



SUSTAINABLE FOREST HOLDINGS LIMITED*

永保林業控股有限公司

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)
Stock Code 股份代號: 723

Interim Report
中期報告 **2010**

* for identification purpose only 僅供識別



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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr LEUNG Chau Ping, Paul (Chief Executive Officer)

Mr Leandro Dos Martires GUERRA
(Chief Operating Officer)

Mr CHIU Raymond Yim (Chief Information Officer)
(retired on 31 August 2010)

Non-executive Director

Mr NG Tik Hong (appointed on 8 October 2010)

Independent Non-executive Directors

Mr LEUNG Siu Hung, Joel

Mr John Tewksbury BANIGAN

Mr KEUNG Paul Hinsum
(appointed on 27 July 2010)

Mr CHU Kin Wang, Peleus
(retired on 31 August 2010)

COMPANY SECRETARY

Mr CHAN Hon To

AUTHORIZED REPRESENTATIVES

Mr LEUNG Chau Ping, Paul

Mr CHAN Hon To

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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董事會

執行董事

梁秋平先生(行政總裁)

Leandro Dos Martires GUERRA先生
(首席營運總監)

趙炎仁先生(資訊科技總裁)
(於二零一零年八月三十一日退任)

非執行董事

吳迪康先生(於二零一零年十月八日獲委任)

獨立非執行董事

梁紹雄先生

John Tewksbury BANIGAN先生

姜顯森先生
(於二零一零年七月二十七日獲委任)

朱健宏先生
(於二零一零年八月三十一日退任)

公司秘書

陳瀚濤先生

法定代表

梁秋平先生

陳瀚濤先生

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

總辦事處及於香港之主要營業地點

香港
銅鑼灣
告士打道262號
鵬利中心3001-02室
電話 : (852) 2857 7723
圖文傳真 : (852) 2857 1723
電子郵件 : enquiry@susfor.com

SHARE REGISTRARS

Principal Registrar

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

Hong Kong Branch Registrar

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

LEGAL ADVISERS TO THE COMPANY

As to Hong Kong Law

K & L Gates
44/F., Edinburgh Tower, The Landmark
15 Queen's Road Central
Hong Kong

As to Bermuda Law

Conyers Dill & Pearman
Room 2901, One Exchange Square
8 Connaught Place, Central
Hong Kong

AUDITORS

Crowe Horwath (HK) CPA Limited

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Shanghai Commercial Bank Ltd.

WEBSITE ADDRESS

<http://www.susfor.com>
<http://www.irasia.com/listco/hk/sustainableforest>

HONG KONG STOCK EXCHANGE CODE

723

股份過戶登記處

主要股份過戶登記處

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

香港股份過戶登記分處

卓佳登捷時有限公司
香港
灣仔
皇后大道東28號
金鐘匯中心26樓

本公司之法律顧問

香港法律

高蓋茨律師事務所
香港
中環皇后大道中15號
置地廣場公爵大廈44樓

百慕達法律

Conyers Dill & Pearman
香港
中環康樂廣場8號
交易廣場一期2901室

核數師

國富浩華(香港)會計師事務所有限公司

主要往來銀行

香港上海滙豐銀行有限公司
上海商業銀行有限公司

網址

<http://www.susfor.com>
<http://www.irasia.com/listco/hk/sustainableforest>

香港聯交所代號

723

Financial Highlights

財務摘要

For the six months ended
30 September

截至九月三十日止六個月

		2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核及 經重列)	Changes 變化幅度
Operating results	經營業績			
Continuing operations	持續經營業務			
Revenue	收入	340,778	102	333,996.1%
Gross profit	毛利	238,845	28	852,917.9%
Discontinued operations	已終止業務			
Revenue	收入	-	58,609	(100.0%)
Gross loss	毛損	-	(8,773)	(100.0%)
Profit/(loss) attributable to the owners of the Company	本公司擁有人應佔溢利/(虧損)	183,442	(40,265)	555.6%
Per share information	每股資料			
Basic earnings (loss) per share (Hong Kong cents)	每股基本盈利(虧損)(港幣仙)			
Continuing operations	持續經營業務	6.71 cents 仙	(2.92) cents 仙	329.8%
Continuing and discontinued operations	持續經營業務及已終止業務	6.32 cents 仙	(5.21) cents 仙	221.3%
		At 30 September 2010 於二零一零年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2010 於二零一零年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)	Changes 變化幅度
Financial position at period/year end	於期/年終之財務狀況			
Property, plant and equipment	物業、廠房及設備	201,624	201,293	0.2%
Biological assets	生物資產	948,673	833,323	13.8%
Goodwill	商譽	1,686,883	1,686,883	-
Cash and cash equivalents	現金及現金等價物	25,745	36,820	(30.1%)
Net current assets	流動資產淨值	522,356	257,101	103.2%
Total assets	總資產	3,778,727	3,338,236	13.2%
Total interest-bearing loans	總計息貸款	15,212	506	2,906.3%
Total liabilities	總負債	834,074	831,606	0.3%
Equity attributable to the Company's owners	本公司擁有人應佔之權益	2,944,570	2,506,568	17.5%
Per share information	每股資料			
Net asset value per share	每股資產淨值	86.9 cents 仙	107.7 cents 仙	(19.3%)

Management Discussion and Analysis

管理層討論及分析

Sustainable, Responsible, Profitable

*“Humanity has the ability to make development sustainable – to ensure that it meets the needs of the present without compromising the ability of future generations to meet their own needs.” – United Nations General Assembly (1987)
Report of the World Commission on Environment and Development: Our Common Future.*

可持續發展、
承擔責任、有利可圖

「人道，可維持發展持續性—可應付目前需求，而不會減低
往後世代滿足本身需要之能力」— 聯合國大會(1987年)
世界環境與發展委員會：我們的未來



Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

For the six months ended 30 September 2010 and 2009, the Group had 5 business segments including tree felling service, sustainable forest management, Chita forests operation, building materials and real estate. An analysis of turnover for the six months ended 30 September is as follows:

財務回顧

截至二零一零年及二零零九年九月三十日止六個月，本集團之業務分為五大分部，包括伐木服務、可持續森林管理、赤塔森林業務、建材及房地產。截至九月三十日止六個月之營業額分析如下：

For the six months ended 30 September (unaudited)

截至九月三十日止六個月(未經審核)

		2010 二零一零年		2009 二零零九年		Increase (Decrease) 增加(減少)	
		HK\$'000 港幣千元	%	HK\$'000 港幣千元 (Restated) (重列)	%	HK\$'000 港幣千元	%
Continuing operations	持續經營業務						
Tree felling service	伐木服務	330,276	96.9%	-	-	330,276	100.0%
Sustainable forest management	可持續森林管理	10,502	3.1%	102	100.0%	10,400	10,196.1%
		340,778	100.0%	102	100.0%	340,676	333,996.1%
Discontinued operations	已終止業務						
Building materials	建材	-	-	57,206	97.6%	(57,206)	(100.0%)
Chita forests operation	赤塔森林業務	-	-	1,280	2.2%	(1,280)	(100.0%)
Real estate	房地產	-	-	123	0.2%	(123)	(100.0%)
		-	-	58,609	100.0%	(58,609)	(100.0%)

Turnover from continuing operations for the period ended 30 September 2010 increased to HK\$340.8 million from HK\$0.1 million for the period ended 30 September 2009. The increase is mainly because there were only two months operational results for forestry operations were included in last interim period since the acquisition date on 31 July 2009 while a full six-month of operational results from forestry operations was included in the results for the period ended 30 September 2010. Also, the tree felling services business segment only began operation in mid January 2010.

Building materials and real estate business segments were disposed of during the year ended 31 March 2010.

Net profit after tax of the Group for the period ended 30 September 2010 amounted to HK\$183.5 million. This represented a 548.7% and 210.7% increase from the net losses of HK\$40.9 million and HK\$165.7 million reported for the periods ended 30 September 2009 and 2008, respectively.

來自持續經營業務之營業額由截至二零零九年九月三十日止期間之港幣100,000元增加至截至二零一零年九月三十日止期間之港幣340,800,000元。有關增加主要由於森林業務自於二零零九年七月三十一日收購以來，計入上一個中期期間僅為兩個月之經營業績，而截至二零一零年九月三十日止期間，來自森林業務整整六個月之經營業績均計入該期間之業績內。此外，伐木服務業務分部僅於二零一零年一月中開始營運。

建材及房地產業務分部已於截至二零一零年三月三十一日止年度內出售。

本集團截至二零一零年九月三十日止期間之除稅後純利為港幣183,500,000元，分別較截至二零零九年及二零零八年九月三十日止期間之虧損淨額港幣40,900,000元及港幣165,700,000元增加548.7%及210.7%。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

Profitability

Gross profit margin for the six months ended 30 September 2010 increased to 70.1% from 45.2% for the year ended 31 March 2010. The improvement in gross margin was primarily attributable to significant harvesting costs reduction achieved in the tree felling operations relating to the hydropower plants in Rondonia, Brazil. Since April 2010, we increased competition amongst our subcontractors by introducing additional harvesters, and engaged in aggressive price reduction negotiations with the harvesters. On average, unit harvesting costs decreased by 46% after negotiations. In addition, we were able to achieve a retroactive application of the reduced rates since the beginning of the project. As a result, we enjoyed a windfall and recorded a reduction of the costs of sales of HK\$9.7 million in current interim period for reductions related to previous financial year.

Pre-tax Profit from operations for the six months ended 30 September 2010 was HK\$255.4 million, comparing to a loss from operations of HK\$17.1 million in the same period last fiscal year. Included in pre-tax profit for the current interim period was a pre-tax gain arising from increase in fair value of biological assets of HK\$71.0 million. The modest gain was mainly due to a slight increase in average log prices during the months from April to September 2010.

Operational pre-tax profit, if the gain from increase in fair value of biological assets was excluded, was HK\$184.4 million for the six months ended 30 September 2010. Operational pre-tax profit, excluding the gain from fair value increase of biological assets, for the full year ended 31 March 2010 totaled HK\$71.2 million. This represents a 159.0% increase from the full year results of our last financial year without annualization.

Sustainability

We continue to be committed to creating long-term value and sustainable growth through responsible, sustainable practices throughout our operations. During the interim period, we began working closely with local governments in the Amazon region to develop various programs to promote the local timber industry and create employment. Some of the programs under development include looking at using home grown technology to produce environmentally friendly charcoal and pellets from wood waste for use in the steel industry in Brazil and as alternatives to coal in industrial power plants for export, respectively.

業務回顧

溢利水平

截至二零一零年九月三十日止六個月之毛利率由截至二零一零年三月三十一日止年度之45.2%增加至70.1%。毛利率改善主要由於有關巴西朗多尼亞水力發電廠之伐木業務之大額伐木成本得以減少。自二零一零年四月，本集團透過增加引入伐木分包商來加劇彼等互相之間的競爭，從而達到迫使分包商大幅降價之議價能力。經磋商後，單位伐木成本平均減少46%。此外，本集團能將經調減之收費追溯至項目開始時生效。因此，於本中期期間，本集團得到意外收穫，銷售成本較上個財政年度減少港幣9,700,000元。

截至二零一零年九月三十日止六個月之稅前溢利為港幣255,400,000元，上個財政年度同期則為經營虧損港幣17,100,000元。本中期期間的稅前溢利包括因生物資產公平值增加而產生之稅前收益港幣71,000,000元。錄得溫和收益主要由於二零一零年四月至九月期間原木平均價格微升。

倘不計及生物資產公平值增加之收益，截至二零一零年九月三十日止六個月之經營稅前溢利為港幣184,400,000元。倘不計及生物資產公平值增加之收益，截至二零一零年三月三十一日止全年之經營稅前溢利合共港幣71,200,000元，在不受年度化影響下，較本集團上個財政年度之全年業績增加159.0%。

可持續性

本集團致力透過負責任及可持續之營運常規創造長期價值及可持續增長。於中期期間，本集團開始與亞馬遜流域的當地政府緊密合作，發展多項計劃推廣當地木材業及創造就業。某些發展中計劃包括針對使用本地技術從木材廢料生產環保木炭及顆粒，以分別用於巴西鋼鐵業及作為工業發電廠之出口煤替代品。

Management Discussion and Analysis

管理層討論及分析

Social Responsibility

Our special executive task force responsible for design, evaluate and implement social programs lay down the following objectives for our social programs:

- To promote sustainable development within the communities we work in
- To help improve the living standards and quality of life for the local communities
- To prevent deforestation (slash-and-burn) by indigenous communities

Our task force believes education is a crucial tool to ensure we achieve a balance between sustainability as well as social and economic development. We started from both our own executives and with the communities we are in. Internally, our executives were sent periodically to training for new practices and methodologies in sustainable forest management. Externally, our executives were actively giving talks and seminars in local schools to educate school children our impact to the environment and the importance of sustainably managing our invaluable forest resources.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2010, the Group had cash and cash equivalents amounted to 25.8 million (31 March 2010: HK\$36.8 million).

