於期內註銷/失效	期末尚未行使之購股權	認購價格 港元	行使期
<b>Directors</b> 董事									
Ms. Ho Yin King, Helena 何燕琼女士	25.1.2005 二零零五年一月二十五日	2005	628	-	-	-	628	0.158	25.1.2005 – 24.1.2015 二零零五年一月二十五日至 二零一五年一月二十四日
Mr. Leung Ka Kui Johnny 梁家駒先生	25.1.2005 二零零五年一月二十五日	2005	1,542	-	-	-	1,542	0.158	25.1.2005 – 24.1.2015 二零零五年一月二十五日至 二零一五年一月二十四日
Mr. Chan Kam Kwan, Jason 陳錦坤先生	25.1.2005 二零零五年一月二十五日	2005	1,542	-	-	-	1,542	0.158	25.1.2005 – 24.1.2015 二零零五年一月二十五日至 二零一五年一月二十四日
Total for directors 董事合計			3,712	-	-	-	3,712		

### (b) 購股權

下表披露本公司購股權於截至二零一零年六月三十日止六個月之變動：



**DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES OF THE COMPANY AND ASSOCIATED CORPORATION** (continued)

**董事及主要行政人員於本公司及相聯法團之股份之權益及淡倉** (續)

**(b) Share options** (continued)

**(b) 購股權** (續)

Name of participants	Date of share option granted	Share option scheme category (Note (i) and (ii))	Outstanding at beginning of the period	Grant during the period	Exercised during the period	Cancelled/lapsed during the period	Outstanding at end of the period	Subscription price HK\$	Exercise period
參與者姓名	購股權授出日期	購股權計劃類別 (附註(i)及(ii))	期初尚未行使之購股權	於期內授出	於期內行使	於期內註銷/失效	期末尚未行使之購股權	認購價格 港元	行使期
<b>Employees 僱員</b>	25.1.2005 二零零五年一月二十五日	2005	241,426	-	-	(51,542)	189,884	0.158	25.1.2005 – 24.1.2015 二零零五年一月二十五日至 二零一五年一月二十四日
	29.1.2010 二零一零年一月二十九日	2010A	-	69,140,000	(650,000)	-	68,490,000	0.786	29.1.2010 – 28.1.2012 二零一零年一月二十九日至 二零一二年一月二十八日
	29.1.2010 二零一零年一月二十九日	2010B	-	4,500,000	-	-	4,500,000	0.786	29.7.2010 – 28.1.2012 二零一零年七月二十九日至 二零一二年一月二十八日
	29.1.2010 二零一零年一月二十九日	2010C	-	6,000,000	-	-	6,000,000	0.786	29.1.2011 – 28.1.2012 二零一一年一月二十九日至 二零一二年一月二十八日
Total for employees 僱員合計			241,426	79,640,000	(650,000)	(51,542)	79,179,884		
									<b>Percentage to total Company's shares in issue at end of the period</b> 佔期末本公司已發行股份總數百分比
Total under New Scheme 新計劃項下總數			245,138	79,640,000	(650,000)	(51,542)	79,183,596		5.89%

Notes:

- (i) The 2005 and 2010 options were granted under the scheme adopted on 12 June 2004.
- (ii) The closing price of the Company's shares immediately before 25 January 2005 and 29 January 2010, the dates of grant of 2005 and 2010 options, was HK\$0.159 and HK\$0.75 respectively.

附註：

- (i) 2005及2010購股權乃根據於二零零四年六月十二日採納之計劃授出。
- (ii) 本公司股份於緊接二零零五年一月二十五日及二零一零年一月二十九日(2005及2010購股權的授出日期)前的收市價分別為0.159港元及0.75港元。

**DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES OF THE COMPANY AND ASSOCIATED CORPORATION** (continued)

董事及主要行政人員於本公司及相聯法團之股份之權益及淡倉(續)

**(c) Shares in associated corporation**

As at 30 June 2010, the following director held interests in the shares of Jackin Video Cassette (Taiwan) Limited, a 99.9% owned subsidiary of the Company as follows:

**(c) 於相聯法團之股份**

於二零一零年六月三十日，下列董事持有本公司擁有99.9%權益之附屬公司台灣輝聲錄影帶股份有限公司之股份權益如下：

Name of Director 董事姓名	Capacity 身份	Number of shares 股份數目		
		Personal interests 個人權益	Family interests 家族權益	Total 總計
Ms. Ho Yin King, Helena 何燕琼女士	Beneficial owner and interest of spouse 實益擁有人及配偶權益	4	4 (note) (附註)	8

Note:

The shares are held by the spouse of Ms. Ho Yin King, Helena.

附註：

股份由何燕琼女士之配偶持有。

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES OF THE COMPANY AND ASSOCIATED CORPORATION (continued)

## 董事及主要行政人員於本公司及相聯法團之股份之權益及淡倉 (續)

### (c) Shares in associated corporation (continued)

In addition to the above, Ms. Ho Yin Ying, Helena held interests in the non-voting deferred shares of wholly owned subsidiaries of the Company as at 30 June 2010 as follows:

#### Name of subsidiary

附屬公司名稱

Jackin Magnetic Company Limited  
輝影磁電有限公司

Jackin Video Cassette Co. Limited  
輝聲影帶有限公司

In addition, Ms. Ho Yin King, Helena also held non-beneficial interests in shares in certain subsidiaries of the Company as qualifying shares.

Save as disclosed above and certain nominee shares in subsidiaries held by Ms. Ho Yin King, Helena in trust for the Group, none of the Directors or chief executives of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transaction by Directors of Listed Issuers and none of the Directors or chief executives, or their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the period under review.

### (c) 於相聯法團之股份 (續)

除上文所述者外，何燕瑋女士於二零一零年六月三十日持有本公司全資附屬公司之無投票權遞延股份權益如下：

#### Number of non-voting deferred shares held

所持無投票權  
遞延股份數目

3,600 shares of HK\$100 each  
每股面值100港元之股份3,600股

330,000 shares of HK\$1 each  
每股面值1港元之股份330,000股

此外，何燕瑋女士持有本公司若干附屬公司之股份（作為合資格股份）之非實益權益。

除上文所披露者及由何燕瑋女士以信託形式為本集團持有附屬公司之若干代理人股份外，本公司董事或主要行政人員概無於本公司或其任何相聯法團（定議見證券及期貨條例第XV部）之任何股份、相關股份及債券中擁有根據證券及期貨條例第352條須列入本公司置存之登記冊內之權益或淡倉，或根據上市發行人董事進行證券交易之標準守則須知會本公司及聯交所之權益或淡倉，而董事或主要行政人員或其配偶或未滿18歲之子女概無任何權利認購本公司之證券，亦無於回顧期內行使任何該等權利。

## SUBSTANTIAL SHAREHOLDERS

**Interests and short positions of shareholders discloseable under the SFO**

As at 30 June 2010, so far as are known to the Directors, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO showed that other than the interests of certain Directors and chief executives, the following shareholders had notified the Company of relevant interests and short positions in the share capital of the Company:

**Long positions****Shares and underlying shares of the Company**

## 主要股東

根據證券及期貨條例須予披露之股東權益及淡倉

於二零一零年六月三十日，據董事所知，本公司根據證券及期貨條例第336條而置存之股東登記冊所記錄顯示，除若干董事及主要行政人員之權益外，下列股東已通知本公司擁有本公司股本之相關權益及淡倉：

## 好倉

## 本公司股份及相關股份

Name of shareholder 股東姓名／名稱	Capacity 身份	Number of issued ordinary shares held 持有已發行普通股數目	Derivative interests (Number of shares to be issued upon conversion of potential convertible notes) 衍生權益 (轉換潛在可換股票據時將予發行之股份數目)	Number of underlying shares held 持有相關股份數目	Percentage of the issued share capital of the Company 佔本公司已發行股本百分比
Complete Associates Limited	Interest of controlled corporation 受控制公司之權益	178,194,000 (Note 2) (附註2)	–	–	13.26%
Ho Fai Keung, Jacky 何輝強	Beneficial owner and interest of controlled corporation 實益擁有人及受控制公司權益	182,566,000 (Note 3) (附註3)	–	628 (Note 3) (附註3)	13.59%
Xie Song Guang 謝松光	Beneficial owner 實益擁有人	140,000,000 (Note 4) (附註4)	–	–	10.42%
Cui Zhan Lin 崔占林	Beneficial owner 實益擁有人	300,000,000 (Note 5) (附註5)	310,000,000 (Note 6) (附註6)	–	45.40%
China National Gold Group Corporation 中國黃金集團公司	Interest of controlled corporation 受控制公司之權益	150,000,000 (Note 7) (附註7)	100,000,000 (Note 8) (附註8)	–	18.60%

### SUBSTANTIAL SHAREHOLDERS (continued)

#### Long positions (continued)

#### Shares and underlying shares of the Company (continued)

Notes:

1. The calculation of percentage figures is based on the relevant number of shares as a percentage of the number of shares of the Company in issue as at 30 June 2010.
2. The 178,194,000 shares were directly held by Sun Union Enterprises Limited which was wholly owned by Complete Associates Limited. The share capital of Complete Associates Limited was beneficially owned as to approximately 61.8% by Ms. Ho Yin King, Helena, a Director of the Company.
3. Mr. Ho Fai Keung, Jacky was interested in 182,566,628 shares, of which (i) 178,194,000 shares were held by Sun Union Enterprises Limited which was wholly owned by Complete Associates Limited, of which 38.2% was beneficially owned by Mr. Ho Fai Keung, Jacky; (ii) 4,372,000 shares were held in his own name; and (iii) 628 shares were unexercised share options as at six months ended 30 June 2010.
4. As at 30 June 2010, Mr. Xie Song Guang held the principal amount of HK\$35,000,000 of the 2012 Notes and was regarded to be interested in 140,000,000 shares of the Company.