The Group gearing ratio expressed as a percentage of total interest bearing borrowings, excluding the interest bearing borrowings classified under liabilities held for sale, over equity attributable to the owners of the Company, decreased from 1.0% as at 31 March 2010 to 0.7% as at 30 September 2010.

As at 30 September 2010, the Group had HK\$21.8 million (31 March 2010: HK\$25.1 million) interest bearing borrowings, in which of HK\$15.2 million are repayable within one year and the remaining of HK\$6.6 million were repayable after one year. The total interest bearing borrowings consisted of HK\$15.2 million in bank overdrafts, bank and other loans, HK\$0.5 million in finance lease payable and HK\$6.1 million in promissory notes. As at 30 September 2010, the Group's working capital was approximately HK\$522.4 million (31 March 2010: HK\$257.1 million).

On 26 May 2010, the Company entered into a subscription agreement with NWS Holdings Limited (the "Subscriber") who is an independent third party to the Group, pursuant to which the Company has agreed to allot and issue to the Subscriber, the subscription shares of 412,000,000 new shares at HK\$0.50 per subscription share. The Company completed the subscription of 412,000,000 shares on 2 June 2010. The net proceeds raised from the subscription were approximately HK\$190.6 million.

社會責任

本集團之特別執行團隊負責設計、評估及履行社區活動，並就本集團社區活動釐定下列目標：

- 推廣本集團營運所在社區之可持續發展
- 協助改善當地社區之生活水平及生活質素
- 防止土著砍伐及焚燒森林林木

本集團之團隊相信，教育為確保本集團在持續發展與社會及經濟發展之間保持平衡之必要工具。本集團從行政人員及所在之社區做起：對內，定期保送行政人員接受可持續森林管理之新常規及方法；對外，本集團之行政人員積極參與當地學校演講及座談會，教育學生認識人類對環境的影響及持續管理寶貴森林資源的重要性。

流動資金及財務資源

於二零一零年九月三十日，本集團之現金及現金等價物為港幣25,800,000元(二零一零年三月三十一日：港幣36,800,000元)。

本集團之資本負債比率為計息借貸總額(不包括分類為持作出售負債項下之計息借貸)除本公司擁有人應佔權益之百分比，由二零一零年三月三十一日之1.0%降至二零一零年九月三十日之0.7%。

於二零一零年九月三十日，本集團之計息借貸為港幣21,800,000元(二零一零年三月三十一日：港幣25,100,000元)，其中港幣15,200,000元須於一年內償還，餘額港幣6,600,000元則須於一年後償還。計息借貸總額包括銀行透支、銀行及其他貸款港幣15,200,000元、融資租約應付款項港幣500,000元及承付票據港幣6,100,000元。於二零一零年九月三十日，本集團之營運資金約為港幣522,400,000元(二零一零年三月三十一日：港幣257,100,000元)。

於二零一零年五月二十六日，本公司與獨立於本集團之第三方新創建集團有限公司(「認購人」)訂立認購協議，據此，本公司同意按每股認購股份港幣0.50元向認購人配發及發行412,000,000股新股份。本公司已於二零一零年六月二日完成認購412,000,000股股份。認購事項之所得款項淨額約為港幣190,600,000元。

Management Discussion and Analysis

管理層討論及分析

CHARGE ON ASSETS

As at 30 September 2010, general banking facilities granted to the Group were secured by property, plant and equipment with a carry value of HK\$0.6 million.

CONTINGENT LIABILITIES

The Group's contingent liabilities at 30 September 2010 are disclosed in note 27 to the condensed consolidated financial statements.

FOREIGN EXCHANGE RISK

The Group's continuing operation mainly operates in Brazil, the PRC and Hong Kong.

During the period ended 30 September 2010, the revenue from continuing operations was denominated mainly in United States dollars and the Euro while its costs and expenses were primarily in Brazilian Reals where the Group's continuing operations are based. The Group is exposed to potential foreign exchange risk as a result of fluctuations between those currencies.

In addition, the main operational assets of the Group are located and denominated in local currencies in Brazil while the Group's reporting currency is in Hong Kong dollars. This also exposes the Group to potential foreign exchange risk upon translation of those assets on each reporting date.

The Group did not enter into any arrangements for financial instruments for the purpose of hedging against the potential foreign exchange risks during the year under review. Management believes that the Group's exposure to foreign exchange risks can be mitigated by increasing local sales denominated in Reals to pay for the operating costs and expenses were those currencies to rise substantially against US dollars or the Euro. As for the operational assets of the Group, any foreign exchange gain or losses due to translation of the carrying value of the assets to the Group's reporting currency on reporting dates are unrealized and non-cash in nature. As such, active hedging activities are not considered warranted. Nonetheless, management will monitor closely its foreign currency exposure to ensure appropriate measures are taken promptly against any significant potential adverse impact.

HUMAN RESOURCES AND REMUNERATION POLICY

As at 30 September 2010, the Group has approximately 203 employees (30 September 2009: 272) mainly in Hong Kong, PRC, Brazil and Russia. The total remuneration paid by the Group to its employees (including directors) for the period was approximately HK\$36.8 million (2009: HK\$5.4 million).

The Group rewards its employees according to prevailing market practices, individual experience and performance and requirements under applicable labor laws in the Group's operational locations. In addition to the provision of annual bonus, provident fund scheme and medical insurance coverage discretionary bonuses and share options are also available to employees.

資產抵押

於二零一零年九月三十日，本集團獲授之一般銀行融資乃以賬面值為港幣600,000元之物業、廠房及設備作抵押。

或然負債

本集團於二零一零年九月三十日之或然負債已於簡明綜合財務報告附註27披露。

外匯風險

本集團之持續經營業務主要位於巴西、中國及香港。

截至二零一零年九月三十日止期間，來自持續經營業務之收入主要以美元及歐元列賬，其成本及開支主要以本集團持續經營業務所在地巴西之雷亞爾計值。本集團面對因該等貨幣匯率波動而產生之潛在外匯風險。

此外，本集團主要營運資產位於巴西並以當地貨幣計值，而本集團之呈報貨幣為港幣，此亦導致本集團於每個報告日期換算該等資產時承受潛在外匯風險。

於回顧年度，本集團並無作出任何安排或利用任何財務工具對沖潛在外匯風險。管理層相信，本集團所承受外匯風險可於倘該等貨幣對美元或歐元大幅升值時透過增加以雷亞爾之當地銷售額以支付當地營運成本及開支而減輕。就本集團營運資產而言，任何因於報告日期換算資產賬面值為本集團呈報貨幣所產生外匯盈虧屬未變現及非現金性質。因此，積極對沖活動被視為並不恰當。然而，管理層將密切監察其外匯風險，以確保已就任何重大潛在不利影響採取果斷及恰當措施。

人力資源及薪酬政策

於二零一零年九月三十日，本集團有約203名僱員（二零零九年九月三十日：272名），主要駐於香港、中國、巴西及俄羅斯。本集團期內支付予僱員（包括董事）之薪酬總額約為港幣36,800,000元（二零零九年：港幣5,400,000元）。

本集團根據當前市場慣例、僱員之個人資歷及表現以及本集團營運所在地之適用勞工法例規定酬謝僱員。除了發放年度花紅、設立公積金計劃及提供醫療保險外，本集團亦按僱員之表現向僱員發放酌情花紅及授出購股權。

Independent Interim Review Report

獨立中期審閱報告



國富浩華(香港)會計師事務所有限公司
Crowe Horwath (HK) CPA Limited
Member Crowe Horwath International

香港銅鑼灣希慎道33號利園34樓
34/F The Lee Gardens,
33 Hysan Avenue,
Causeway Bay, Hong Kong

REPORT ON REVIEW OF INTERIM FINANCIAL REPORT TO THE BOARD OF DIRECTORS OF SUSTAINABLE FOREST HOLDINGS LIMITED (Incorporated in Bermuda with limited liability)

中期財務報告審閱報告
致永保林業控股有限公司董事會

(於百慕達註冊成立之有限公司)

INTRODUCTION

We have reviewed the interim financial information set out on pages 11 to 54, which comprises the condensed consolidated statement of financial position of Sustainable Forest Holdings Limited (the "Company") and its subsidiaries (together the "Group") as at 30 September 2010 and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, a summary of significant accounting policies and explanatory notes. The Main Board Listing Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34. Our responsibility is to express a conclusion on this interim financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to another person for the contents of this report.

緒言

本核數師(以下簡稱「我們」)已審閱永保林業控股有限公司(「貴公司」)連同其附屬公司(統稱「貴集團」)載於第11至54頁之中期財務資料，包括於二零一零年九月三十日之簡明綜合財務狀況表，以及截至該日止六個月期間之相關簡明綜合收益表、簡明綜合全面收益表、簡明綜合權益變動表及簡明綜合現金流轉表，以及主要會計政策概要及說明附註。根據香港聯合交易所有限公司主板證券上市規則，編製中期財務資料須符合當中條文及國際會計準則委員會所頒佈國際會計準則第34號「中期財務報告」。貴公司董事須對根據國際會計準則第34號編製及呈列本中期財務資料負責。我們的責任是根據我們審閱工作的結果，對本中期財務資料作出結論，並按照雙方所協定應聘書條款，只向作為法人團體的董事會報告我們的結論，除此之外，本報告不可用作其他用途。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

審閱範圍

我們按照香港會計師公會所頒佈香港審閱委聘準則第2410號「由實體獨立核數師對中期財務資料的審閱」進行審閱工作。審閱中期財務報告工作包括主要向負責財務及會計事務的人員作出查詢，以及進行分析程序及其他審閱程序。由於審閱工作的範圍遠較根據香港審核準則進行審核為小，故無法使我們取得憑證確保我們得知可能於審核中發現的所有重大事宜。因此，我們不會發表審核意見。

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information as at 30 September 2010 is not prepared, in all material respects, in accordance with International Accounting Standard 34.

結論

根據我們的審閱工作，我們並無獲悉任何事項使我們認為於二零一零年九月三十日之中期財務資料在各重大方面並非根據國際會計準則第34號編製。

Crowe Horwath (HK) CPA Limited
Certified Public Accountants
Hong Kong, 29 November 2010

國富浩華(香港)會計師事務所有限公司
執業會計師
香港，二零一零年十一月二十九日

Alvin Yeung Sik Hung
Practising Certificate Number P05206

楊錫鴻
執業證書編號P05206

Condensed Consolidated Income Statement

簡明綜合收益表

For the Six months ended 30 September 2010 截至二零一零年九月三十日止六個月

		For the six months ended 30 September 截至九月三十日止六個月	
		2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核 及經重列)
	Note 附註		
CONTINUING OPERATIONS	持續經營業務		
Revenue	收入	340,778	102
Cost of sales	銷售成本	(101,933)	(74)
Gross profit	毛利	238,845	28
Other income	其他收入	3,065	192
Selling and distribution costs	銷售及分銷成本	(8,914)	-
Administrative expenses	行政支出	(48,563)	(11,401)
Other operating expenses	其他營運開支	(105)	(5,946)
Change in fair value of biological assets less estimated point-of-sale costs	生物資產公平值變動減估計 銷售點成本	71,049	-
Profit/(loss) from operations	經營溢利/(虧損)	255,377	(17,127)
Finance income	融資收入	793	31
Finance costs	融資費用	(4,506)	(5,732)
Net finance costs	融資費用淨額	(3,713)	(5,701)
Profit/(loss) before taxation	除稅前溢利/(虧損)	251,664	(22,828)
Income tax	所得稅	(56,886)	267
Profit/(loss) for the period from continuing operations	持續經營業務之 期間溢利/(虧損)	194,778	(22,561)
DISCONTINUED OPERATIONS	已終止業務		
Loss from discontinued operations	已終止業務之虧損	(11,319)	(18,299)
PROFIT/(LOSS) FOR THE PERIOD	期間溢利/(虧損)	183,459	(40,860)
Attributable to:	應佔：		
Owners of the Company	本公司擁有人	183,442	(40,265)
Non-controlling interests	非控制權益	17	(595)
		183,459	(40,860)
Earnings/(loss) per share	每股盈利/(虧損)		
From continuing and discontinued operations	持續經營業務及 已終止業務		
- Basic	- 基本	6.32 cents	(5.21 cents)
- Diluted	- 攤薄	2.90 cents	(5.21 cents)
From continuing operations	持續經營業務		
- Basic	- 基本	6.71 cents	(2.92 cents)
- Diluted	- 攤薄	3.08 cents	(2.92 cents)

The notes on pages 17 to 54 form part of these financial statements.

第17至54頁之附註構成此等財務報告之一部分。

Condensed Consolidated Statement of Comprehensive Income

簡明綜合全面收益表

For the Six months ended 30 September 2010 截至二零一零年九月三十日止六個月

		For the six months ended 30 September 截至九月三十日止六個月	
		2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核 及經重列)
Profit/(loss) for the period	期間溢利／(虧損)	183,459	(40,860)
Other comprehensive income	其他全面收益		
Foreign currency translation differences for foreign operations	換算海外業務產生之匯兌差額	38,621	32,223
Reclassification adjustment relating to disposal of subsidiaries	有關出售附屬公司之重新分類調整	-	(3,185)
Other comprehensive income for the period	期間其他全面收益	38,621	29,038
Total comprehensive income/(loss) for the period	期間全面收益／(虧損)總額	222,080	(11,822)
Total comprehensive income/(loss) attributable to:	以下人士應佔全面收益／(虧損)總額：		
Owners of the Company	本公司擁有人	222,059	(11,244)
Non-controlling interests	非控制權益	21	(578)
		222,080	(11,822)

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 September 2010 於二零一零年九月三十日

		Note 附註	At 30 September 2010 於二零一零年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2010 於二零一零年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	201,624	201,293
Biological assets	生物資產	14	948,673	833,323
Goodwill	商譽	15	1,686,883	1,686,883
Deposit for purchase of property, plant and equipment	購買物業、廠房及設備 之訂金		29,153	9,541
			2,866,333	2,731,040
CURRENT ASSETS	流動資產			
Inventories	存貨	16	583,736	253,050
Trade and other receivables	應收貿易款項及其他應收款項	17	16,211	14,290
Cash and cash equivalents	現金及現金等價物		25,745	36,820
			625,692	304,160
Assets classified as held for sale	分類為持作待售資產	18	286,702	303,036
			912,394	607,196
CURRENT LIABILITIES	流動負債			
Trade and other payables	應付貿易款項及其他應付款項	19	156,279	125,059
Bank overdrafts, bank and other loans	銀行透支、銀行及其他貸款	20	15,094	209
Finance lease payable	融資租約應付款項		100	–
Consideration payable	應付代價		93,933	93,933
Provision for taxation	稅項撥備		39,872	7,354
Promissory notes	承付票據	21	–	24,617
			305,278	251,172
Liabilities associated with assets classified as held for sale	與分類為持作待售資產有關 之負債	18	84,760	98,923
			390,038	350,095
NET CURRENT ASSETS	流動資產淨值		522,356	257,101
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		3,388,689	2,988,141

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 September 2010 於二零一零年九月三十日

		Note 附註	At 30 September 2010 於二零一零年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2010 於二零一零年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
NON-CURRENT LIABILITIES	非流動負債			
Bank loans	銀行貸款	20	118	297
Amounts due to shareholders	應付股東款項	22	88,849	117,936
Amounts due to related companies	應付關連公司款項	22	2,087	54,091
Finance lease payable	融資租約應付款項		400	-
Promissory notes	承付票據	21	6,061	-
Deferred tax liabilities	遞延稅項負債		346,521	309,187
			444,036	481,511
NET ASSETS	資產淨值		2,944,653	2,506,630
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	23	344,828	322,855
Reserves	儲備		2,599,742	2,183,713
Total equity attributable to the owners of the Company	本公司擁有人應佔總權益		2,944,570	2,506,568
Non-controlling interests	非控制權益		83	62
TOTAL EQUITY	總權益		2,944,653	2,506,630

The notes on pages 17 to 54 form part of these financial statements.

第17至54頁之附註構成此等財務報告之一部分。

Condensed Consolidated Statement of Changes In Equity

簡明綜合權益變動表

For the six months ended 30 September 2010 截至二零一零年九月三十日止六個月

		Share capital	Share premium	Contributed surplus	Distributable reserve	Capital redemption reverse	Property revaluation reserve	Fair value reserve	Exchange fluctuation reserve	Share option reserve	Retained	Non-controlling interest	Total equity	
											profit/losses			Sub-total
	note	股本	股份溢價	實繳盈餘	可供分派儲備	股本贖回儲備	重估儲備	儲備	儲備	購股權儲備	保留溢利/ (累計虧損)	小計	權益	總權益
	附註	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 April 2009 (audited)	於二零零九年四月一日 (經審核)	21,511	213,628	85,053	2,216	8,000	100	8,783	3,072	-	(176,135)	166,228	14,114	180,342
Loss for the period	期間虧損	-	-	-	-	-	-	-	-	-	(40,265)	(40,265)	(595)	(40,860)
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報告之匯兌差額	-	-	-	-	-	-	-	32,206	-	-	32,206	17	32,223
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	(100)	(8,783)	(3,185)	-	8,883	(3,185)	-	(3,185)
Total other comprehensive (loss)/income	其他全面(虧損)/收入總額	-	-	-	-	-	(100)	(8,783)	29,021	-	(31,382)	(11,244)	(578)	(11,822)
Total comprehensive (loss)/income for the period	期間全面(虧損)/收入總額	21,511	213,628	85,053	2,216	8,000	-	-	32,093	-	(207,517)	154,984	13,536	168,520
Placing of new shares	配售新股份	35,233	158,548	-	-	-	-	-	-	-	-	193,781	-	193,781
Shares issue expenses	股份發行開支	-	(5,963)	-	-	-	-	-	-	-	-	(5,963)	-	(5,963)
Consideration shares issued for acquisition of subsidiaries	為收購附屬公司發行代價股份	7,850	51,810	-	-	-	-	-	-	-	-	59,660	-	59,660
Issuance of convertible preference shares	發行可換股優先股份	249,085	1,528,989	-	-	-	-	-	-	-	-	1,778,074	-	1,778,074
Deemed capital distribution	視作股本分派	-	-	(15,469)	-	-	-	-	-	-	-	(15,469)	-	(15,469)
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	-	-	-	-	-	-	55	55
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-	-	-	-	-	-	(10,014)	(10,014)
Total transactions with owners	與擁有人進行之交易總額	292,168	1,733,384	(15,469)	-	-	-	-	-	-	-	2,010,083	(9,959)	2,000,124
At 30 September 2009 (unaudited)	於二零零九年九月三十日 (未經審核)	313,679	1,947,012	69,584	2,216	8,000	-	-	32,093	-	(207,517)	2,165,067	3,577	2,168,644
Balance at 1 April 2010 (audited)	於二零一零年四月一日 之結餘(經審核)	322,855	2,009,852	54,770	2,216	8,000	-	-	667	2,005	106,203	2,506,568	62	2,506,630
Profit for the period	期間溢利	-	-	-	-	-	-	-	-	-	183,442	183,442	17	183,459
Exchange differences on translation of financial statements of overseas subsidiaries	換算附屬公司海外財務報告產生之匯兌差額	-	-	-	-	-	-	-	38,617	-	-	38,617	4	38,621
Total other comprehensive income	其他全面收入總額	-	-	-	-	-	-	-	38,617	-	183,442	222,069	21	222,090
Total comprehensive income for the period	期間全面收入總額	322,855	2,009,852	54,770	2,216	8,000	-	-	39,284	2,005	289,645	2,728,627	83	2,728,710
Placing of new shares	配售新股份	21,973	184,027	-	-	-	-	-	-	-	-	206,000	-	206,000
Share issue expenses	股份發行開支	-	(15,981)	-	-	-	-	-	-	-	-	(15,981)	-	(15,981)
Deemed capital distribution	視作注資	-	-	(1,746)	-	-	-	-	-	-	-	(1,746)	-	(1,746)
Issuance of share options	發行購股權	-	-	-	-	-	-	-	-	27,670	-	27,670	-	27,670
Forfeiture of share options	沒收購股權	-	-	-	-	-	-	-	-	(754)	754	-	-	-
Total transactions with owners	與擁有人進行之交易總額	21,973	168,046	(1,746)	-	-	-	-	-	26,916	754	215,943	-	215,943
Balance at 30 September 2010 (unaudited)	於二零一零年九月三十日 之結餘(未經審核)	344,828	2,177,898	53,024	2,216	8,000	-	-	39,284	28,921	290,399	2,944,570	83	2,944,653

The notes on pages 17 to 54 form part of these financial statements.

第17至54頁之附註構成此等財務報告之一部分。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流轉表

For the six months ended 30 September 2010 截至二零一零年九月三十日止六個月

		For the six months ended 30 September 截至九月三十日止六個月	
		2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Net cash used in operating activities	經營業務耗用之現金淨額	(79,537)	(28,602)
Net cash (used in)/generated from investing activities	投資活動(耗用)/產生之現金淨額	(19,179)	11,619
Net cash generated from financial activities	融資活動產生之現金淨額	87,593	75,270
(Decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加	(11,123)	58,287
Cash and cash equivalents at beginning of the period	於期初之現金及現金等價物	36,822	60,732
Effect of foreign exchange rate changes, net	匯率變動之影響，淨值	43	56
Cash and cash equivalents at end of the period	於期終之現金及現金等價物	25,742	119,075
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalents	現金及現金等價物	25,745	119,140
Cash and cash equivalents classified as held for sale	分類為持作待售現金及現金等價物	1	–
Bank overdrafts	銀行透支	(4)	(65)
		25,742	119,075

The notes on pages 17 to 54 form part of these financial statements.

第17至54頁之附註構成此等財務報告之一部分。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

For the six months ended 30 September 2010 截至二零一零年九月三十日止六個月

1. CORPORATE INFORMATION

Sustainable Forest Holdings Limited (the “Company”) was incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The principal activity of the Company is investment holding. The principal activities of the subsidiaries comprised tree felling service, sustainable forest management, Chita forests operation, building materials supply and installation and real estate development.

2. BASIS OF PREPARATION

The condensed consolidated financial statements for the six months ended 30 September 2010 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 (the “Listing Rules”) and with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (“IASB”).

These condensed consolidated financial statements should be read in conjunction with the Group’s annual financial statements for the year ended 31 March 2010.

The condensed consolidated financial statements are denominated in Hong Kong Dollar (“HK\$”). Unless otherwise specifically stated, all amounts are presented in thousand.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These condensed consolidated financial statements have been prepared under the historical cost convention except for biological assets which are measured at fair values.

The accounting policies and basis of preparation adopted in preparation of these condensed consolidated financial statements are consistent with those used in the Group’s annual financial statements for the year ended 31 March 2010, except as described below.

1. 公司資料

永保林業控股有限公司(「本公司」)根據一九八一年百慕達公司法在百慕達註冊成立為獲豁免有限公司。本公司之股份在香港聯合交易所有限公司(「聯交所」)上市。

本公司之主要業務為投資控股，其附屬公司之主要業務包括伐木服務、可持續森林管理、赤塔森林業務、建材供應與裝置以及房地產開發。

2. 編製基準

截至二零一零年九月三十日止六個月之簡明綜合財務報告遵守聯交所證券上市規則(「上市規則」)附錄16之適用披露規定及國際會計準則委員會(「國際會計準則委員會」)頒佈之國際會計準則(「國際會計準則」)第34號「中期財務報告」編製。

此等簡明綜合財務報告應與本集團截至二零一零年三月三十一日止年度之年度財務報告一併閱覽。

簡明綜合財務報告以港元列值。除另有具體指明者外，所有金額均以千元列示。

3. 重大會計政策概要

此等簡明綜合財務報告乃按歷史成本慣例編製，惟生物資產以公平值計量除外。

除下述者外，編製此等簡明綜合財務報告採納之會計政策及編製基準與本集團於截至二零一零年三月三十一日止年度之年度財務報告所用者一致。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

For the six months ended 30 September 2010 截至二零一零年九月三十日止六個月

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

IFRSs (Amendments)	Amendment to IFRS 5 as part of Improvements to IFRSs 2008
IFRSs (Amendments)	Improvements to IFRSs 2009
IAS 32 (Amendment)	Classifications of Rights Issues
IAS 39 (Amendment)	Eligible Hedged Items
IFRS 1 (Amendment)	Additional Exemptions for First-time Adopters
IFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions
IFRIC 17	Distributions of Non-cash Assets to Owners

In addition, as part of Improvements to IFRSs issued in 2009, IAS 17 “Leases” has been amended in relation to the classification of leasehold land. Before the amendment to IAS 17, the Group was required to classify leasehold land as operating leases and to present leasehold land as prepaid lease payments in the condensed consolidated statement of financial position. The amendment to IAS 17 has removed such a requirement. The amendment requires the classification of leasehold land should be based on the general principles set out in IAS 17, that is, whether or not substantially all the risks and rewards incidental to ownership of a leased asset have been transferred to the lessee.