### 主要股東 (續)

#### 好倉 (續)

#### 本公司股份及相關股份 (續)

附註：

1. 百分比數字之計算乃根據有關股份數目佔本公司於二零一零年六月三十日之已發行股份數目之百分比。
2. 該178,194,000股股份直接由Complete Associates Limited全資擁有之Sun Union Enterprises Limited持有。Complete Associates Limited之股本由本公司董事何燕琼女士實益擁有約61.8%權益。
3. 何輝強先生於182,566,628股股份中擁有權益，其中(i) 178,194,000股股份由Complete Associates Limited全資擁有之Sun Union Enterprises Limited持有，而何輝強先生實益擁有其中38.2%權益；(ii) 4,372,000股股份由其名義持有；及(iii) 628股股份乃於截至二零一零年六月三十日止六個月尚未行使之購股權。
4. 於二零一零年六月三十日，謝松光先生持有本金額為35,000,000港元之二零一二年票據，並被視為於140,000,000股本公司股份中擁有權益。

### SUBSTANTIAL SHAREHOLDERS (continued)

#### Long positions (continued)

#### Shares and underlying shares of the Company (continued)

5. These shares are potentially issued and allotted to Mr. Cui Zhan Lin (“Mr. Cui”) pursuant to the conditional acquisition agreement dated 18 December 2009 (“Acquisition Agreement”), details of which are referred to in the announcement of the Company dated 8 January 2010.
6. These shares would be issued and allotted upon the conversion of the convertible notes potentially issued to Mr. Cui Zhan Lin pursuant to the Acquisition Agreement, details of which are referred to in the announcement of the Company dated 8 January 2010.
7. These shares are potentially issued and allotted to China National Gold Investment Oversea Holdings Limited (“CNG Oversea”) pursuant to the conditional consultancy agreement dated 18 December 2009 (“Consultancy Agreement”). China National Gold Group Corporation (“CNG”) owns 60% of China Gold Group Investment Co Ltd (“CG Investment”) and CG Investment owns 100% of CNG Oversea. Accordingly, CNG is taken under the SFO to be interested in the shares in which CCG Investment and CNG Oversea has an interest.
8. These shares would be issued and allotted upon the conversion of the convertible notes potentially issued to CNG Oversea pursuant to the Consultancy Agreement, details of which are referred to in the announcement of the Company dated 8 January 2010. Please also refer to note 7 above.

Other than as disclosed above, the register of substantial shareholders maintained by the Company under Section 336 of the SFO showed that the Company had not been notified of any other interests or short positions in the shares and underlying shares of the Company as at 30 June 2010.

### 主要股東 (續)

#### 好倉 (續)

#### 本公司股份及相關股份 (續)

5. 根據日期為二零零九年十二月十八日之有條件收購協議(「收購協議」),此等股份潛在地發行及配發予崔占林先生(「崔先生」),其詳情載於本公司日期為二零一零年一月八日之公佈。
6. 根據收購協議,此等股份將於兌換可換股票據時發行及配發並潛在地發行予崔占林先生,其詳情載於本公司日期為二零一零年一月八日之公佈。
7. 根據日期為二零零九年十二月十八日之有條件顧問協議(「顧問協議」),此等股份潛在地發行及配發予中國黃金投資海外控股有限公司(「中金海外」)。中國黃金集團公司(「中金集團」)擁有中國黃金集團投資有限公司(「中金投資」)之60%權益,而中金投資擁有中金海外之100%權益。因此,中金集團被視為於中金投資及中金海外擁有權益之股份中擁有權益。
8. 根據顧問協議,此等股份將於兌換可換股票據時發行及配發並潛在地發行予中金海外,有關詳情乃於本公司日期為二零一零年一月八日之公佈內提述。另請參閱上文附註7。

除上文披露者外,於二零一零年六月三十日,按本公司根據證券及期貨條例第336條置存之主要股東名冊所示,本公司並不知悉於本公司股份及相關股份之任何其他權益或淡倉。

### COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE PRACTICES

### 遵守企業管治常規守則

The Company has complied with the code provisions as set out in the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) throughout the six months ended 30 June 2010, save for the following deviations:

截至二零一零年六月三十日止六個月，本公司已遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「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」）之守則條文，惟以下各項偏離守則條文：

#### CG Code Provision A.2.1

#### 企業管治守則條文第A.2.1條

Under this code provision, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

根據此守則條文，主席及行政總裁之職責應各自獨立，並不應由同一人擔任。

Ms. Ho Yin King, Helena was the Chairman of the Board and the managing director of the Company (The Company regards the role of its managing director to be same as that of chief executive officer under the CG Code) during the six months ended 30 June 2010.

截至二零一零年六月三十日止六個月，何燕琼女士曾同時擔任董事會主席兼本公司董事總經理（本公司視董事總經理一職相當於企業管治守則所指之行政總裁）。

The Company considers that the extensive experience and marketing network established by Ms. Ho is critical for the business and future development of the Company. Hence, the Company believes that it is in the best interest of its shareholders that Ms. Ho will remain as the Chairman and the managing director of the Company. However, the Company will review the current structure when and as it becomes appropriate in future.

本公司認為何女士之豐富經驗及由其建立之市場推廣網絡對本公司之業務和日後發展極為重要。因此，本公司相信何女士留任本公司主席兼董事總經理乃符合股東最佳利益。然而，本公司將於未來適當時候檢討目前架構。

## Corporate Governance and Other Information

### COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE PRACTICES (continued)

#### CG Code Provision A.4.1

Under this code provision, the non-executive Directors should be appointed for a specific term, subject to re-election.

All the independent non-executive Directors are not appointed for a specific term but are subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Bye-laws of the Company, and their appointment will be reviewed when they are due for re-election.

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its code of conduct regarding directors' securities transactions. Following specific enquiry by the Company, all Directors have confirmed that they have complied with the required standard as set out in the Model Code during the six months ended 30 June 2010.

### AUDIT COMMITTEE

The Audit Committee comprises two independent non-executive Directors, Mr. Leung Ka Kui, Johnny and Mr. Chan Kam Kwan, Jason. The Audit Committee has reviewed the management accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including the review of the unaudited interim results for the six months ended 30 June 2010.

## 企業管治及其他資料

### 遵守企業管治常規守則(續)

#### 企業管治守則條文第A.4.1條

根據此守則條文，非執行董事應按固定任期委任，並須膺選連任。

所有獨立非執行董事並非按固定任期委任，惟彼等須根據本公司之細則條文於本公司之股東週年大會上最少每三年輪席告退並膺選連任一次，其任期將於重選時進行檢討。

### 董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易之標準守則(「標準守則」)作為董事於證券交易之行為守則。經本公司作出具體查詢後，全體董事已確認彼等於截至二零一零年六月三十日止六個月期間一直遵守標準守則規定之標準。

### 審核委員會

審核委員會由兩名獨立非執行董事梁家駒先生及陳錦坤先生組成。審核委員會已與管理層檢討本集團所採納之會計原則及慣例，並商討內部監控及財務報告事宜，其中包括審閱截至二零一零年六月三十日止六個月之未經審核中期業績。



## Corporate Governance and Other Information

## 企業管治及其他資料

### PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

### 買賣或贖回本公司之上市證券

During the six months ended 30 June 2010, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

截至二零一零年六月三十日止六個月內，本公司或其任何附屬公司概無買賣或贖回本公司任何上市證券。

By Order of the Board  
**Ho Yin King, Helena**  
*Chairman*

承董事會命  
主席  
何燕琮

Hong Kong, 23 August 2010

香港，二零一零年八月二十三日

		<b>Six months ended 30 June</b>	
		截至六月三十日止六個月	
		<b>2010</b>	2009
		<b>Unaudited</b>	Unaudited
Note		<b>HK\$'000</b>	HK\$'000
附註		二零一零年 未經審核 千港元	二零零九年 未經審核 千港元
	<b>Turnover</b>	<b>99,821</b>	141,567
	營業額		
	Cost of sales	<b>(124,310)</b>	(95,998)
	銷售成本		
	<b>Gross (loss) profit</b>	<b>(24,489)</b>	45,569
	(毛損)毛利		
	Other revenue	<b>26</b>	689
	其他收入		
	Other income	<b>86</b>	-
	其他收益		
	Distribution costs	<b>(9,050)</b>	(10,979)
	分銷成本		
	Administrative expenses	<b>(44,825)</b>	(33,987)
	行政費用		
	Share-based payment expenses	<b>(20,464)</b>	-
	以股份為基礎之付款費用		
	Change in fair value of derivative and embedded derivative components of a convertible bond	<b>(12,457)</b>	7,979
	衍生工具及可換股債券之 嵌入式衍生工具 部份之公允價值變動		
	Impairment losses	<b>(9,479)</b>	-
	減值虧損		
	Finance costs	<b>(17,488)</b>	(21,679)
	財務費用		
	<b>Loss before taxation</b>	<b>(138,140)</b>	(12,408)
	稅前虧損		
	Income tax expense	<b>(2)</b>	(98)
	所得稅開支		
	<b>Loss for the period</b>	<b>(138,142)</b>	(12,506)
	期內虧損		
	<b>Other comprehensive income</b>		
	其他全面收入		
	Exchange differences arising on translation	<b>992</b>	219
	換算產生之匯兌差額		
	Other comprehensive income for the period, net of tax	<b>992</b>	219
	期內其他全面收入，扣除 稅項		
	<b>Total comprehensive expense for the period</b>	<b>(137,150)</b>	(12,287)
	期內全面開支總額		

		<b>Six months ended 30 June</b>	
		截至六月三十日止六個月	
		<b>2010</b>	2009
		<b>Unaudited</b>	Unaudited
<i>Note</i>		<b>HK\$'000</b>	HK\$'000
<i>附註</i>		二零一零年 未經審核 千港元	二零零九年 未經審核 千港元
	Loss for the period attributable to:		
	– Owners of the Company	<b>(137,914)</b>	(12,500)
	– Non-controlling interests	<b>(228)</b>	(6)
		<b>(138,142)</b>	(12,506)
	Total comprehensive expense for the period attributable to:		
	– Owners of the Company	<b>(136,922)</b>	(12,281)
	– Non-controlling interests	<b>(228)</b>	(6)
		<b>(137,150)</b>	(12,287)
	<b>Loss per share</b>		
	Basic	<b>(10.42) cents</b>	(1.55) cents
	Diluted	<b>(10.42) cents</b>	(1.55) cents