In accordance with the transitional provisions set out in the amendment to IAS 17, the Group reassessed the classification of unexpired leasehold land as at 1 April 2010 based on information that existed at the inception of the leases.

The application of amendment to IAS 17 has had no effect on the condensed consolidated financial statements of the Group for the current or prior accounting periods.

The application of the other new and revised IFRSs had no material effect on the condensed consolidated financial statements of the Group for the current or prior accounting periods.

3. 重大會計政策概要(續)

於本期間，本集團首次應用下列由國際會計準則委員會頒佈之新訂及經修訂準則、修訂及詮釋(「新訂及經修訂國際財務報告準則」)。

國際財務報告準則(修訂本)	對國際財務報告準則第5號之修訂作為二零零八年國際財務報告準則之改進部分
國際財務報告準則(修訂本)	二零零九年國際財務報告準則之改進
國際會計準則第32號(修訂本)	供股分類
國際會計準則第39號(修訂本)	合資格對沖項目
國際財務報告準則第1號(修訂本)	首次採納者之額外豁免
國際財務報告準則第2號(修訂本)	集團以現金結算之以股份付款交易
國際財務報告詮釋委員會第17號	向擁有人分派非現金資產

此外，作為國際財務報告準則(二零零九年)之改進部分，國際會計準則第17號「租賃」已就租賃土地之分類作出修訂。修訂國際會計準則第17號前，本集團須將租賃土地分類為經營租賃，並於簡明綜合財務狀況表呈列為預付租賃款項。國際會計準則第17號之修訂已刪除有關規定。有關修訂規定將租賃土地按國際會計準則第17號所載一般原則為基準分類，即不論是否絕大部分租賃資產擁有權附帶之所有風險及回報程度已轉移至承租人。

根據國際會計準則第17號之修訂所載之過渡性條文，本集團對於二零一零年四月一日尚未到期之租賃土地之分類，已根據其訂立租約時存在的資料重新評估。

應用國際會計準則第17號之修訂對本集團於本期間或過往會計期間之簡明綜合財務報告並無構成任何影響。

應用其他新訂及經修訂國際財務報告準則對本集團於本期間或過往會計期間之簡明綜合財務報告並無構成任何重大影響。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

For the six months ended 30 September 2010 截至二零一零年九月三十日止六個月

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

IFRSs (Amendments)	Improvement to IFRSs 2010 ¹
IAS 24 (Revised)	Related Party Disclosures ³
IFRS 1 (Amendment)	Limited Exemption from Comparative IFRS7 Disclosure for First-Time Adopters ²
IFRS 7 (Amendments)	Transfers of Financial Assets ⁴
IFRS 9	Financial Instruments ⁵
IFRIC 14 (Amendment)	Prepayments of a Minimum Funding Requirement ³
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments ²

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

² Effective for annual periods beginning on or after 1 July 2010

³ Effective for annual periods beginning on or after 1 January 2011

⁴ Effective for annual periods beginning on or after 1 July 2011

⁵ Effective for annual periods beginning on or after 1 January 2013

IFRS 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 IAS 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 IFRS 9 might affect the classification and measurement of the Group’s financial assets.

3. 重大會計政策概要(續)

本集團並無提前應用下列已頒佈但尚未生效的新訂或經修訂準則、修訂或詮釋：

國際財務報告準則 (修訂本)	二零一零年國際財務報告準則 之改進 ¹
國際會計準則第24號 (經修訂)	有關連人士披露 ³
國際財務報告準則 第1號(修訂本)	比較國際財務報告準則第7號 首次採納者之披露之 有限豁免 ²
國際財務報告準則 第7號(修訂本)	財務資產之轉讓 ⁴
國際財務報告準則 第9號	財務工具 ⁵
國際財務報告詮釋 委員會第14號 (修訂本)	最低資金規定之預付款項 ³
國際財務報告詮釋 委員會第19號	以股本工具抵銷財務負債 ²

¹ 於二零一零年七月一日及二零一一年一月一日(視適用情況而定)或之後開始之年度期間生效

² 於二零一零年七月一日或之後開始之年度期間生效

³ 於二零一一年一月一日或之後開始之年度期間生效

⁴ 於二零一一年七月一日或之後開始之年度期間生效

⁵ 於二零一三年一月一日或之後開始之年度期間生效

國際財務報告準則第9號「財務工具」引入財務資產分類及計量之新規定，將由二零一三年一月一日起生效，並獲准提早應用。該準則規定國際會計準則第39號「財務工具：確認及計量」範圍內所有已確認財務資產按攤銷成本或公平值計量，尤其是(i)由以收取合約現金流轉為目的之業務模式持有及(ii)擁有之合約現金流轉純粹為支付本金及未償還本金付款之債務投資，一般按攤銷成本計量。所有其他債務投資及股本投資按公平值計量。應用國際財務報告準則第9號可能影響本集團財務資產之分類及計量。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

For the six months ended 30 September 2010 截至二零一零年九月三十日止六個月

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

IFRS 9 was revised in October 2010. The revised version adds the requirements for the classification and measurement of financial liabilities. One major change on the classification and measurement of financial liabilities relates to the accounting for change in fair value of a financial liability (designated as at fair value through profit or loss) attributable to changes in the credit risk of that liability. Specifically, under IFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under IAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was recognised in profit or loss.

IFRS 9 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted. The application of IFRS 9 may affect the classification and measurement of the Group's financial assets and financial liabilities.

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 financial position of the Group.

4. SEGMENT REPORTING

The Group manages its businesses by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified the following reportable segments:

Continuing operations

Tree felling service: provision of tree felling and clearing services.

Sustainable forest management: sustainable management of and investment in natural forests, timber and wood processing, timber trading and timber sales and marketing.

3. 重大會計政策概要(續)

國際財務報告準則第9號於二零一零年十月作出修訂。經修訂版本加入財務負債之分類及計量規定。就財務負債之分類及計量之一項重大變動乃有關財務負債之信貸風險變動應佔該負債(指定為按公平值計入損益)之公平值變動之會計處理方法。特別為根據國際財務報告準則第9號，就指定為按公平值計入損益之財務負債而言，財務負債之公平值變動金額即該負債應佔之信貸風險變動，於其他全面收益確認，除非在其他全面收益確認負債之信貸風險變動影響將導致或擴大損益上之會計錯配。財務負債之信貸風險應佔公平值變動其後不會重新分類為損益。以前，根據國際會計準則第39號，指定為按公平值計入損益之財務負債公平值變動全部金額於損益確認。

國際財務報告準則第9號於二零一三年一月一日或之後開始之年度期間生效，並獲准提早應用。應用國際財務報告準則第9號可能影響本集團財務資產及財務負債之分類及計量。

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財務業績及財務狀況構成重大影響。

4. 分部報告

本集團按業務分類管理其業務，並以就資源分配及表現評估向本集團最高行政管理人員內部報告資料一致之方式呈報，本集團已識別下列可報告分部：

持續經營業務

伐木服務：提供伐木及清理服務。

可持續森林管理：天然森林之可持續管理及投資、木材及木料加工、木材貿易及木材銷售與市場推廣。

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簡明綜合財務報告附註

For the six months ended 30 September 2010 截至二零一零年九月三十日止六個月

4. SEGMENT REPORTING (continued)

Discontinued operations

Chita forests operation: logging, timber and wood processing, timber trading and timber sales and marketing.

Building materials: the construction work of building and construction project of building material.

Real estate: the development and sale of commercial premises and residential properties.

In accordance with IFRS 8, segment information disclosed in this interim financial report has been prepared in a manner consistent with the information used by the Group's most senior executive management for the purposes of assessing segment performance and allocating resources among segments. In this regard, the Group's senior executive management monitors the results and assets attributable to each reportable segment on the following bases:

Segment assets include non-current assets and current assets with the exception of certain assets unallocated to an individual reportable segment.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments.

The reportable segment profit represents the profit from each segment which excluded those items not specifically attributed to an individual reportable segment, such as corporate administrative expenses. To arrive at reportable segment profit, the management additionally provided the segment information concerning interest income, finance costs and major non-cash items such as depreciation, amortisation and impairment losses derived from reportable segments.

4. 分部報告(續)

已終止業務

赤塔森林業務：伐木、木材及木料加工、木材貿易以及木材銷售與市場推廣。

建材：樓宇建築工程及建材建設項目。

房地產：發展及銷售商業物業及住宅物業。

根據國際財務報告準則第8號，於本中期財務報告披露之分部資料乃以與本集團最高行政管理人員就評估分部表現及於分部間分配資源所用資料一致之方式編製。就此，本集團之高級行政管理人員會按下列基準監察各可報告分部之業績及應佔資產：

分部資產包括非流動資產及流動資產，但不包括未獲分配至獨立可報告分部的若干資產。

收入及開支乃參考來自該等分部的銷售及該等分部所產生開支，分配至可報告分部。

可報告分部溢利乃各分部之溢利，不包括該等並非獨立可報告分部特別應佔之項目，如企業行政開支。為得出可報告分部溢利，管理層額外提供有關來自可報告分部之利息收入、融資費用及主要非現金項目之分部資料，如折舊、攤銷及減值虧損。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

For the six months ended 30 September 2010 截至二零一零年九月三十日止六個月

4. SEGMENT REPORTING (continued)

(a) Segment results, assets and liabilities

An analysis of the Group's reportable segment is reported below:

4. 分部報告(續)

(a) 分部業績、資產及負債

本集團所呈報可報告分部之分析如下：

		For the six months ended 30 September 2010 (Unaudited)				
		Continuing operations			Discontinued operation	
		持續經營業務			已終止業務	
		Sustainable forest management	Tree felling service	Sub-total	Chita forests operation	Total
		可持續森林管理	伐木服務	小計	赤塔森林業務	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Segment revenue	分部收入					
Revenue from external customers	外界客戶之收入	10,502	330,276	340,778	–	340,778
Reportable segment profit/(loss) before taxation	可報告分部除稅前溢利/(虧損)	39,655	244,235	283,890	(11,913)	271,977
Change in fair value of biological assets less estimated point-on-sales costs	生物資產減估計銷售點成本之公平值變動	71,049	–	71,049	–	71,049
Depreciation	折舊	(437)	–	(437)	–	(437)
Written off of intangible assets	撇銷無形資產	–	–	–	(9,887)	(9,887)
Interest expenses	利息費用	(3,986)	–	(3,986)	(113)	(4,099)
Interest income	利息收入	793	–	793	–	793
Reportable segment assets	可報告分部資產	2,999,344	490,639	3,489,983	286,702	3,776,685
Additions to non-current segment assets	非流動分部資產添置	930	–	930	–	930
Reportable segment liabilities	可報告分部負債	232,891	122,300	355,191	84,760	439,951

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For the six months ended 30 September 2010 截至二零一零年九月三十日止六個月

4. SEGMENT REPORTING (continued)

(a) Segment results, assets and liabilities (continued)

4. 分部報告(續)

(a) 分部業績、資產及負債(續)

For the six months ended 30 September 2009 (Unaudited and restated)

截至二零零九年九月三十日止六個月(未經審核及經重列)

	Continuing operations			Discontinued operations				Total
	持續經營業務			已終止業務				
	Sustainable forest management	Tree felling service	Sub-total	Building materials	Real estate	Chita forests operation	Sub-total	
	可持續森林管理	伐木服務	小計	建材	房地產	赤塔森林業務	小計	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Segment revenue	分部收入							
Revenue from external customers	外界客戶之收入							
	102	-	102	57,206	123	1,280	58,609	58,711
Reportable segment loss before tax	可報告分部除稅前虧損							
	(11,316)	-	(11,316)	(6,006)	(442)	(2,699)	(9,147)	(20,463)
Depreciation and amortisation	折舊及攤銷							
	(49)	-	(49)	(24)	(49)	(2,152)	(2,225)	(2,274)
Impairment of	以下各項減值：							
- inventories	- 存貨							
	-	-	-	-	(206)	-	(206)	(206)
- trade and other receivables	- 應收貿易款項及其他應收款項							
	(24)	-	(24)	-	-	-	-	(24)
Interest expenses	利息費用							
	(986)	-	(986)	(41)	-	(216)	(257)	(1,243)
Interest income	利息收入							
	-	-	-	-	5	-	5	5