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			<b>30 June 2010</b>	31 December 2009
		<i>Note</i>	<b>Unaudited</b>	Audited
			<b>HK\$'000</b>	HK\$'000
			二零一零年	二零零九年
			六月三十日	十二月三十一日
		<i>附註</i>	未經審核	經審核
			千港元	千港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	9	55,592	71,726
Intangible assets	無形資產	10	44,866	50,346
Goodwill	商譽		-	-
Deferred tax assets	遞延稅項資產		1,131	1,131
			<b>101,589</b>	123,203
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨		116,469	150,439
Trade and other receivables	貿易及其他應收款項	11	88,923	67,681
Consideration receivable for disposal of subsidiaries	出售附屬公司之應收代價		-	20,000
Early redemption option of a convertible bond	可換股債券之提早贖回權	16	-	12,457
Tax recoverable	可收回稅項		168	168
Bank balances and cash	銀行結餘及現金		66,144	17,835
			<b>271,704</b>	268,580
Non-current assets held for sale	待售非流動資產	12	17,200	-
Total current assets	總流動資產		<b>288,904</b>	268,580
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付款項	13	52,530	79,323
Bank and other borrowings	銀行及其他借貸		13,291	27,500
Notes payable	應付票據	15(iii)	-	36,617
Obligations under finance leases	融資租約承擔		3,782	6,592
Embedded conversion option of a convertible bond	可換股債券之嵌入式兌換權	16	-	-
Tax payable	應付稅項		11,004	11,696
			<b>80,607</b>	161,728
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>208,297</b>	106,852
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>309,886</b>	230,055

		<b>30 June 2010</b>	31 December 2009
		<b>Unaudited</b>	Audited
		<b>HK\$'000</b>	HK\$'000
		二零一零年 六月三十日 未經審核 千港元	二零零九年 十二月三十一日 經審核 千港元
		<i>Note</i>	
		<i>附註</i>	
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Bank and other borrowings	銀行及其他借貸	<b>6,734</b>	7,129
Obligations under finance leases	融資租約承擔	<b>273</b>	1,159
Deferred tax liabilities	遞延稅項負債	<b>7,568</b>	7,568
Convertible bonds	可換股債券	<b>223,578</b>	229,103
		<b>238,153</b>	244,959
		<b>71,733</b>	(14,904)
<b>Capital and reserves</b>	<b>股本及儲備</b>		
Share capital	股本	<b>134,375</b>	109,310
Reserves	儲備	<b>(62,414)</b>	(124,214)
<b>Equity attributable to owners of the Company</b>	<b>本公司擁有人應佔權益</b>	<b>71,961</b>	(14,904)
Non-controlling interests	非控股權益	<b>(228)</b>	-
		<b>71,733</b>	(14,904)

## Interim Condensed Consolidated Statement of Changes in Equity

## 簡明綜合中期權益變動表

		Attributable to equity shareholders of the Company 本公司權益股東應佔									
		Share capital	Share premium	Capital reserve	Properties revaluation reserve	Translation reserve	Convertible bonds reserve	Accumulated losses	Equity attributable to owners of the Company	Non-controlling interests	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		股本	股份溢價	資本儲備	物業重估儲備	匯兌儲備	可換股債券儲備	累計虧損	本公司擁有人應佔權益	非控股權益	總計
		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
At 1 January 2010	於二零一零年一月一日	109,310	174,412	24	8,504	3,849	4,401	(315,404)	(14,904)	-	(14,904)
Loss for the period	期內虧損	-	-	-	-	-	-	(137,914)	(137,914)	(228)	(138,142)
Other comprehensive income for the period	期內其他全面收入	-	-	-	-	992	-	-	992	-	992
Total comprehensive income (expense) for the period	期內全面收入(開支)總額	-	-	-	-	992	-	(137,914)	(136,922)	(228)	(137,150)
Recognition of share-based payment expenses	確認以股份為基礎之付款開支	-	-	20,464	-	-	-	-	20,464	-	20,464
Equity-settled share-based transactions – cancellation of share options	以股本結算股份為基礎之交易 – 註銷購股權	-	-	(5)	-	-	-	5	-	-	-
Issue of new shares under share option scheme	行使購股權計劃而發行的新股	65	622	(176)	-	-	-	-	511	-	511
Issue of new shares on conversion of convertible bonds	兌換可換股債券而發行之新股	4,000	6,177	-	-	-	(880)	-	9,297	-	9,297
Issue of subscription shares	發行認購股份	21,000	178,500	-	-	-	-	-	199,500	-	199,500
Transactions costs attributable to issue of subscription shares	發行認購股份應佔交易成本	-	(5,985)	-	-	-	-	-	(5,985)	-	(5,985)
At 30 June 2010	於二零一零年六月三十日	134,375	353,726	20,307	8,504	4,841	3,521	(453,313)	71,961	(228)	71,733
At 1 January 2009	於二零零九年一月一日	79,879	122,076	6,255	6,651	3,175	-	(39,584)	178,452	-	178,452
Loss for the period	期內虧損	-	-	-	-	-	-	(12,500)	(12,500)	(6)	(12,506)
Other comprehensive income for the period	期內其他全面收入	-	-	-	-	219	-	-	219	-	219
Total comprehensive income (expense) for the period	期內全面收入(開支)總額	-	-	-	-	219	-	(12,500)	(12,281)	(6)	(12,287)
Capital contribution by non-controlling interests	非控股股東出資	-	-	-	-	-	-	-	-	6	6
Issue of new shares on exercise of warrants	行使認股權證而發行的新股	6,525	3,287	(1,329)	-	-	-	-	8,483	-	8,483
Issue of subscription shares	發行認購股份	15,900	19,964	-	-	-	-	-	35,864	-	35,864
At 30 June 2009	於二零零九年六月三十日	102,304	145,327	4,926	6,651	3,394	-	(52,084)	210,518	-	210,518

		<b>Six months ended 30 June</b>	
		截至六月三十日止六個月	
		<b>2010</b>	2009
		<b>Unaudited</b>	Unaudited
		<b>HK\$'000</b>	HK\$'000
		二零一零年	二零零九年
		未經審核	未經審核
		千港元	千港元
Net cash used in operating activities	經營業務動用之現金淨額	<b>(28,882)</b>	(18,132)
Net cash used in investing activities	投資業務動用之現金淨額	<b>(48,279)</b>	(17,119)
Net cash generated from financing activities	融資活動產生之現金淨額	<b>126,724</b>	55,628
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	<b>49,563</b>	20,377
Cash and cash equivalents at 1 January	於一月一日之現金及現金等價物	<b>16,581</b>	13,050
Cash and cash equivalents at 30 June	於六月三十日之現金及現金等價物	<b>66,144</b>	33,427
<b>Analysis of the balances of cash and cash equivalents</b>	<b>現金及現金等價物結餘分析</b>		
Bank balances and cash	銀行結餘及現金	<b>66,144</b>	39,468
Bank overdraft	銀行透支	-	(6,041)
		<b>66,144</b>	33,427

## 1. BASIS OF PREPARATION

The interim condensed consolidated financial information 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 and with the Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting”, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The interim condensed consolidated financial information do not include all the information and disclosures required in the annual financial statements, and it should be read in conjunction with the Group’s annual financial statements as at 31 December 2009, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

## 2. PRINCIPAL ACCOUNTING POLICIES

The interim condensed consolidated financial information have been prepared on historical cost basis, except for certain assets and liabilities that are measured at their fair value, as appropriate.

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2009 except as described below.

## 1. 編製基準

簡明綜合中期財務資料乃根據由香港聯合交易所有限公司證券上市規則附錄十六之適當披露規定，以及香港會計師公會（「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」而編製。

此簡明綜合中期財務資料並無包括年度財務報表所需之所有資料及披露，應與本集團根據香港財務報告準則（「香港財務報告準則」）編製之二零零九年十二月三十一日年度財務報表一併閱讀。

## 2. 主要會計政策

此簡明綜合中期財務資料乃按歷史成本基準而編製，惟部份資產及負債則以公允價值計算（按適用情況）。

編製簡明綜合中期財務資料所用之會計政策與編製本集團截至二零零九年十二月三十一日止年度之全年財務報表採用者一致，惟以下所述者除外。



## 2. PRINCIPAL ACCOUNTING POLICIES (continued)

In the current interim period, the Group has applied, for the first time, the following new or revised standards, amendments and interpretations (“new or revised HKFRSs”) issued by the HKICPA.

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of Improvements to HKFRSs 2008	香港財務報告準則(修訂)	香港財務報告準則第5號之修訂,作為二零零八年香港財務報告準則之改進部份
HKFRSs (Amendments)	Improvements to HKFRSs 2009	香港財務報告準則(修訂)	二零零九年香港財務報告準則之改進
HKAS 27 (Revised)	Consolidated and Separate Financial Statements	香港會計準則第27號 (經修訂)	綜合及獨立財務報表
HKAS 39 (Amendment)	Eligible Hedged Items	香港會計準則第39號(修訂)	合資格對沖項目
HKFRS 1 (Revised)	First-time Adoption of HKFRSs	香港財務報告準則第1號 (經修訂)	首次採納香港財務報告準則
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters	香港財務報告準則第1號 (修訂)	首次採納者之額外豁免
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions	香港財務報告準則第2號 (修訂)	集團之現金結算以股份為基礎之付款交易
HKFRS 3 (Revised)	Business Combinations	香港財務報告準則第3號 (經修訂)	業務合併
HK(IFRIC)-Int 17	Distributions of Non-cash Assets to Owners	香港(國際財務報告詮釋委員會) —詮釋第17號	向擁有人分派非現金資產

## 2. 主要會計政策(續)

於本中期期間,本集團首次應用下列香港會計師公會頒佈之新訂或經修訂準則、修訂及詮釋(「新訂或經修訂香港財務報告準則」)。

## 2. PRINCIPAL ACCOUNTING POLICIES (continued)

The Group applies HKFRS 3 (Revised) Business Combinations prospectively to business combinations for which the acquisition date is on or after 1 January 2010. The requirements in HKAS 27 (Revised) Consolidated and Separate Financial Statements in relation to accounting for changes in ownership interests in a subsidiary after control is obtained and for loss of control of a subsidiary are also applied prospectively by the Group on or after 1 January 2010.