As at 31 March 2010 (Audited)

於二零一零年三月三十一日(經審核)

	Continuing operations			Discontinued operations				Total
	持續經營業務			已終止業務				
	Sustainable forest management	Tree felling service	Sub-total	Building materials	Real estate	Chita forests operation	Sub-total	
	可持續森林管理	伐木服務	小計	建材	房地產	赤塔森林業務	小計	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Reportable segment assets	可報告分部資產							
	2,776,116	235,441	3,011,557	-	-	303,036	303,036	3,314,593
Addition to non-current segment assets	非流動分部資產添置							
	4,951	-	4,951	15	-	1,881	1,896	6,847
Reportable segment liabilities	可報告分部負債							
	299,692	90,272	389,964	-	-	98,923	98,923	488,887

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簡明綜合財務報告附註

For the six months ended 30 September 2010 截至二零一零年九月三十日止六個月

4. SEGMENT REPORTING (continued)

(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities

4. 分部報告(續)

(b) 可報告分部收入、溢利或虧損、資產及負債之對賬

		For the six months ended 30 September 截至九月三十日止六個月	
		2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核 及經重列)
(i) Profit/(loss)	(i) 溢利/(虧損)		
Reportable segment profit/(loss) before tax	可報告分部除稅前溢利/(虧損)	283,890	(11,316)
Unallocated corporate income	未分配企業收入	-	192
Unallocated depreciation and amortisation	未分配折舊及攤銷	(166)	(172)
Unallocated interest income	未分配利息收入	-	31
Unallocated interest expenses	未分配利息開支	(520)	(4,746)
Unallocated corporate expenses	未分配企業開支	(31,540)	(6,817)
Profit/(loss) before taxation (continuing operations)	除稅前溢利/(虧損) (持續經營業務)	251,664	(22,828)

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簡明綜合財務報告附註

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4. SEGMENT REPORTING (continued)

(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities (continued)

4. 分部報告(續)

(b) 可報告分部收入、溢利或虧損、資產及負債之對賬(續)

		At 30 September 2010 於二零一零年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2010 於二零一零年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
(ii) Assets	(ii) 資產		
Segment assets for reportable segments from continuing operations	持續經營業務可報告分部之分部資產	3,489,983	3,011,557
Segment assets for reportable segments from discontinued operations	已終止業務可報告分部之分部資產	286,702	303,036
		3,776,685	3,314,593
Unallocated corporate assets	未分配企業資產	2,042	23,643
Total assets as per condensed consolidated statement of financial position	簡明綜合財務狀況表所呈列資產總值	3,778,727	3,338,236
Liabilities	負債		
Segment liabilities for reportable segments from continuing operations	持續經營業務可報告分部之分部負債	355,191	389,964
Segment liabilities for reportable segments from discontinued operations	已終止業務可報告分部之分部負債	84,760	98,923
		439,951	488,887
Unallocated:	未分配：		
– Provision for taxation	– 稅項撥備	39,872	7,354
– Deferred tax liabilities	– 遞延稅項負債	346,521	309,187
– Unallocated corporate liabilities	– 未分配企業負債	7,730	26,178
Total liabilities per condensed consolidated statement of financial position	簡明綜合財務狀況表所呈列負債總額	834,074	831,606

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簡明綜合財務報告附註

For the six months ended 30 September 2010 截至二零一零年九月三十日止六個月

4. SEGMENT REPORTING (continued)

(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities (continued)

4. 分部報告 (續)

(b) 可報告分部收入、溢利或虧損、資產及負債之對賬 (續)

(iii) Other material items

(iii) 其他重要項目

For the six months ended 30 September 2010 (Unaudited)
截至二零一零年九月三十日止六個月(未經審核)

	Continuing operations 持續經營業務				Discontinued operations 已終止業務					Total 總計
	Sustainable forest management 可持續森林管理	Tree felling service 伐木服務	Unallocated 未分配	Sub-total 小計	Building materials 建材	Real estate 房地產	Chita forests operation 赤塔森林業務	Unallocated 未分配	Sub-total 小計	
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Depreciation 折舊	437	-	166	603	-	-	-	-	-	603
Interest expenses 利息開支	3,986	-	520	4,506	-	-	113	-	113	4,619
Interest income 利息收入	793	-	-	793	-	-	-	-	-	793

For the six months ended 30 September 2009 (Unaudited and restated)
截至二零零九年九月三十日止六個月(未經審核及經重列)

	Continuing operations 持續經營業務				Discontinued operations 已終止業務					Total 總計
	Sustainable forest management 可持續森林管理	Tree felling service 伐木服務	Unallocated 未分配	Sub-total 小計	Building materials 建材	Real estate 房地產	Chita forests operation 赤塔森林業務	Unallocated 未分配	Sub-total 小計	
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Depreciation and amortisation 折舊及攤銷	49	-	172	221	24	49	2,152	-	2,225	2,446
Interest expenses 利息開支	986	-	4,746	5,732	41	-	216	-	257	5,989
Interest income 利息收入	-	-	31	31	-	5	-	-	5	36

(c) Revenue from major products and services:

(c) 來自主要產品及服務之收入：

For the six months ended 30 September
截至九月三十日止六個月

	Continuing operations 持續經營業務		Discontinued operations 已終止業務		Consolidated 綜合	
	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核及經重列)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核及經重列)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核及經重列)
Tree felling service income 伐木服務收入	330,276	-	-	-	330,276	-
Sales of timber and wood products 出售木材及木料產品	10,502	102	-	1,280	10,502	1,382
Revenue from construction contracts 建築合約收入	-	-	-	57,206	-	57,206
Sales of properties 出售物業	-	-	-	123	-	123
	340,778	102	-	58,609	340,778	58,711

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

For the six months ended 30 September 2010 截至二零一零年九月三十日止六個月

5. REVENUE

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts and revenue from tree felling service, sales of timber and wood products, construction contracts and sales of properties.

An analysis of revenue is as follows:

5. 收入

收入指經扣除退貨及商業折扣備抵後出售貨品之發票淨值以及伐木服務、出售木材及木料產品、建築合約及出售物業之收入。

收入分析如下：

		For the six months ended 30 September 截至九月三十日止六個月					
		Continuing operations 持續經營業務		Discontinued operations 已終止業務		Consolidated 綜合	
		2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核 及經重列)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核 及經重列)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核 及經重列)
Tree felling service income	伐木服務收入	330,276	-	-	-	330,276	-
Sales of timber and wood products	出售木材及木料產品	10,502	102	-	1,280	10,502	1,382
Revenue from construction contracts	建築合約收入	-	-	-	57,206	-	57,206
Sales of properties	出售物業	-	-	-	123	-	123
		340,778	102	-	58,609	340,778	58,711

6. OTHER INCOME AND OTHER NET GAIN

6. 其他收入及其他收益淨額

		For the six months ended 30 September 截至九月三十日止六個月					
		Continuing operations 持續經營業務		Discontinued operations 已終止業務		Consolidated 綜合	
		2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核 及經重列)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核 及經重列)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核 及經重列)
Other income	其他收入						
Rental income	租金收入	9	180	307	59	316	239
Others	其他	3,056	12	-	2,022	3,056	2,034
		3,065	192	307	2,081	3,372	2,273
Other net gain	其他收益淨額						
Net exchange gain	匯兌收益淨額	-	-	-	1,048	-	1,048
		-	-	-	1,048	-	1,048

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For the six months ended 30 September 2010 截至二零一零年九月三十日止六個月

7. OTHER OPERATING EXPENSES

7. 其他營運開支

For the six months ended 30 September
截至九月三十日止六個月

	Continuing operations 持續經營業務		Discontinued operations 已終止業務		Consolidated 綜合	
	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核 及經重列)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核 及經重列)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核 及經重列)
Loss on disposal of property, plant and equipment 出售物業、廠房及設備之虧損	105	-	-	3	105	3
Write-down of inventories 撇減存貨	-	-	-	206	-	206
Written off of other receivables 撇銷其他應收款項	-	24	-	-	-	24
Acquisition of subsidiaries related costs 收購附屬公司相關成本	-	5,922	-	-	-	5,922
	105	5,946	-	209	105	6,155

8. PROFIT/(LOSS) BEFORE TAXATION

The Group's profit/(loss) before taxation is arrived at after charging/(crediting):

8. 除稅前溢利/(虧損)

本集團除稅前溢利/(虧損)乃經扣除/(計入)下列各項後得出：

For the six months ended 30 September
截至九月三十日止六個月

	Continuing operations 持續經營業務		Discontinued operations 已終止業務		Consolidated 綜合	
	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核 及經重列)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核 及經重列)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核 及經重列)
a) Net finance costs						
Finance income 融資收入	(793)	(31)	-	(5)	(793)	(36)
Finance costs 融資費用						
Interest on bank and other borrowings wholly repayable within five years 須於五年內悉數償還銀行及其他借貸之利息	1,120	-	113	257	1,233	257
Interest on promissory notes 承付票據之利息	520	4,746	-	-	520	4,746
Interest on amounts due to shareholders 應付股東款項之利息	2,176	486	-	-	2,176	486
Interest on amounts due to related parties 應付關連人士款項之利息	690	500	-	-	690	500
Total interest expenses on financial liabilities not at fair value through profit or loss 並非按公平值計入損益賬之財務負債的利息開支總額	4,506	5,732	113	257	4,619	5,989
	3,713	5,701	113	252	3,826	5,953

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簡明綜合財務報告附註

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8. PROFIT/(LOSS) BEFORE TAXATION (continued) 8. 除稅前溢利／(虧損)(續)

		For the six months ended 30 September 截至九月三十日止六個月					
		Continuing operations 持續經營業務		Discontinued operations 已終止業務		Consolidated 綜合	
		2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核 及經重列)	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核 及經重列)	2010 二零一零年 HK\$'000 港幣千元	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核 及經重列)
		(Unaudited) (未經審核)		(Unaudited) (未經審核)		(Unaudited) (未經審核)	
b) Staff costs (including directors)	b) 僱員成本 (包括董事)						
Salaries, wages and other benefits	薪金、工資及其他福利	16,054	5,349	-	614	16,054	5,963
Pension scheme contributions	公積金計劃供款	159	48	-	13	159	61
Equity-settled share-based payment expenses	以股權結算以股份支付開支	20,588	-	-	-	20,588	-
		36,801	5,397	-	627	36,801	6,024
c) Other items	c) 其他項目						
Cost of inventories sold*	已售出之存貨成本*	18,065	74	-	4,728	18,065	4,802
Depreciation	折舊	603	221	-	588	603	809
Amortisation of land lease premium	土地租賃權費攤銷	-	-	-	3	-	3
Amortisation of intangible assets	無形資產攤銷	-	-	-	1,634	-	1,634
Written off of intangible assets	撇銷無形資產	-	-	9,887	-	9,887	-
Minimum lease payments under operating leases for land and buildings (including directors' quarters)	土地及樓宇(包括董事宿舍)經營租約之最低租金	1,510	960	-	287	1,510	1,247
Auditor's remuneration	核數師酬金						
- audit services	- 審核服務	-	-	-	-	-	-
- other services	- 其他服務	407	457	-	255	407	712

* Cost of inventories sold includes depreciation of HK\$116,000 (2009: HK\$464,000) and staff costs of HK\$3,505,000 (2009: HK\$122,000), the amount of which is also included in the respective total amounts disclosed separately above.

* 已售出之存貨成本包括折舊港幣116,000元(二零零九年：港幣464,000元)及員工成本港幣3,505,000元(二零零九年：港幣122,000元)，有關款項亦已包括在上文分別披露之各總額當中。

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9. INCOME TAX

Income tax in the condensed consolidated income statement represents:

9. 所得稅

簡明綜合收益表之所得稅代表：

		For the six months ended 30 September 截至九月三十日止六個月					
		Continuing operations 持續經營業務		Discontinued operations 已終止業務		Consolidated 綜合	
		2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核及經重列)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核及經重列)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核及經重列)
Current tax	即期稅項						
– Hong Kong Profits Tax	– 香港利得稅	32,518	–	–	–	32,518	–
Deferred tax	遞延稅項						
– Origination and (reversal) of temporary differences	– 臨時差額之產生及(撥回)	24,368	(267)	(594)	(70)	23,774	(337)
		56,886	(267)	(594)	(70)	56,292	(337)

Hong Kong Profits Tax is calculated at 16.5% (2009: 16.5%) of the estimated assessable profits arising in Hong Kong. Brazil income tax has been provided at the rate of 34% of the estimated assessable profits arising in Brazil. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

香港利得稅根據於香港產生之估計應課稅溢利按稅率16.5%(二零零九年：16.5%)計算。巴西所得稅根據於巴西產生之估計應課稅溢利按稅率34%計提撥備。於其他司法權區產生之稅項按相關司法權區之適用稅率計算。

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10. DISCONTINUED OPERATIONS

(a) For the six months ended 30 September 2010

In February 2010, the management of the Group have commenced negotiations to dispose of the Chita forests operation in Russia. On 1 March 2010, Amplewell Holding Limited, a wholly owned subsidiary, entered into a letter of intent with an independent third party to dispose of the Group's entire equity interest in issued share capital of a subsidiary, namely OOO "Zabaikalskaya Iesnaya kompaniya" ("ZLK") which held 99.9% equity interest in OOO "Novoles" ("Novoles") (collectively "ZLK Group"). ZLK Group was principally engaged in the forestry business in Russia. The result of operations of ZLK Group for the six months ended 30 September 2009 were restated as discontinued operation.

(b) For the six months ended 30 September 2009

- (i) On 1 August 2009, Anex Properties Holdings Limited, a wholly owned subsidiary of the Company, entered into an agreement with Mr Tse Chun Fai, and independent third party, to dispose of its entire interest in Joyful Rise Investments Limited and Beijing Joyful Rise Investment Consulting Company Limited (collectively "Joyful Rise Group") for a consideration of HK\$1. Joyful Rise Group was principally engaged in the real estate business. The disposal was completed on 1 August 2009.
- (ii) On 22 September 2009, the Company entered into a sale and purchase agreement with Mr Goh Ee Bin, an independent third party, to dispose of the entire equity interest in Leadprime Limited and its subsidiaries, Anex Properties Holdings Limited and Anex Properties Limited (collectively "Leadprime Group") for a consideration of HK\$18,182,000. Leadprime Group was principally engaged in the real estate business. The disposal was completed on 30 September 2009.

10. 已終止業務

(a) 截至二零一零年九月三十日止六個月

於二零一零年二月，本集團管理層開始商討出售俄羅斯之赤塔森林業務。於二零一零年三月一日，全資附屬公司沛源控股有限公司與獨立第三方訂立意向書，出售本集團於附屬公司OOO "Zabaikalskaya Iesnaya kompaniya" ("ZLK") (其持有OOO "Novoles" ("Novoles")) 99.9%股本權益，統稱「ZLK集團」已發行股本之全部股本權益。ZLK集團主要在俄羅斯從事林業業務。ZLK集團於截至二零一零年九月三十日之經營業績重列為已終止業務。

(b) 截至二零零九年九月三十日止六個月

- (i) 於二零零九年八月一日，安歷士地產集團有限公司(本公司之全資附屬公司)與獨立第三方謝春暉先生訂立協議，出售其於晉嘉投資有限公司及北京晉嘉宏采投資諮詢有限公司(統稱「晉嘉集團」)之全部權益，代價為港幣1元。晉嘉集團主要從事房地產業務出售已於二零零九年八月一日完成。
- (ii) 於二零零九年九月二十二日，本公司與獨立第三方Goh Ee Bin先生訂立買賣協議，出售始領有限公司及其附屬公司安歷士地產集團有限公司及安生置業有限公司(統稱「始領集團」)全部股本權益，代價為港幣18,182,000元。始領集團主要從事房地產業務。出售已於二零零九年九月三十日完成。

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For the six months ended 30 September 2010 截至二零一零年九月三十日止六個月

10. DISCONTINUED OPERATIONS (continued)

The operations of ZLK Group, Joyful Rise Group and Leadprime Group are classified as discontinued operations and the losses arising from discontinued operations are analysed as follows:

10. 已終止業務(續)

ZLK集團、晉嘉集團及始領集團之業務分類為已終止業務，而已終止業務產生之虧損分析如下：

For the six months ended 30 September (Unaudited)
截至九月三十日止六個月(未經審核)

		Note 附註	2010	2009 (Restated)			Total 總計
			二零一零年	二零零九年(經重列)			
			Chita forests operation 赤塔森林業務	Building materials 建材	Real estate 房地產	Chita forests operation 赤塔森林業務	
			HK\$'000 港幣千元 (Unaudited) (未經審核)	HK\$'000 港幣千元 (Unaudited) (未經審核)	HK\$'000 港幣千元 (Unaudited) (未經審核)	HK\$'000 港幣千元 (Unaudited) (未經審核)	HK\$'000 港幣千元 (Unaudited) (未經審核)
Revenue	收入	5	-	57,206	123	1,280	58,609
Cost of sales	銷售成本		-	(62,654)	(10)	(4,718)	(67,382)
Gross (loss)/profit	(毛損)/毛利		-	(5,448)	113	(3,438)	(8,773)
Other income	其他收入	6	307	994	29	1,058	2,081
Other net gain	其他收益淨額	6	-	-	-	1,048	1,048
Selling and distribution costs	銷售及分銷成本		-	-	-	(60)	(60)
Administrative expenses	行政支出		(12,107)	(1,511)	(383)	(1,088)	(2,982)
Other operating expenses	其他營運開支	7	-	-	(206)	(3)	(209)
Loss from operations	經營虧損		(11,800)	(5,965)	(447)	(2,483)	(8,895)
Finance income	融資收入		-	-	5	-	5
Finance costs	融資費用		(113)	(41)	-	(216)	(257)
Net finance (costs)/income	融資(費用)/收入淨額	8(a)	(113)	(41)	5	(216)	(252)
Loss before taxation	除稅前虧損	8	(11,913)	(6,006)	(442)	(2,699)	(9,147)
Income tax	所得稅	9	594	-	52	18	70
			(11,319)	(6,006)	(390)	(2,681)	(9,077)
Loss on disposal of discontinued operations	出售已終止業務之虧損		-	-	(9,222)	-	(9,222)
Income tax	所得稅		-	-	-	-	-
Loss from disposal of discontinued operations, net of tax	出售已終止業務之虧損，扣除稅項		-	-	(9,222)	-	(9,222)
Loss from discontinued operations	已終止業務之虧損		(11,319)	(6,006)	(9,612)	(2,681)	(18,299)

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10. DISCONTINUED OPERATIONS (continued)

10. 已終止業務(續)

For the six months ended 30 September (Unaudited)

截至九月三十日止六個月(未經審核)

	2010 二零一零年	2009 (Restated) 二零零九年(經重列)			Total 總計	
		Building materials 赤塔森林業務 HK\$'000 港幣千元 (Unaudited) (未經審核)	Real estate 房地產 HK\$'000 港幣千元 (Unaudited) (未經審核)	Chita forests operation 赤塔森林業務 HK\$'000 港幣千元 (Unaudited) (未經審核)		Chita forests operation 赤塔森林業務 HK\$'000 港幣千元 (Unaudited) (未經審核)
Attributable to:	應佔:					
Owners of the Company	本公司擁有人	(11,309)	(5,523)	(9,500)	(2,681)	(17,704)
Non-controlling interests	非控制權益	(10)	(483)	(112)	-	(595)
		(11,319)	(6,006)	(9,612)	(2,681)	(18,299)

11. DIVIDENDS

The directors do not recommend the payment or declaration of any dividend for both periods.

11. 股息

董事建議本期間及去年同期不派發或宣派任何股息。

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12. EARNINGS/(LOSS) PER SHARE

(a) From continuing and discontinued operations

The calculation of the basic and diluted earnings/(loss) per share is based on the following data:

12. 每股盈利／（虧損）

(a) 持續經營業務及已終止業務

每股基本及攤薄盈利／（虧損）乃根據以下數據計算：

		For the six months ended 30 September 截至九月三十日止六個月	
		2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Earnings/(loss)	盈利／（虧損）		
Earnings/(loss) for the purpose of basic and diluted earnings/(loss) per share	用以計算每股基本及攤薄盈利／（虧損）之盈利／（虧損）		
– Profit/(loss) attributable to the owners of the Company	– 本公司擁有人應佔溢利／（虧損）	183,442	(40,265)
Number of shares	股份數目	'000 千股	'000 千股
Weighted average number of ordinary shares for the purposes of basic earnings/(loss) per share	用以計算每股基本盈利／（虧損）之普通股加權平均數	2,901,729	4,121,443
Effect of share consolidation	股份合併之影響	–	(3,348,672)
Adjusted weighted average number of ordinary shares for the purposes of basic earnings/(loss) per share	就計算每股基本盈利／（虧損）而言之經調整普通股加權平均數	2,901,729	772,771
Effect of dilutive potential ordinary shares arising from convertible preference shares	兌換可換股優先股份產生之潛在攤薄普通股之影響	3,424,211	1,490,148
Weighted average number of ordinary shares for the purposes of diluted earnings/(loss) per share	用以計算每股攤薄盈利／（虧損）之普通股加權平均數	6,325,940	2,262,919

The share options had no dilutive effect on the basic earnings per share for the six months ended 30 September 2010. Diluted loss per share is equal to the basic loss per share for the six months ended 30 September 2009 because the outstanding bonus warrants and convertible note had an anti-dilutive effect on the basic loss per share for the six months ended 30 September 2009.

購股權對截至二零一零年九月三十日止六個月之每股基本盈利並無攤薄影響。截至二零零九年九月三十日止六個月之每股攤薄虧損相等於每股基本虧損，此乃由於截至二零零九年九月三十日止六個月尚未行使紅利認股權證及可換股票據對每股基本虧損具反攤薄作用。

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12. EARNINGS/(LOSS) PER SHARE (continued)

(b) For continuing operations

The calculation of basic and diluted earnings/(loss) per share from continuing operations attributable to the owners of the Company is based on the following data:

		For the six months ended 30 September 截至九月三十日止六個月	
		2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited and restated) (未經審核及經重列)
Earnings/(loss)	盈利/(虧損)		
Profit/(loss) attributable to the owners of the Company	本公司擁有人應佔溢利/(虧損)	194,751	(22,561)

The denominators used are the same as those detailed above for basic and diluted earnings/(loss) per share from continuing and discontinued operations.

12. 每股盈利/(虧損)(續)

(b) 持續經營業務

本公司擁有人應佔來自持續經營業務之每股基本及攤薄盈利/(虧損)乃根據以下數據計算：

所用分母與上文詳述來自持續經營業務及已終止業務之每股基本及攤薄盈利/(虧損)所使用者相同。

(c) For discontinued operations

(i) Basic loss per share

Basic loss per share for the discontinued operations is HK0.39 cents per share (2009: HK2.29 cents per share) which is based on the loss from the discontinued operations of HK\$11,309,000 (2009: HK\$17,704,000) and the denominators used are the same as those detailed above for basic and diluted earnings/(loss) per share from continuing and discontinued operations.

(ii) Diluted loss per share

Diluted loss per share is equal to the basic loss per share for the six months ended 30 September 2010 because the outstanding convertible preference shares and the share options had an anti-dilutive effect on the basic loss per share.

Diluted loss per share is equal to the basic loss per share for the six months ended 30 September 2009 because the outstanding convertible preference shares had an anti-dilutive effect on the basic loss per share for the six months ended 30 September 2009.

(c) 已終止業務

(i) 每股基本虧損

已終止業務之每股基本虧損為每股港幣0.39仙(二零零九年：每股港幣2.29仙)，乃根據已終止業務虧損港幣11,309,000元(二零零九年：港幣17,704,000元)計算，而所用分母與上文所詳述持續經營業務及已終止業務之每股基本及攤薄盈利/(虧損)所使用者相同。

(ii) 每股攤薄虧損

截至二零一零年九月三十日止六個月之每股攤薄虧損相等於每股基本虧損，此乃由於尚未行使可換股優先股份及購股權對每股基本虧損具反攤薄作用。

截至二零零九年九月三十日止六個月之每股攤薄虧損相等於每股基本虧損，此乃由於截至二零零九年九月三十日止六個月尚未行使可換股優先股份對每股基本虧損具反攤薄作用。

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13. PROPERTY, PLANT AND EQUIPMENT

(a) Acquisitions and disposals

During the six months ended 30 September 2010, the Group acquired property, plant and equipment of HK\$930,000 (2009: HK\$269,581,000, including property, plant and equipment of HK\$265,245,000 acquired through acquisition of subsidiaries).