As there was no transaction during the current interim period in which HKFRS 3 (Revised) and HKAS 27 (Revised) are applicable, the application of HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to other HKFRSs had no effect on the condensed consolidated financial statements of the Group for the current or prior accounting periods.

Results of the Group in future periods may be affected by future transactions for which HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to the other HKFRSs are applicable.

The amendment to HKFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” issued in 2009 as part of the Improvements to HKFRSs clarifies the disclosure required in respect of non-current assets classified as held for sale. It states that disclosure requirements of other HKFRSs do not apply to non-current assets classified as held for sale unless those HKFRSs have specific disclosure requirement in respect of such assets or disclosures relate to the measurement of an individual asset which follows other HKFRSs and the information is not disclosed elsewhere in the financial statements.

The application of the other new and revised HKFRSs had no effect on the financial report of the Group for the current or prior accounting periods.

## 2. 主要會計政策 (續)

本集團預先應用香港財務報告準則第3號(經修訂)「業務合併」於收購日期為二零一零年一月一日或之後之業務合併。本集團亦於二零一零年一月一日或之後預先應用香港會計準則第27號(經修訂)「綜合及獨立財務報表」中有關取得或失去附屬公司控制權後，於該附屬公司之擁有權權益變動之會計方法之規定。

於本中期期間，並無香港財務報告準則第3號(經修訂)及香港會計準則第27號(經修訂)適用之交易，故應用香港財務報告準則第3號(經修訂)及香港會計準則第27號(經修訂)及其他香港財務報告準則之相應修訂對本集團目前或過往會計期間之簡明綜合財務報表並無構成影響。

本集團於未來期間之業績可能受香港財務報告準則第3號(經修訂)、香港會計準則第27號(經修訂)及其他香港財務報告準則之相應修訂適用之未來交易所影響。

香港財務報告準則第5號之修訂「持作出售之非流動資產及已中止業務」於二零零九年頒佈，作為香港財務報告準則之改進部份，用作澄清有關被分類為持作出售之非流動資產之規定披露。該修訂指出其他香港財務報告準則之披露規定並不適用於被分類為持作出售之非流動資產，除非該等香港財務報告準則設有關於該等資產之特定披露規定或與其他香港財務報告準則適用之個別資產計量有關之披露，而該等資料並無於財務報表另作披露。

應用其他新訂及經修訂香港財務報告準則對本集團目前或過往會計期間之財務報告並無影響。

## 2. PRINCIPAL ACCOUNTING POLICIES (continued)

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

HKFRSs (Amendments)	Improvements to HKFRSs 2010 <sup>1</sup>
HKAS 24 (Revised)	Related Party Disclosures <sup>4</sup>
HKAS 32 (Amendment)	Classification of Rights Issues <sup>2</sup>
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters <sup>3</sup>
HKFRS 9	Financial Instruments <sup>5</sup>
HK(IFRIC)-Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement <sup>4</sup>
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate

<sup>2</sup> Effective for annual periods beginning on or after 1 February 2010

<sup>3</sup> Effective for annual periods beginning on or after 1 July 2010

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2011

<sup>5</sup> Effective for annual periods beginning on or after 1 January 2013

## 2. 主要會計政策 (續)

本集團並未提早採納以下已頒布但尚未生效之新訂或經修訂準則、修訂或詮釋：

香港財務報告準則 (修訂)	二零一零年香港財務報告準則之改進 <sup>1</sup>
香港會計準則第24號 (經修訂)	關連方披露 <sup>4</sup>
香港會計準則第32號 (修訂)	供股分類 <sup>2</sup>
香港財務報告準則第1號 (修訂)	首次採納者有關香港財務報告準則第7號比較披露資料之有限豁免 <sup>3</sup>
香港財務報告準則第9號	財務工具 <sup>5</sup>
香港 (國際財務報告詮釋委員會) – 詮釋第14號 (修訂)	最低資金要求之預付款 <sup>4</sup>
香港 (國際財務報告詮釋委員會) – 詮釋第19號	以股本工具抵消財務負債 <sup>3</sup>

<sup>1</sup> 於二零一零年七月一日及二零一一年一月一日 (按倘適用情況) 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

## 2. PRINCIPAL ACCOUNTING POLICIES (continued)

HKFRS 9 Financial Instruments introduces new requirements for the classification and measurement of financial assets and will be effective from 1 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 other new and revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

## 2. 主要會計政策 (續)

香港財務報告準則第9號財務工具引入有關財務資產分類及計量之新規定，並將於二零一三年一月一日起生效，並可提早應用。該準則規定，在香港會計準則第39號「財務工具：確認及計量」範疇內之所有已確認財務資產應按攤銷成本或公允價值計量。特別是，(i)以旨在收取訂約現金流量之業務模式持有及(ii)具有純粹為支付尚未償還本金額之本金及利息之訂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則按公允價值計量。應用香港財務報告準則第9號或會影響本集團財務資產之分類及計量。

本公司董事預期，應用其他新訂及經修訂準則、修訂或詮釋將不會對本集團之業績及財務狀況造成任何重大影響。

## 3. SEGMENT INFORMATION

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

## 3. 分類資料

以下為回顧期內本集團按經營分部劃分之收益及業績分析：

		<b>Six months ended 30 June</b> 截至六月三十日止六個月			
		<b>2010</b> 二零一零年 <b>Unaudited</b> 未經審核		2009 二零零九年 Unaudited 未經審核	
		<b>Turnover</b> <b>HK\$'000</b>	<b>Segment (loss) profit</b> <b>HK\$'000</b>	Turnover HK\$'000	Segment profit (loss) HK\$'000
		營業額 千港元	分類 (虧損)溢利 千港元	營業額 千港元	分類 溢利(虧損) 千港元
<b>Operating segments</b>	<b>經營分部</b>				
Remanufacture and sale of computer printing and imaging products	環保再造及銷售電腦打印及影像產品	<b>46,578</b>	<b>(44,018)</b>	116,480	36,285
Manufacture and sale of data media products	製造及銷售數據媒體產品	<b>31,217</b>	<b>(1,869)</b>	18,694	1,790
Distribution of data media products	分銷數據媒體產品	<b>6,022</b>	<b>1,314</b>	6,393	(2,796)
Trading of minerals	買賣礦產品	<b>16,004</b>	<b>782</b>	-	-
		<b>99,821</b>	<b>(43,791)</b>	141,567	35,279
Unallocated operating expenses	未分配經營開支		<b>(64,404)</b>		(33,987)
Change in fair value of derivative and embedded derivative components of a convertible bond	衍生工具及可換股債券之嵌入式衍生工具部份之公允價值變動		<b>(12,457)</b>		7,979
Finance costs	財務費用		<b>(17,488)</b>		(21,679)
Loss before taxation	稅前虧損		<b>(138,140)</b>		(12,408)

Segment (loss) profit represents the (loss) profit attributable to each segment without allocation of administrative expenses, share-based payment expenses, directors' emoluments, change in fair value of derivative and embedded derivative components of a convertible bond and finance costs. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and performance assessment.

分部(虧損)溢利代表各分部應佔之(虧損)溢利,並無分配行政開支、以股份為基礎之付款費用、董事酬金、衍生工具及可換股債券之嵌入式衍生工具部份之公允價值變動及財務費用。這報告的主要目的是給經營決策者用作資源分配及績效評估用途。

### 3. SEGMENT INFORMATION (continued)

The following is an analysis of the Group's assets by operating segments:

Remanufacture and sale of computer printing and imaging products	環保再造及銷售電腦打印及影像產品	<b>224,485</b>	274,325
Manufacture and sale of data media products	製造及銷售數據媒體產品	<b>40,980</b>	61,751
Distribution of data media products	分銷數據媒體產品	<b>6,971</b>	6,672
Trading of minerals	買賣礦產品	<b>95,242</b>	–
Unallocated corporate assets	未分配公司資產	<b>22,815</b>	49,035
Total segment assets	總分部資產	<b>390,493</b>	391,783

All assets are allocated to reportable segments other than deferred tax assets, tax recoverable, consideration receivable for the disposal of subsidiaries and early redemption option of a convertible bond.

### 3. 分類資料(續)

以下為本集團按經營分部劃分之資產分析：

<b>30 June 2010 Unaudited HK\$'000 二零一零年 六月三十日 未經審核 千港元</b>	31 December 2009 Audited HK\$'000 二零零九年 十二月三十一日 經審核 千港元
<b>224,485</b>	274,325
<b>40,980</b>	61,751
<b>6,971</b>	6,672
<b>95,242</b>	–
<b>367,678</b>	342,748
<b>22,815</b>	49,035
<b>390,493</b>	391,783

所有資產已分配至遞延稅項資產、可收回稅項、出售附屬公司之可收回代價及可換股債券之提早贖回權以外之可呈報分部。

## 4. IMPAIRMENT LOSSES

Impairment losses on	減值虧損
– property, plant and equipment	– 物業、廠房及設備
– trade and other receivables	– 貿易及其他應收款項

## 4. 減值虧損

## Six months ended 30 June

截至六月三十日止六個月

2010 Unaudited HK\$'000 二零一零年 未經審核 千港元	2009 Unaudited HK\$'000 二零零九年 未經審核 千港元
688	–
8,791	–
<b>9,479</b>	–

## 5. LOSS BEFORE TAXATION

Loss before taxation has been arrived at after charging:	稅前虧損已扣除下列各項：
Amortisation of intangible assets	無形資產攤銷
Depreciation of property, plant and equipment	物業、廠房及設備折舊
Cost of inventories recognised as an expense	確認為開支之存貨成本
Impairment losses on inventories (included in cost of sales)	存貨之減值虧損 (計入銷售成本)

## 5. 稅前虧損

## Six months ended 30 June

截至六月三十日止六個月

2010 Unaudited HK\$'000 二零一零年 未經審核 千港元	2009 Unaudited HK\$'000 二零零九年 未經審核 千港元
5,480	4,935
7,641	4,156
82,164	64,469
<b>10,956</b>	–

## 6. INCOME TAX EXPENSE

The charge comprises:	支出包括：
Profits tax for the period	期內利得稅
Hong Kong	香港
Overseas	海外

Hong Kong Profits Tax is calculated at 16.5% (2009: 16.5%) of the estimated assessable profits for the period.

Overseas taxation is calculated at the rates prevailing in the respective jurisdiction.