During the six months ended 30 September 2010, motor vehicles with carrying amount of HK\$195,000 was disposed, resulting in a loss on disposal of HK\$105,000.

During the six months ended 30 September 2009, motor vehicle with carrying amount of HK\$284,000 were disposed, resulting in a loss on disposal of HK\$3,000, which is included in other operating expense. Furniture and fixtures with carrying amount of HK\$10,000 were disposed of upon disposal of a subsidiary.

- (b) Certain motor vehicles are pledged to banks for certain banking facilities granted to the Group as disclosed in note 20.

13. 物業、廠房及設備

(a) 收購及出售

截至二零一零年九月三十日止六個月，本集團以港幣930,000元（二零零九年：港幣269,581,000元，當中包括透過收購附屬公司收購港幣265,245,000元之物業、廠房及設備）。

截至二零一零年九月三十日止六個月，出售賬面值港幣195,000元之汽車導致出售虧損港幣105,000元。

賬面值港幣284,000元之汽車於截至二零零九年九月三十日止六個月出售，導致出售虧損港幣3,000元，乃計入其他營運開支。賬面值港幣10,000元之傢俬及裝置已於出售附屬公司時出售。

- (b) 若干汽車已就附註20披露授予本集團之若干銀行融資抵押予銀行。

14. BIOLOGICAL ASSETS

14. 生物資產

		HK\$'000 港幣千元
At 1 April 2009 (Audited)	於二零零九年四月一日(經審核)	-
Acquisition of subsidiaries	收購附屬公司	461,747
Changes in fair value less estimated point-of-sale costs	公平值變動減估計銷售點成本	369,980
Exchange movement	匯兌變動	1,596
At 31 March 2010 (Audited)	於二零一零年三月三十一日(經審核)	833,323
Changes in fair value less estimated point-of-sale costs	公平值變動減估計銷售點成本	71,049
Exchange movement	匯兌變動	44,301
At 30 September 2010 (Unaudited)	於二零一零年九月三十日(未經審核)	948,673

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14. BIOLOGICAL ASSETS (continued)

The Group's forest assets are located in the Northwest of Brazil, the State of Acre, Amazon Region (the "Brazil Forest"). As at 30 September 2010, the biological assets represented natural tropical forests. The total area of the Brazil Forest is approximately 44,500 hectares. Under the environmental laws in Brazil, 15% or 6,675 hectares of the Brazil Forest area is the permanent preservation area and therefore is restricted from logging. At least 80% of the remaining area is designated as the sustainable forest management area and the balance is the permissible clear cut area that has no restriction on felling under the environmental laws of Brazil. In the sustainable forest management area, minimum impact logging techniques are used and forests are managed in a sustainable manner which means that the harvesting rate is below the overall natural growth of the forest. The main objective in sustainable forest management program is to ensure the substance of the forests be preserved. The maximum logging rate allowed under relevant regulations governing sustainable forest management is 30m³ per hectare, on average, over a 25 to 30-year harvesting cycle.

The Group did not carry out any harvesting activities during the period.

The Brazil Forest was independently valued by Greater China Appraisal Limited ("GCA"). GCA has experience in valuating similar forestry assets. GCA has adopted a discounted cash flow methodology in valuating the Brazil Forest. The following are the major assumptions used in the valuation:

- (i) a logging volume of 21.5m³ per hectare in the sustainable forest management program area.
- (ii) a discount rate of 14.6% based on the date and factors relevant to the economy of Brazil, the industry of forest business and the harvestable resources in the Brazil Forest, and the weighted average cost of capital.
- (iii) for the first 30-year cycle, harvesting activities will begin from the calendar year 2011 and complete in 4 years. Revenue or costs from subsequent harvesting cycles are not taken into account.
- (iv) average log price growth at 3% per annum in the next 5 years. The expected long-term growth rate was estimated by reference to the GDP in Brazil.
- (v) the Group will obtain Forest Stewardship Council ("FSC") certification in 2012. FSC certification demonstrates fulfillment of social and ecological criteria, while increasing the prices achievable for timber products. Based on current market practices, the directors estimate that the Group can enjoy a price premium of 15% over non FSC timber products from 2012 when the Group obtains the FSC certification.

14. 生物資產(續)

本集團之森林資產位於巴西西北部之亞克裏州亞馬遜叢林區(「巴西森林」)。於二零一零年九月三十日，生物資產指天然熱帶森林。巴西森林之總面積約44,500公頃。根據巴西之環保法律，巴西森林面積之15%或6,675公頃為永久保護區，故此嚴禁砍伐。餘下範圍最少80%指定作為可持續森林管理區，根據巴西環保法，餘下範圍屬並無砍伐限制之砍伐區。在可持續森林管理範圍內，已採用構成最低影響之砍伐技術，而森林乃以可持續之方式管理，保持砍伐比率低於森林整體天然增長。可持續森林管理計劃之主要目的為確保森林之主要物質得以保留。根據可持續森林管理之相關監管規例，最高砍伐率為二十五至三十年之砍伐循環內平均每公頃30立方米。

期內，本集團並無進行任何砍伐活動。

巴西森林由漢華評估有限公司(「漢華評估」)獨立評估。漢華評估具有評估類似森林資產之經驗。漢華評估於評估巴西森林時已採用貼現現金流量法。以下為評估所用主要假設：

- (i) 可持續森林管理計劃範圍之砍伐量為每公頃21.5立方米。
- (ii) 折現率14.6%乃按照與巴西經濟環境有關之資料及因素、林業業務行業概況、於巴西森林之砍伐資源以及資本加權平均成本釐訂。
- (iii) 首三十年循環砍伐活動將自二零一一年曆年開始，於四年內完結。並無計及往後砍伐循環之收入或成本。
- (iv) 未來五年之平均原木價格增幅為每年3%，預期長期增長率乃參考巴西國內生產總值作出估計而得出。
- (v) 本集團將於二零一二年取得森林管理委員會(「FSC」)認證，FSC認證顯示本集團符合社會及生態標準，同時可增加木材產品售價。按現時市場慣例，董事估計本集團於二零一二年取得FSC認證後可享有較非FSC木材產品高出15%之溢價。

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14. BIOLOGICAL ASSETS (continued)

The Group is exposed to a number of risks related to its natural forest.

(i) Regulatory and environmental risks

The Group is subject to laws and regulations in Brazil in which it operates. The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage those risks. The directors are not aware of any environment liabilities as at 30 September 2010.

(ii) Supply and demand risk

The Group is exposed to risks arising from fluctuations in the price and sales volume of logs. When possible the Group manages this risk by controlling its harvesting volume, according to market conditions. Management performs regular industry trend analysis to ensure the Group's pricing policy is comparable to the market and the projected harvesting volumes are consistent with the expected demand.

14. 生物資產(續)

本集團就其天然森林面對多項風險。

(i) 監管及環境風險

本集團受其業務所在之巴西法例及規例規管。本集團已制定環境政策及程序，旨在遵守地方環保及其他法例。管理層定期進行檢討，以識別環境風險及確保現行制度足以管理有關風險。於二零一零年九月三十日，董事並不知悉任何環境負債。

(ii) 供求風險

本集團面對木材價格及銷量波動產生之風險。在可行情況下，本集團根據市況控制其砍伐量以管理此項風險。管理層定期進行行業趨勢分析，以確保本集團定價政策可與市場水平比較及預計砍伐量與預期需求一致。

15. GOODWILL

		HK\$'000 港幣千元
Cost	成本	
At 1 April 2009 (Audited)	於二零零九年四月一日(經審核)	–
Arising from acquisition of subsidiaries	收購附屬公司所產生	1,686,883
At 31 March 2010 (Audited) and 30 September 2010 (Unaudited)	於二零一零年三月三十一日(經審核)及 二零一零年九月三十日(未經審核)	1,686,883

Goodwill was allocated to the Group's cash-generating unit identified according to the operating segment. The goodwill as at 30 September 2010 was attributable to the cash-generating unit that comprises the sustainable forest management segment.

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired. The Group engaged a professional independent valuer to conduct valuations to test goodwill for impairment. The recoverable amount of the sustainable forest management segment was determined to be higher than its carrying value, therefore there was no impairment loss.

15. 商譽

商譽分配至根據經營分部識別之本集團現金產生單位。於二零一零年九月三十日之商譽乃源自組成可持續森林管理分部之現金產生單位。

本集團每年檢測商譽減值，或倘有跡象顯示商譽可能已減值，則更頻密檢測減值。本集團已委聘獨立專業估值師進行估值，以檢測商譽減值。持續森林管理分部之可收回金額被釐定為高於其賬面值，因此並無減值虧損。

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16. INVENTORIES

16. 存貨

		At 30 September 2010 於二零一零年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2010 於二零一零年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Timber logs	木材原木	576,819	235,424
Raw materials	原材料	1,592	1,603
Work in progress	在製品	-	11,391
Finished goods	製成品	5,325	4,632
		583,736	253,050

17. TRADE AND OTHER RECEIVABLES

Customers are generally not given any credit terms. Letter of credit or advance deposits are required from customers, except for some where sales terms are based on cash on delivery.

The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management.

17. 應收貿易款項及其他應收款項

一般不會給予客戶任何信貸期。客戶須出示信用證或預先支付訂金，惟部分客戶的銷售條款按貨到付現訂立。

本集團對未收回之應收款項實施嚴格控制，並已設立信貸控制部進行管理，以求盡量降低信貸風險。高級管理層定期審閱逾期結餘。

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17. TRADE AND OTHER RECEIVABLES (continued)

The ageing analysis of the trade receivables as at the reporting date, based on invoice date, was as follows:

		At 30 September 2010 於二零一零年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2010 於二零一零年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
0 to 30 days	0至30日	364	1,974
31 to 60 days	31至60日	-	975
90 to 180 days	90至180日	1,087	486
181 to 365 days	181至365日	486	-
Trade receivables, net	應收貿易款項淨額	1,937	3,435
Other receivables	其他應收款項	9,733	4,788
Prepayment and deposits	預付款項及按金	4,541	6,067
		16,211	14,290

17. 應收貿易款項及其他應收款項 (續)

於呈報日期，按發票日期計算之應收貿易款項之賬齡分析如下：

18. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE

In February 2010, the directors of the Group commenced negotiations to dispose of the Chita forests operation in Russia as part of its ongoing strategy to seek forest assets or operations with better return on investments, hence improving the value they bring to shareholders. On 1 March 2010, Amplewell entered into a letter of intent with an independent third party to dispose of the Group's entire equity interest in issued share capital of ZLK Group. ZLK Group was principally engaged in forestry operations in Russia. The assets and liabilities attributable to the forestry operation in Russia which are expected to be sold within twelve months, have been classified as assets held for sale and are presented separately in the condensed consolidated statement of financial position. Pursuant to the letter of intent, the selling price of the disposal shall be not less than the book value, as such the directors expected that the proceeds of the disposal will be greater than the net carrying amount of the relevant assets and liabilities and therefore no impairment is necessary.