## 7. INTERIM DIVIDEND

No dividends were paid, declared or proposed during the reported period. The directors do not recommend the payment of an interim dividend. (2009: Nil)

## 6. 所得稅開支

## Six months ended 30 June

截至六月三十日止六個月

<b>2010</b>	2009
<b>Unaudited</b>	Unaudited
<b>HK\$'000</b>	HK\$'000
二零一零年	二零零九年
未經審核	未經審核
千港元	千港元
-	70
<b>2</b>	28
<b>2</b>	98

香港利得稅乃按期內之估計應課稅溢利之16.5% (二零零九年: 16.5%) 計算。

海外稅項乃按支付有關司法權區之現行稅率計算。

## 7. 中期股息

報告期內並無派付、宣派或建議派付任何股息。董事並不建議派付中期股息。(二零零九年: 無)



## 8. LOSS PER SHARE

## (i) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to owners of the Company of HK\$137,914,000 (30 June 2009: HK\$12,500,000) and the weighted average of 1,323,858,231 ordinary shares (30 June 2009: 808,003,484 ordinary shares) in issue during the period, calculated as follows:

**Weighted average number of ordinary shares**

Issued ordinary shares at beginning of period	期初已發行普通股	
Effect of new shares issued under share option scheme	根據購股權計劃發行之新股份之影響	
Effect of new shares issued on conversion of convertible bonds	兌換可換股債券而發行之新股份之影響	
Effect of new shares issued on exercise of warrants	行使認股權證而發行之新股份之影響	
Effect of new shares issued under subscription shares	根據認購股份發行之新股份之影響	
Weighted average number of ordinary shares at end of period	期終加權平均普通股數目	

## 8. 每股虧損

## (i) 每股基本虧損

每股基本虧損乃根據本公司擁有人應佔虧損137,914,000港元(二零零九年六月三十日: 12,500,000港元)及期內已發行之1,323,858,231股普通股之加權平均數(二零零九年六月三十日: 808,003,484股普通股)計算如下:

**加權平均普通股數目**

<b>30 June 2010</b>	30 June 2009
<b>Number of shares</b>	Number of shares
<b>二零一零年六月三十日股份數目</b>	<b>二零零九年六月三十日股份數目</b>
<b>1,093,098,505</b>	798,786,817
<b>430,959</b>	–
<b>31,835,616</b>	–
–	4,066,667
<b>198,493,151</b>	5,150,000
<b>1,323,858,231</b>	808,003,484

## 8. LOSS PER SHARE (continued)

**(ii) Diluted loss per share**

The calculation of diluted loss per share for the period ended 30 June 2009 and 2010 does not assume the conversion of a subsidiary's convertible bond. The directors of the Company consider that the value of the subsidiary is lower than the exercise price as the subsidiary had consolidated net liabilities as at 30 June 2010 and 30 June 2009.

The diluted loss per share for the period ended 30 June 2010 is the same as the basic loss per share as the conversion of the Company's outstanding convertible bonds and share option would result in a decrease in basic loss per share. The diluted loss per share for the period ended 30 June 2009 is the same as the basic loss per share as the conversion of the Company's outstanding convertible bonds, share option and warrants would result in a decrease in basic loss per share.

## 8. 每股虧損(續)

**(ii) 每股攤薄虧損**

截至二零零九年及二零一零年六月三十日止期間每股攤薄虧損之計算並無假設兌換一間附屬公司之可換股債券。本公司董事認為附屬公司之價值低於行使價，因為該附屬公司於二零一零年六月三十日及二零零九年六月三十日錄得綜合負債淨值。

截至二零一零年六月三十日止期間每股攤薄虧損與每股基本虧損相同，原因為兌換本公司之未行使可換股債券以及購股權將導致每股基本虧損減少。截至二零零九年六月三十日止期間每股攤薄虧損與每股基本虧損相同，原因為兌換本公司之未行使可換股債券、購股權及認股權證將導致每股基本虧損減少。

## 9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the period, the Group spent approximately HK\$9,526,000 (year ended 31 December 2009: HK\$32,316,000) on the purchase of the property, plant and equipment.

During the period, the Group disposed of certain motor vehicles with a carrying amount of HK\$131,000 for cash proceeds of HK\$217,000, resulting in a profit on disposal of HK\$86,000.

As at 30 June 2010, the directors considered the carrying amount of the Group's leasehold land and buildings carried at revalued amounts and estimated that the carrying amounts do not differ significantly from that which would be determined using fair values as at 31 December 2009. Consequently, no revaluation surplus or deficit has been recognised in the current period.

During the six months ended 30 June 2010, the directors of the Company conducted a review of the Group's assets related to the remanufacture and sale of computer printing and imaging products segment. There are no impairment recognised in respect of plant and machinery, furniture, fixtures and equipment and motor vehicle, which are used in the remanufacture and sale of computer printing and imaging products segment. The recoverable amounts of the relevant assets have been determined on the basis of their value in use. The discount rates in measuring the amounts of value in use were 12% in relation to the assets.

## 9. 物業、廠房及設備之變動

在此期間，本集團動用約9,526,000港元（截至二零零九年十二月三十一日：32,316,000港元）購買物業、廠房及設備。

在此期間，本集團出售賬面值131,000港元之若干汽車，現金收益為217,000港元，獲得出售利潤86,000港元。

於二零一零年六月三十日，董事已根據本集團租賃土地及樓宇按重估後之賬面值，估計賬面值與於二零零九年十二月三十一日公允價值沒有顯著差異，因此，沒有重估盈餘或赤字於本時期獲確認。

截至二零一零年六月三十日止六個月期間，本公司董事對本集團循環再造及銷售電腦打印及影像產品之相關資產進行檢討，用於循環再造及銷售電腦打印及影像產品分部之廠房及機器、傢俬、裝置及設備以及汽車，並無減值虧損。有關資產之可收回金額，以其使用價值為基礎而釐定。釐定使用價值之折扣率為資產之12%。

## 9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT (continued)

During the year ended 31 December 2009, the directors of the Company conducted a review of the Group's assets related to the remanufacture and sale of computer printing and imaging products segment that a number of those assets were impaired, due to continuous decrease in demand. Accordingly, impairment loss of HK\$16,428,000 has been recognised in respect of plant and machinery, which are used in the remanufacture and sale of computer printing and imaging products segment. The recoverable amounts of the relevant assets have been determined on the basis of their value in use. The discount rates in measuring the amounts of value in use were 12% in relation to the assets.

## 10. MOVEMENTS IN INTANGIBLE ASSETS

During the six months ended 30 June 2010, the directors of the Company conducted a review of the Group's intangible assets and determined that there are no impairment on development costs, technical know-how and distribution channels based on the estimated recoverable amounts with reference to their value in use. The value in use was determined based on the estimated future cash flows discounted at a rate of 12% per annum.

During the year ended 31 December 2009, the directors of the Company conducted a review of the Group's intangible assets and determined that certain development costs, technical know-how and distribution channels were impaired based on the estimated recoverable amounts with reference to their value in use. The value in use was determined based on the estimated future cash flows discounted at a rate of 12% per annum. Accordingly, impairment losses of HK\$16,019,000, HK\$8,317,000 and HK\$11,789,000 respectively have been recognised in respect of development cost, technical know-how and distribution channels.

## 9. 物業、廠房及設備之變動 (續)

截至二零零九年十二月三十一日止年度，本公司董事對本集團循環再造及銷售電腦打印及影像產品之相關資產進行檢討，部分資產由於需求持續下降因而減值。因此，用於循環再造及銷售電腦打印及影像產品之廠房及機器，已確認減值虧損16,428,000港元。有關資產之可收回金額，以其使用價值為基礎而釐定。釐定使用價值之折扣率為資產之12%。

## 10. 無形資產之變動

截至二零一零年六月三十日止六個月期間，本公司董事對本集團無形資產進行檢討，根據使用價值計出可收回金額，確定開發成本、技術訣竅及分銷渠道並無減值虧損。該值乃根據預計未來現金流量折現率每年12%估量。

截至二零零九年十二月三十一日止年度期間，本公司董事對本集團無形資產進行檢討，根據使用價值計出可收回金額，確定若干開發成本、技術訣竅及分銷渠道被減值。該值乃根據預計未來現金流量折現率每年12%估量，因此，有關開發成本、技術訣竅及分銷渠道，確認之減值虧損分別為16,019,000港元、8,317,000港元及11,789,000港元。

## 11. TRADE AND OTHER RECEIVABLES

Trade and bill receivables	貿易應收款項及應收票據
Less: Impairment loss recognised on trade receivable	減：就貿易應收款項已確認之減值虧損
Other deposits, prepayments and other receivables	其他按金、預付款項及其他應收款項

The Group allows an average credit period of 30 to 120 days to its trade customers (for the year ended 31 December 2009: 60 to 180 days). The ageing analysis of trade and bill receivables that are neither individually nor collectively considered to be impaired are as follows:

Neither past due nor impaired	未逾期亦未減值
Less than 3 months past due	逾期少於三個月
3 to 6 months past due	逾期三至六個月
Over 6 months past due	逾期六個月以上

## 11. 貿易及其他應收款項

30 June 2010 Unaudited HK\$'000 二零一零年 六月三十日 未經審核 千港元	31 December 2009 Audited HK\$'000 二零零九年 十二月三十一日 經審核 千港元
50,015	64,040
(18,685)	(9,896)
<b>31,330</b>	54,144
57,593	13,537
<b>88,923</b>	67,681

本集團給予其貿易客戶之平均信貸期為30至120天(截至二零零九年十二月三十一日止年度：60至180天)。並無被個別或共同視作減值之貿易應收款項及應收票據賬齡分析如下：

30 June 2010 Unaudited HK\$'000 二零一零年 六月三十日 未經審核 千港元	31 December 2009 Audited HK\$'000 二零零九年 十二月三十一日 經審核 千港元
14,093	11,882
6,163	7,313
634	297
10,440	34,652
17,237	42,262
<b>31,330</b>	54,144

## 11. TRADE AND OTHER RECEIVABLES (continued)

As at 30 June 2010, included in other deposits, prepayment and other receivables of HK\$39,000,000 (equivalent to US\$5,000,000) represented the refundable deposits of acquisition of 100% of the entire issued share capital of SE Metal Resource Corp.