18. 分類為持作待售資產及負債

於二零一零年二月，本集團董事開始就出售俄羅斯赤塔森林業務進行磋商，作為尋求更佳投資回報之森林資產或業務之持續策略之一部分，從而提升為股東帶來之價值。於二零一零年三月一日，沛源與獨立第三方訂立意向書，出售本集團於ZLK集團已發行股本之全部股本權益。ZLK集團主要在俄羅斯從事林業業務。預期將於十二個月內出售之俄羅斯林業業務應佔資產及負債已分類為持作待售資產，並於簡明綜合財務狀況表內分別呈列。根據意向書，出售事項之售價不得少於賬面值，故董事預期出售事項所得款項將多於有關資產及負債之賬面淨值，故毋須作出減值撥備。

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18. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE (continued)

18. 分類為持作待售資產及負債 (續)

The major classes of assets and liabilities of Chita forests operation in Russia, which have been classified as held for sale at the end of the respective reporting period, are as follows:

於各報告期間結算日，已分類為持作待售之俄羅斯赤塔森林業務之資產及負債主要類別如下：

		At 30 September 2010 於二零一零年 九月三十日 HK\$'000 港幣千元 (Unaudited) 未經審核	At 31 March 2010 於二零一零年 三月三十一日 HK\$'000 港幣千元 (Audited) 經審核
Property, plant and equipment	物業、廠房及設備	69,226	71,498
Intangible assets – timber concession rights	無形資產 – 木材特許權	151,935	161,947
Inventories	存貨	989	1,022
Trade and other receivables	應收貿易款項及其他應收款項	1,847	1,907
Amount due from a non-controlling shareholder	應收一名非控股股東款項	62,704	66,660
Cash and cash equivalents	現金及現金等價物	1	2
Assets classified as held for sale	分類為持作待售資產	286,702	303,036
Trade and other payables	應付貿易款項及其他應付款項	23,877	26,391
Bank loans, secured	有抵押之銀行貸款	–	10,416
Other loans, secured	有抵押之其他貸款	6,341	6,550
Other loans, unsecured	無抵押之其他貸款	2,347	2,424
Consideration payable	應付代價	5,000	5,000
Finance lease payables	應付融資租約	9,773	10,095
Deferred tax liabilities	遞延稅項負債	37,422	38,047
Liabilities associated with assets classified as held for sale	與分類為持作待售資產相關之負債	84,760	98,923

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19. TRADE AND OTHER PAYABLES

19. 應付貿易款項及其他應付款項

			At 30 September 2010 於二零一零年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2010 於二零一零年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
		Note 附註		
Trade payables	應付貿易款項	a	147,307	91,054
Cash consideration payable for acquisition of biological assets	收購生物資產之應付現金代價		-	26,598
Other payables and accruals	其他應付款項及應計費用		8,739	7,315
Deposits from customers	客戶訂金		233	-
Amount due to a director	應付一名董事款項	b	-	92
			156,279	125,059

(a) Trade payables

An ageing analysis of the Group's trade payables as at the end of the reporting date, based on invoiced date, was as follows:

(a) 應付貿易款項

於報告日期結算日，按發票日期計算之本集團應付貿易款項之賬齡分析如下：

			At 30 September 2010 於二零一零年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2010 於二零一零年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
0 to 30 days	0至30日		32,593	90,545
31 to 60 days	31至60日		17,600	-
61 to 90 days	61至90日		19,266	-
Over 90 days	90日以上		77,848	509
			147,307	91,054

(b) Amount due to a director

The amount was unsecured, interest free and had no fixed terms of repayment.

(b) 應付一名董事款項

有關款項為無抵押、免息及無固定還款期。

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20. BANK OVERDRAFTS, BANK AND OTHER LOANS 20. 銀行透支、銀行及其他貸款

		At 30 September 2010 於二零一零年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2010 於二零一零年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Bank overdrafts, secured	有抵押之銀行透支	4	-
Bank loan, secured	有抵押之銀行貸款	400	506
Bank loan, unsecured	無抵押之銀行貸款	240	-
Other loan, unsecured	無抵押之其他貸款	14,568	-
		15,212	506
Current	流動	15,094	209
Non-current	非流動	118	297
Balance at end of the period/year	期/年終結餘	15,212	506

		At 30 September 2010 於二零一零年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2010 於二零一零年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Movements in borrowings are analysed as follows:	借貸變動分析如下：		
Balance at beginning of the period/year as at 1 April	於四月一日之期/年初結餘	506	16,306
Addition during the period/year	期/年內新增	15,036	9,161
Acquisition through subsidiaries	透過附屬公司進行收購	-	24,312
Exchange alignment	匯兌調整	496	1,764
Repayments	還款	(826)	(31,647)
Reclassified as held for sale	重新分類為持作待售	-	(19,390)
Balance at end of the period/year	期/年終結餘	15,212	506

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20. BANK OVERDRAFTS, BANK AND OTHER LOANS (continued)

The secured bank loans of HK\$400,000 (31 March 2010: HK\$506,000) were secured by the Group's motor vehicles with carrying amount of HK\$584,000 (31 March 2010: HK\$625,000) (note 13) and are bearing interest at fixed rates of 20.27% to 23.87% per annum.

The unsecured bank loan and other loan are bearing interest at fixed rates of 25.34% and 37.67% per annum respectively.

At 30 September 2010, the Group had total banking facilities of HK\$404,000 (31 March 2010: HK\$10,922,000), all of which had been utilised. As at 31 March 2010, out of the total bank borrowings HK\$10,416,000 was classified as liabilities associated with assets held for sale (note 18).

21. PROMISSORY NOTES

Balance at beginning of the period/year	期／年初結餘
Promissory notes issued	已發行承付票據
Accrued interest	累計利息
Repayment	還款

Balance at end of the period/year	期／年終結餘
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20. 銀行透支、銀行及其他貸款 (續)

有抵押銀行貸款港幣400,000元(二零一零年三月三十一日：港幣506,000元)乃以賬面值為港幣584,000元(二零一零年三月三十一日：港幣625,000元)之本集團汽車(附註13)作抵押，並按固定年利率20.27厘至23.87厘計息。

無抵押銀行貸款及其他貸款分別按固定年利率25.34厘及37.67厘計息。

於二零一零年九月三十日，本集團有銀行融資總額港幣404,000元(二零一零年三月三十一日：港幣10,922,000元)已全數動用。於二零一零年三月三十一日，銀行借貸總額當中，港幣10,416,000元已分類為與持作待售資產有關之負債(附註18)。

21. 承付票據

	At 30 September 2010 於二零一零年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2010 於二零一零年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Balance at beginning of the period/year	24,617	-
Promissory notes issued	-	191,911
Accrued interest	520	7,423
Repayment	(19,076)	(174,717)
Balance at end of the period/year	6,061	24,617

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21. PROMISSORY NOTES (continued)

The promissory notes bear interest at 2% per annum. The interest shall be repaid together with principal in one lump sum upon maturity on 31 January 2011. On 1 September 2010, the Company entered into a letter with the holder of the promissory notes to extend the maturity date of the promissory note to 31 July 2012. The promissory notes may be assigned or transferred (in integral multiple of HK\$1,000,000) to any third party (other than a connected person as defined in the Listing Rules) subject to the Listing Rules and the applicable laws. The Company may repay all or part of the principle amount and interest at any time prior to the maturity date (i.e. 31 July 2012) by giving the holder not less than seven days' prior written notice specifying the amount and date of repayment provided that the amount shall be at least HK\$1,000,000. Otherwise, the payment of principal and interest payment of promissory notes shall be made in full upon the maturity date.

The fair value of the promissory note at the date of issuance was HK\$191,911,000, which was determined by GCA. Valuations were made on the basis of effective interest method which is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate used in the calculation of the fair value is 15.74%.

The promissory notes are held by a substantial shareholder. On 23 September 2009, the Company made repayment of promissory note with carrying amount of HK\$84,529,000 at par value of HK\$100,000,000. On 2 November 2009, the Company made another repayment of promissory notes with carrying amount of HK\$90,188,000 at par value for HK\$105,000,000. The excess of the repayments amount over the carrying amount of HK\$30,283,000 for the year ended 31 March 2010 was accounted for as distribution to the shareholder. On 12 April 2010, the Company made another repayment of promissory notes with carrying amount of HK\$19,076,000 at par value of HK\$20,822,000. The excess of the repayment amount over the carrying amount of HK\$1,746,000 for the six months ended 30 September 2010 was accounted for as distribution to the shareholder. Given that the Company has the legal obligation to settle the full face value of the promissory notes for the aforesaid acquisition, the directors considered the excess of arising from accounting treatment is not in substance an expense to the Company. The directors considered that the excess shall be accounted for as a deemed capital distribution to the shareholder and recorded as a transaction with owners and charged to the contributed surplus account.

21. 承付票據(續)

承付票據按年利率2厘計息。利息連同本金於二零一一年一月三十一日到期，屆時一次過償還。於二零一零年九月一日，本公司與承付票據持有人訂立函件，將承付票據之到期日延展至二零一二年七月三十一日。在符合上市規則及適用法律之情況，承付票據將可以港幣1,000,000元之完整倍數指讓或轉讓予任何第三方，惟上市規則所界定關連人士除外。本公司可於到期日（即二零一二年七月三十一日）前任何時間償還全部或部分本金額及利息，方式為向持有人發出不少於七日的事先書面通知，列明所償還之款項及還款日期，而償還金額須最少為港幣1,000,000元。否則，承付票據之本金及利息須於到期日悉數支付。

承付票據於發行日期之公平值為港幣191,911,000元，乃由漢華評值釐訂。估值乃按實際利率法作出，其為計算財務資產或財務負債攤銷成本及於相關期間分配利息收入或利息開支之方法。計算公平值所用實際利率為15.74%。

承付票據乃由一名主要股東持有。於二零零九年九月二十三日，本公司以面值港幣100,000,000元向股東償還賬面值港幣84,529,000元之承付票據。於二零零九年十一月二日，本公司另行以面值港幣105,000,000元償還賬面值港幣90,188,000元之承付票據。於截至二零一零年三月三十一日止年度，償還金額超出賬面值之金額港幣30,283,000元入賬列作股東分派。於二零一零年四月十二日，本公司另行以面值港幣20,822,000元償還賬面值港幣19,076,000元之承付票據。截至二零一零年九月三十日止六個月，償還金額超出賬面值之金額港幣1,746,000元入賬列作股東分派。基於本公司有法律責任就上述收購償付承付票據之全數面值，董事認為會計處理所產生超出金額並非本公司之實際開支。董事認為，超出金額應入賬列作視作股東資本分派，並記錄為與擁有人進行之交易及於實繳盈餘賬扣除。

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22. AMOUNTS DUE TO SHAREHOLDERS/ RELATED COMPANIES

The amounts are unsecured, bearing interest at 5% per annum and not repayable within twelve months.

22. 應付股東／關連公司款項

該款項為無抵押、按年利率5厘計息及毋須於十二個月內償還。

23. SHARE CAPITAL

23. 股本

	No. of shares 股份數目		Amount 金額			
	Number of ordinary shares of HK\$0.0533 per share 每股面值港幣0.0533元之普通股數目	Number of convertible preference shares of HK\$0.01 per share 每股面值港幣0.01元之可換股優先股份數目	Ordinary shares 普通股	Convertible preference shares 可換股優先股份	Total 總計	
	'000 千股	'000 千股	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	
Authorised	法定					
At 1 April 2010 and 30 September 2010	於二零一零年四月一日及二零一零年九月三十日	8,437,500	27,534,000	450,000	275,340	725,340
Issued and fully paid	已發行及繳足					
At 1 April 2010	於二零一零年四月一日	2,326,454	19,877,708	124,078	198,777	322,855
Placing of new shares	配售新股	412,000	-	21,973	-	21,973
Conversion of convertible preference shares	兌換可換股優先股份	648,850	(3,460,532)	34,605	(34,605)	-
At 30 September 2010	於二零一零年九月三十日	3,387,304	16,417,176	180,656	164,172	344,828

(i) On 26 May 2010, the Company entered into a subscription agreement with NWS Financial Management Services Limited, a subsidiary of NWS Holdings Limited (the "Subscriber") who is an independent third party to the Group, pursuant to which the Company has agreed to allot and issue to the Subscriber, the subscription shares of 412,000,000 new shares at HK\$0.50 per subscription share. The Company completed the subscription of 412,000,000 shares on 2 June 2010. The net proceeds raised from the subscription were approximately HK\$190.6 million.

(ii) During the six months ended 30 September 2010, an aggregate of 648,849,810 new ordinary shares of HK\$0.0533 each were issued upon the conversion of 3,460,532,326 convertible preference share of HK\$0.01 each.

(i) 於二零一零年五月二十六日，本公司與本集團之獨立第三方新創建集團有限公司之附屬公司NWS Financial Management Services Limited（「認購人」）訂立認購協議，據此，本公司同意按每股認購股份港幣0.50元向認購人配發及發行認購股份中412,000,000股新股份。本公司已於二零一零年六月二日完成認購412,000,000股股份。認購事項之所得款項淨額約為港幣190,600,000元。

(ii) 截至二零一零年九月三十日止六個月，於兌換3,460,532,326股每股面值港幣0.01元之可換股優先股份後，共發行648,849,810股每股面值港幣0.0533元之新普通股。

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24. SHARE OPTION SCHEME

On 27 November 2009, the share option scheme was adopted by the Company (the "Share Option Scheme"). Under the Share Option Scheme, the share options (the "Share Options") are granted to directors, employees, senior executive or officers, managers, consultants, any customers, suppliers of goods or services to any member of the Group or any Invested Entity who, in the sole discretion of the Board have contributed or will contribute to the growth and development of the Group.

Movements of the Share Options for the six months ended 30 September 2010 are as below.

24. 購股權計劃

於二零零九年十一月二十七日，本公司採納購股權計