## 12. NON-CURRENT ASSETS HELD FOR SALE

On 27 April 2010 and 8 June 2010, subsidiaries of the Company entered into sales agreements with the independent third parties for the disposal of office buildings to the independent third parties for a consideration of HK\$17,200,000. The assets that are expected to be sold within twelve months have been classified as non-current assets held for sales and are separately presented in the condensed consolidated statement of financial position.

The net carrying amount of the above assets are expected to exceed the proceeds of disposal and accordingly, impairment loss of HK\$688,000, has been recognised in respect of the office buildings.

## 11. 貿易及其他應收款項 (續)

於二零一零年六月三十日，計入其他按金、預付款項及其他應收款項之39,000,000港元（相當於5,000,000美元）乃收購SE Metal Resource Corp之全部已發行股本之可退還按金。

## 12. 待售非流動資產

於二零一零年四月二十七日及二零一零年六月八日，本公司附屬公司與獨立第三方簽訂了銷售協議，出售辦公大樓予獨立第三方，代價金額為17,200,000港元。該預計於十二個月內出售之資產，已介定為非流動待售資產，獨立載於簡明綜合財務狀況表。

上述資產賬面淨值預計將超過出售之收入，因此，有關辦公大樓之減值虧損688,000港元已被確認。

## 13. TRADE AND OTHER PAYABLES

Trade and bill payables	貿易應付款項及應付票據
Accruals and other payables	預提費用及其他應付款項
Amount due to a related company	應付關連公司款項
Amounts due to directors	應付董事款項

The amount due to a related company, Titron Industries Limited ("Titron"), in which Yip Wai Lun, Alvin ("Mr. Yip") being the common director, is unsecured, interest-free and repayable on demand.

Amounts due to directors were unsecured, interest-free and repayable on demand.

The aged analysis of trade and bill payables presented based on the invoice date at the end of the reporting period is as follows:

By date of invoice:	按發票日期:
Within 3 months	三個月內
Over 3 months but within 6 months	三至六個月
Over 6 months but within 9 months	六至九個月
Over 9 months but within 12 months	九至十二個月
Over 1 year	超過一年

## 13. 貿易及其他應付款項

<b>30 June 2010</b> <b>Unaudited</b> <b>HK\$'000</b> 二零一零年 六月三十日 未經審核 千港元	31 December 2009 Audited HK\$'000 二零零九年 十二月三十一日 經審核 千港元
<b>22,933</b>	35,404
<b>29,220</b>	41,200
<b>377</b>	1,999
<b>-</b>	720
<b>52,530</b>	<b>79,323</b>

應付關連公司Titron Industries Limited (「Titron」) (葉偉倫先生(「葉先生」)為共同董事)之款項乃無抵押及免息，並須應要求付還。

應付董事款項乃無抵押及免息，並須應要求付還。

以下為於報告期末按發票日期呈列之貿易應付款項及應付票據之賬齡分析：

<b>30 June 2010</b> <b>Unaudited</b> <b>HK\$'000</b> 二零一零年 六月三十日 未經審核 千港元	31 December 2009 Audited HK\$'000 二零零九年 十二月三十一日 經審核 千港元
<b>16,960</b>	25,536
<b>1,661</b>	4,298
<b>1,319</b>	4,580
<b>2,566</b>	685
<b>427</b>	305
<b>22,933</b>	<b>35,404</b>

## 14. SHARE CAPITAL

## 14. 股本

		<b>Number of shares</b>	<b>Amount</b>
		'000	HK\$'000
		股份數目	金額
		千股	千港元
<b>Authorised:</b>	<b>法定：</b>		
Ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股		
At 1 January 2009,	於二零零九年一月一日、		
31 December 2009 and	二零零九年十二月三十一日		
30 June 2010	及二零一零年六月三十日	2,000,000	200,000
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>		
At 1 January 2009	於二零零九年一月一日	798,787	79,879
Shares issued under share option scheme	根據購股權計劃發行之股份	(a) 13,744	1,374
Shares issued on exercise of warrants	行使認股權證而發行之股份	(b) 121,568	12,157
Issue of subscription shares	發行認購股份	(c) 159,000	15,900
At 31 December 2009	於二零零九年十二月三十一日	1,093,099	109,310
Shares issued under share option scheme	根據購股權計劃發行之股份	(d) 650	65
Shares issued on conversion of convertible bonds	兌換可換股債券而發行之股份	(e) 40,000	4,000
Issue of subscription shares	發行認購股份	(f) 210,000	21,000
At 30 June 2010	於二零一零年六月三十日	1,343,749	134,375



## 14. SHARE CAPITAL (continued)

- (a) On 11 September 2009, options were exercised to subscribe for 13,744,000 ordinary shares in the Company at a consideration of HK\$2,172,000 of which HK\$1,374,000 was credited to share capital and the balance of HK\$798,000 was credited to the share premium account. HK\$1,319,000 was transferred from the capital reserve to the share premium account.
- (b) During the year ended 31 December 2009, warrants were exercised to subscribe for 65,250,000 ordinary shares at exercise price of HK\$0.13 per share and 56,317,689 ordinary shares at exercise price of HK\$0.554 per share, at total consideration of HK\$39,682,000 of which HK\$12,157,000 was credited to share capital and the balance of HK\$27,525,000 was credited to the share premium account. The equity component of the warrants HK\$2,729,000 was transferred from the capital reserve to the share premium account.
- (c) On 11 February 2009, Sun Union Enterprises Limited ("Sun Union"), a substantial shareholder of the Company, entered into a placing agreement and agreed to place a maximum of 80,000,000 existing shares of the Company at HK\$0.30 per share to independent third parties. Sun Union also entered into a subscription agreement with the Company and agreed to subscribe a maximum of 80,000,000 new ordinary shares of HK\$0.10 each in the share capital of the Company at the subscription price of HK\$0.30 per share. The subscription price of HK\$0.30 representing a premium of approximately 9.09% over the closing market price of the Company's share on 10 February 2009.

## 14. 股本 (續)

- (a) 於二零零九年九月十一日，購股權獲行使以認購本公司13,744,000股普通股，代價為2,172,000港元，其中1,374,000港元計入股本，而餘下之798,000港元計入股份溢價賬。1,319,000港元已由資本儲備轉撥至股份溢價賬。
- (b) 於截至二零零九年十二月三十一日止年度，認股權證獲行使，以每股行使價0.13港元認購65,250,000股普通股及以每股行使價0.554港元認購56,317,689股普通股，總代價為39,682,000港元，其中12,157,000港元計入股本，而餘下之27,525,000港元計入股份溢價賬。認購權證權益部份2,729,000港元已由資本儲備轉撥至股份溢價賬。
- (c) 於二零零九年二月十一日，本公司之主要股東Sun Union Enterprises Limited (「Sun Union」)訂立一項配售協議，同意按每股0.30港元之價格配售最多80,000,000股本公司之現有股份予獨立第三方。Sun Union亦與本公司訂立一項認購協議，同意按每股0.30港元之認購價，認購最多80,000,000股本公司股本中每股面值0.10港元之新普通股。0.30港元之認購價較本公司股份於二零零九年二月十日之收市價溢價約9.09%。

## 14. SHARE CAPITAL (continued)

- (d) During the period ended 30 June 2010, options were exercised to subscribe for 650,000 ordinary shares in the Company at a consideration of HK\$511,000 of which HK\$65,000 was credited to share capital and the balance of HK\$446,000 was credited to the share premium account.
- (e) During the period ended 30 June 2010, convertible bonds amounting to HK\$10,000,000 were converted into 40,000,000 ordinary shares at the fixed conversion price of HK\$0.25 per share.
- (f) On 18 January 2010, the Company allotted and issued an aggregate of 210,000,000 ordinary shares by way of placing to independent investors at a price of HK\$0.95 per share. The net proceeds after net of share issue expense of approximately HK\$193,515,000 were used for the acquisition of the entire issued share capital of SE Metal Resource Corp and general working capital.

All shares issued during 2010 and 2009 rank pari passu with the then existing shares in issue in all respects.

## 14. 股本(續)

- (d) 於截至二零一零年六月三十日止期間，購股權獲行使以認購本公司650,000股普通股，代價為511,000港元，其中65,000港元計入股本，而餘下之446,000港元計入股份溢價賬。
- (e) 於截至二零一零年六月三十日止期間，金額為10,000,000港元之可換股債券以固定換股價每股0.25港元兌換為40,000,000股普通股。
- (f) 於二零一零年一月十八日，本公司以按每股0.95港元之價格向獨立投資者進行配售之方式配發及發行合共210,000,000股普通股。於扣除股份發行開支後之所得款項淨額約為193,515,000港元，用作收購SE Metal Resource Corp之全部已發行股本及用作一般營運資金。

於二零一零年及二零零九年已發行之全部股份與當時已發行之現有股份在各方面均享有同等權益。

## 15. NOTES PAYABLE AND UNLISTED WARRANTS

## 15. 應付票據及非上市認股權證

**(i) Unlisted Warrants issued in 2006**

On 24 March 2006, pursuant to several subscription agreements entered into between the Company and certain independent third parties (the "Subscribers"), the Company issued, at zero consideration, to the Subscribers 137,484,000 unlisted warrants of the Company conferring rights entitling the holders to subscribe for up to \$17,872,920 in aggregate in cash for 137,484,000 new shares of \$0.10 each of the Company at an initial subscription price of \$0.13 per share. The Warrants were exercisable within a period of three years from 24 March 2006 to 23 March 2009. 72,234,000 of these warrants were exercised during the year ended 31 December 2007 and the remaining 65,250,000 of these warrants were exercised during the year ended 31 December 2009.

**(ii) Secured Notes and Unlisted Warrants issued in 2007**

Pursuant to a subscription agreement (the "2007 Subscription Agreement") entered into between the Company and Martin Currie China Hedge Fund L.P. ("Martin Currie") on 14 June 2007, the Company issued, and Martin Currie subscribed for, notes (the "Secured Notes") in the aggregate principal of \$78 million on 27 June 2007. The Secured Notes carried interest at a fixed rate of 10% per annum and were repayable by 27 June 2010. The Secured Notes was redeemed during the period ended 30 June 2009 pursuant to a subscription agreement in relation to the issue of convertible bonds, at HK\$79,950,000 which included the principal amount of the Secured Notes plus accrued interests.

**(i) 於二零零六年發行之非上市認股權證**

於二零零六年三月二十四日，根據本公司與若干獨立第三方（「認購人」）訂立之數份認購協議，本公司無償向認購人發行137,484,000份本公司之非上市認股權證，該等認股權證賦予持有人權利，可按初步認購價每股0.13港元，以現金認購本公司股本中每股面值0.10港元之新股137,484,000股，即合共最多達17,872,920港元。該等認股權證可自二零零六年三月二十四日至二零零九年三月二十三日止三年內行使。截至二零零七年十二月三十一日止年度，當中72,234,000份認股權證獲行使，其餘65,250,000份認股權證於截至二零零九年十二月三十一日止年度獲行使。

**(ii) 於二零零七年發行之有抵押票據及非上市認股權證**

根據本公司與Martin Currie China Hedge Fund L.P.（「Martin Currie」）於二零零七年六月十四日訂立之認購協議（「二零零七年認購協議」），本公司於二零零七年六月二十七日發行（Martin Currie認購）總本金額為78,000,000港元之票據（「有抵押票據」）。有抵押票據按固定年息率10厘計息，並須於二零一零年六月二十七日前償還。根據有關發行可換股債券之認購協議，截至二零零九年六月三十日止期間，有抵押票據以79,950,000港元被贖回，其中包括有抵押債券之本金額及累算利息。

## 15. NOTES PAYABLE AND UNLISTED WARRANTS (continued)

### (ii) Secured Notes and Unlisted Warrants issued in 2007 (continued)

In addition, on 27 June 2007, pursuant to the 2007 Subscription Agreement, the Company issued, at zero consideration, to Martin Currie 56,317,689 unlisted warrants of the Company conferring rights entitling the holders to subscribe for up to \$31,200,000 in aggregate in cash for 56,317,689 new shares of \$0.10 each of the Company at an initial subscription price of \$0.554 per share. The warrants were detachable and exercisable within a period of two and half years from 28 December 2007 to 27 June 2010. During the year ended 31 December 2009, all unlisted warrants were exercised.

### (iii) Guaranteed notes issued in 2008

Pursuant to a subscription agreement entered into between the Company and Martin Currie on 6 October 2008, the Company issued, and Martin Currie subscribed for, notes (the "Guaranteed Notes") in the aggregate principal of HK\$31,200,000. The Guaranteed Notes carried interest at a fixed rate of 15% per annum and were repayable by 27 June 2010. The Guaranteed Notes were guaranteed by a substantial shareholder of the Company. The Guaranteed Notes were redeemed during the period ended 30 June 2010.

## 15. 應付票據及非上市認股權證 (續)

### (ii) 於二零零七年發行之有抵押票據及非上市認股權證 (續)

此外，於二零零七年六月二十七日，根據二零零七年認購協議，本公司無償向Martin Currie發行56,317,689份本公司之非上市認股權證，該等認股權證賦予持有人權利，可按初步認購價每股0.554港元，以現金認購本公司股本中每股面值0.10港元之新股56,317,689股，即合共最多達31,200,000港元。該等認股權證可自二零零七年十二月二十八日至二零一零年六月二十七日止兩年半內分拆行使。截至二零零九年十二月三十一日止年度，此等認股權證全獲行使。

### (iii) 二零零八年發行之保證票據

根據本公司與Martin Currie於二零零八年十月六日訂立之認購協議，本公司發行而Martin Currie則認購總金額為31,200,000港元之票據（「保證票據」）。保證票據按固定年息率15厘計息，並須於二零一零年六月二十七日償還。保證票據由本公司主要股東作擔保。保證票據於截至二零一零年六月三十日止期間被贖回。

## 16. CONVERTIBLE BONDS

- (a) On 6 April 2009, Ugent Holdings Limited (“Ugent”), a wholly-owned subsidiary of the Group, issued to an independent third party a convertible bond at nominal value of HK\$177,000,000 (“Ugent CB”). The Ugent CB is denominated in Hong Kong dollars. The Ugent CB entitles the holder to convert it into ordinary shares of Ugent at any time between the date of issue of the Ugent CB and its maturity date on 5 April 2012 at initial conversion price of HK\$41,300 per share, and subject to adjustments. If the Ugent CB has not been converted, it would be redeemed on 5 April 2012 at the nominal value. Interest of 12% per annum will be paid semi-annually on every 31 March and 30 September.

Ugent can early redeem the Ugent CB after one calendar year from the issue date at a redemption price equal to the applicable early redemption amount predetermined in the Ugent CB agreements, which is an amount equal to the principal amount of the Ugent CB plus any accrued and unpaid interest. The bondholder can request Ugent to early redeem the Ugent CB at any time upon the occurrence of a change of control in Ugent, at a redemption price equal to the applicable early redemption amount predetermined in the Ugent CB agreements. In the opinion of the directors of the Company, the Group can maintain control in Ugent throughout the period till Ugent CB’s maturity date, Ugent CB is classified as non-current liability.

The Ugent CB contains three components, liability component, conversion option derivative and early redemption option. The conversion option derivative and early redemption option are measured at fair value with changes in fair value recognised in profit or loss.

## 16. 可換股債券

- (a) 於二零零九年四月六日，Ugent Holdings Limited（「Ugent」）（本集團之全資附屬公司），發行面值177,000,000港元之可換股債券予獨立第三方（「Ugent可換股債券」）。該Ugent可換股債券以港元結算。Ugent可換股債券持有人有權於Ugent可換股債券發行日至到期日（二零一二年四月五日）之任何時間，以初步兌換價（每股41,300港元）將其兌換成Ugent普通股（可有調整）。倘Ugent可換股債券沒被兌換，其將於二零一二年四月五日以面值贖回。12%之年息將每逢三月三十一日及九月三十日每半年支付一次。

Ugent可於發行日起一歷年後，提早贖回Ugent可換股債券，贖回價等於訂定在Ugent可換股債券協議內之適用提早贖回金額，該金額亦相當於Ugent可換股債券本金加任何應計未付利息。債券持有人可在Ugent發生控制權變化時，於任何時候後要求Ugent提早贖回Ugent可換股債券，贖回價等於訂定在Ugent可換股債券協議內之適用提早贖回金額。本公司董事認為，本集團可於Ugent可換股債券到期日前，整個期間維持Ugent之控制權，Ugent可換股債券被列為非流動負債。

Ugent可換股債券包含三個組成部份，負債部份，換股權衍生工具及提早贖回選擇權。換股權衍生工具及提早贖回選擇權以其公允值計量，公允值之變動將於損益中確認。

## 16. CONVERTIBLE BONDS (continued)

(a) (continued)

The fair value of the liability component was calculated as the present value of the coupon interest payments and the redemption amount. The effective interest rate of the liability component is 12.1%. The embedded conversion option represents the fair value of the bondholders' option to convert the Ugent CB into equity of Ugent, but the conversion will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of Ugent's own equity instruments.

The fair values of the embedded conversion option and Ugent's early redemption option as at date of issue, at 31 December 2009 and at 30 June 2010 are determined based on the valuations performed by Norton Appraisals Limited, an independent firm of professionally qualified valuers, using Trinomial Option Pricing Model.

## 16. 可換股債券 (續)

(a) (續)

負債部分的公允價值計算為票面利息現值及贖回金額。負債部分實際利率為12.1%。嵌入式換股權代表了債券持有人轉換Ugent可換股債券成Ugent股權之選擇權公允價值，但兌換將以交換固定數額現金或其他Ugent權益工具之金融資產以外的方法結算。

於發行日期，二零零九年十二月三十一日及二零一零年六月三十日，嵌入式換股權及Ugent提早贖回選擇權之公允價值，乃根據獨立專業估值師普敦國際評估有限公司使用三項式期權定價模式所作之評估而釐訂。

## 16. CONVERTIBLE BONDS (continued)

(a) (continued)

The movement of the components of the Ugent CB during the year ended 31 December 2009 and period ended 30 June 2010 are set out below:

		<b>Liability component</b>	<b>Embedded conversion option</b>	<b>Early redemption option</b>	<b>Total</b>
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		負債部分	嵌入式轉換權	提早贖回權	總計
		千港元	千港元	千港元	千港元
Principal amount	於發行日期之本金額				
at the date of issue		177,000	-	-	177,000
Imputed interest expense arising	初步確認產生之				
from initial recognition	推算利息開支	3,319	-	-	3,319
Loss (gain) arising on changes	初步確認時公允價值				
in fair value on initial	變動產生之虧損(收益)				
recognition		-	69,139	(54,288)	14,851
Fair value at date of issue	於發行日期之公允價值	180,319	69,139	(54,288)	195,170
Transaction costs	交易成本	(5,090)	-	-	(5,090)
Imputed interest expenses	推算利息開支	15,925	-	-	15,925
Interest paid	已付利息	(10,502)	-	-	(10,502)
(Gain) loss arising on changes	公允價值變動產生之				
in fair value	(收益)虧損	-	(69,139)	41,831	(27,308)
At 31 December 2009	於二零零九年				
	十二月三十一日	180,652	-	(12,457)	168,195
Imputed interest expenses	推算利息開支	10,895	-	-	10,895
Interest paid	已付利息	(10,620)	-	-	(10,620)
Loss arising on changes	公允價值變動產生之虧損				
in fair value		-	-	12,457	12,457
At 30 June 2010	於二零一零年六月三十日	180,927	-	-	180,927

None of the Ugent CB had been converted into ordinary shares of Ugent during the period.

截至二零零九年十二月三十一日止年度及截至二零一零年六月三十日止期間，Ugent可換股債券組成部份之變動載列如下：

(a) (續)

期內，概無 Ugent 可換股債券轉換為 Ugent 普通股。

## 16. CONVERTIBLE BONDS (continued)

- b) On 9 September 2009, the Company issued to an independent third party a convertible bond at its nominal value of HK\$50,000,000 ("CB"). The convertible bond is denominated in Hong Kong dollars. The CB entitles the holder to convert it into ordinary shares of the Company at any time between the date of issue of the CB and its maturity date on 8 September 2011 at initial conversion price of HK\$0.25 per share, and subject to adjustments. If the CB has not been converted, it would be redeemed on 8 September 2011 at nominal value. Interest of 15% per annum will be paid on maturity.

The CB contains two components, liability and equity elements. The equity element is presented in equity heading "convertible bonds reserve". The effective interest rate of the liability component is 21.6%.

## 16. 可換股債券 (續)

- (b) 於二零零九年九月九日，本公司發行面值為50,000,000港元之可換股債券（「可換股債券」）予獨立第三方，可換股債券結算貨幣為港元。可換股債券持有人有權於可換股債券發行日至到期日（二零一一年九月八日）任何時間，以初步兌換價每股0.25港元，將其轉換成本公司普通股（可有調整）。倘可換股債券沒被兌換，其將於二零一一年九月八日以面值贖回，15%之年息將於到期日支付。

可換股債券包含兩個組成部份，負債及權益部份。權益部份於標題「可換股債券儲備」載列。負債部分實際利率為21.6%。

		<b>Liability component</b>	<b>Equity component</b>	<b>Total</b>
		HK\$'000	HK\$'000	HK\$'000
		負債部分	權益部分	總計
		千港元	千港元	千港元
Principal amount	於發行日期之本金額			
at the date of issue		45,580	4,420	50,000
Less: direct issue costs	減：直接發行成本	(192)	(19)	(211)
		45,388	4,401	49,789
Imputed interest expenses	推算利息開支	3,063	-	3,063
At 31 December 2009	於二零零九年 十二月三十一日	48,451	4,401	52,852
Converted into ordinary shares	兌換成普通股	(9,297)	(880)	(10,177)
Imputed interest expenses	推算利息開支	4,296	-	4,296
Transfer to interest payable	轉移至應付利息	(799)	-	(799)
At 30 June 2010	於二零一零年六月三十日	42,651	3,521	46,172

During the period ended 30 June 2010, the CB holder converted the CB with an aggregate nominal value of HK\$10,000,000 into 40,000,000 ordinary shares of HK\$0.10 each at the conversion price of HK\$0.25 per share.

截至二零一零年六月三十日止期間，可換股債券持有人已將總面值10,000,000港元之可換股債券，以每股面值0.10港元轉換成40,000,000港元之普通股，兌換價每股0.25港元。



## 17. CHARGES ON ASSETS

**(i) Leasehold land and buildings pledged**

As at 30 June 2010, certain of the Group's leasehold land and buildings with the net book value of approximately HK\$17,200,000 (31 December 2009: HK\$18,050,000) was pledged as security for certain bank borrowings granted to the Group.

**(ii) Property, plant and equipment held under finance leases**

At the end of the reporting period, the net book value of property, plant and equipment held under finance leases of the Group was HK\$8,061,000 (31 December 2009: HK\$24,788,000).

**(iii) Share charge for a subsidiary**

Upon issue of the Convertible Bonds on 6 April 2009, the Group charged 100% of the issued share capital of a subsidiary of the Company to secure the performance of the Subsidiary under the Convertible Bonds. Details of the principal terms are set out in note 16(a) to the interim condensed consolidated financial statements.

## 17. 資產抵押

**(i) 抵押租賃土地及樓宇**

於二零一零年六月三十日，本集團若干租賃土地及樓宇之賬面淨值約為17,200,000港元（二零零九年十二月三十一日：18,050,000港元），乃用作抵押若干銀行授予本集團貸款之用。

**(ii) 根據融資租約持有之物業、廠房及設備**

於報告期終，根據融資租約持有之本集團物業、廠房及設備之賬面淨值為8,061,000港元（二零零九年十二月三十一日：24,788,000港元）。

**(iii) 附屬公司之股份抵押**

於二零零九年四月六日發行可換股債券後，本集團已抵押本公司附屬公司之全數已發行股本，以就附屬公司履行可換股債券項下之責任提供擔保。主要條款之詳情載於簡明綜合中期財務報表附註16(a)。

## 18. RELATED PARTY TRANSACTIONS

**(a) Key management personnel remuneration**

Short-term employee benefits      短期僱員福利

**(b) Other related party transactions**

Other than the amounts due to related companies and directors as disclosed in note 13, the Group entered into the following transactions with related parties:

During the period ended 30 June 2010, the Group paid rentals to Ms Chan Siu Chu, mother of the director of the Company, namely Ms Ho Yin King, Helena amounting to HK\$141,000 (Period ended 30 June 2009: HK\$141,000). The transactions were conducted on terms with reference to current market prices.

During the period ended 30 June 2010, the Group paid commission to Titron, in which Mr. Yip being the common director, amounting to HK\$2,284,000 (Period ended 30 June 2009: Nil). Mr. Yip appointed as the executive director of the Company on 31 July 2009.

## 18. 關連人士交易

**(a) 主要管理層之酬金****Six months ended 30 June**

截至六月三十日止六個月

<b>2010</b>	2009
<b>Unaudited</b>	Unaudited
<b>HK\$'000</b>	HK\$'000
二零一零年	二零零九年
未經審核	未經審核
千港元	千港元
<b>5,631</b>	9,253

**(b) 其他關連人士之交易**

除附註13所披露之應付予關連公司及董事之款項外，本集團與關連人士訂立下列交易：

截至二零一零年六月三十日止期間，本集團支付租金予陳少珠女士，陳少珠女士乃本公司董事何燕琼女士之母，合共141,000港元（截至二零零九年六月三十日止期間：141,000港元）。該等交易乃參照現行市價進行。

截至二零一零年六月三十日止期間內，本集團向Titron（葉先生為其共同股東）支付佣金2,284,000港元（截至二零零九年六月三十日：無）。因葉先生於二零零九年七月三十一日獲委任為本公司執行董事。

## 19. SHARE-BASED PAYMENTS

The Company has a share option scheme for eligible employees of the Group.

Details of specific categories of options are as follows:

	<b>Date of grant</b> 授予日期	<b>Vesting period</b> 接管期限	<b>Exercise period</b> 行使期	<b>Exercise price</b> 行使價
<b>2005</b> 二零零五年	25 January 2005 二零零五年一月二十五日	-	25 January 2005 – 24 January 2015 二零零五年一月二十五日至 二零一五年一月二十四日	HK\$0.158 0.158港元
<b>2010A</b> 二零一零年A	29 January 2010 二零一零年一月二十九日	-	29 January 2010 – 28 January 2012 二零一零年一月二十九日至 二零一二年一月二十八日	HK\$0.786 0.786港元
<b>2010B</b> 二零一零年B	29 January 2010 二零一零年一月二十九日	29 January 2010 – 28 July 2010 二零一零年一月二十九日至 二零一零年七月二十八日	29 July 2010 – 28 January 2012 二零一零年七月二十九日至 二零一二年一月二十八日	HK\$0.786 0.786港元
<b>2010C</b> 二零一零年C	29 January 2010 二零一零年一月二十九日	29 January 2010 – 28 January 2011 二零一零年一月二十九日至 二零一一年一月二十八日	29 January 2011 – 28 January 2012 二零一一年一月二十九日至 二零一二年一月二十八日	HK\$0.786 0.786港元

## 19. 以股份為基礎的支付

本公司為本集團合資格僱員提供購股權計劃。

購股權具體類別之詳細如下：

## 19. SHARE-BASED PAYMENTS (continued)

The following table discloses movements of the Company's share options held by directors and employees during the period.

		<b>Outstanding at 1 January 2010</b>	<b>Granted during the period</b>	<b>Lapsed during the period</b>	<b>Cancelled during the period</b>	<b>Exercised during the period</b>	<b>Outstanding at 30 June 2010</b>
		'000	'000	'000	'000	'000	'000
		於二零一零年 一月一日	期內授予	期內失效	期內取消	期內行使	於二零一零年 六月三十日
		尚未行使 千股	千股	千股	千股	千股	尚未行使 千股
<b>2005</b>	二零零五年	245	-	-	(52)	-	193
<b>2010A</b>	二零一零年A	-	69,140	-	-	(650)	68,490
<b>2010B</b>	二零一零年B	-	4,500	-	-	-	4,500
<b>2010C</b>	二零一零年C	-	6,000	-	-	-	6,000
		245	79,640	-	(52)	(650)	79,183

The closing price of the Company's shares immediately before 29 January 2010, the date of grant, was HK\$0.75.

The closing price of the Company's shares immediately before the date on which the options were exercised was HK\$0.74.

In the current period, share options were granted on 29 January 2010. The fair values of the options determined at the dates of grant using Trinomial Option Pricing Model were HK\$20,464,000.

下表披露本公司董事及僱員在此期間持有購股權之變動：

緊接授予日(二零一零年一月二十九日)之前，本公司股份之收市價為0.75港元。

緊接購股權獲行使的日期之前，本公司股份收市價為0.74港元。

於本期間，於二零一零年一月二十九日授出購股權。利用三項式期權定價模式，購股權於授予日期之公允價值釐定為20,464,000港元。

## 19. SHARE-BASED PAYMENTS (continued)

The following assumptions were used to calculate the fair values of share options:

Grant date share price	授出日期的股價
Exercise price	行使價
Expected life	預計期限
Expected volatility	預計波幅
Dividend yield	股息率
Risk-free interest rate	無風險利率

Trinomial Option Pricing Model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. Changes in variables and assumptions may result in changes in the fair value of the options.

At each reporting date, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in profit and loss, with a corresponding adjustment to the capital reserve.

## 19. 以股份為基礎的支付 (續)

使用以下假設計算購股權公允價值：

2010A 二零一零年A	2010B 二零一零年B	2010C 二零一零年C
HK\$0.75港元	HK\$0.75港元	HK\$0.75港元
HK\$0.786港元	HK\$0.786港元	HK\$0.786港元
2 years 年	1.5 years 年	1 years 年
69.80%	69.80%	69.80%
0%	0%	0%
0.53%	0.53%	0.53%

已採用三項式期權定價模式估計購股權公允價值。計算購股權公允價值採用之變數及假設乃根據董事之最佳估計，變數及假設之變化可能導致購股權公允價值變動。

於每個報告日期，本集團修訂其估計最終獲行使認股權證的數目。該估計修訂之影響(如有)於損益中確認，並相應調整資本儲備。

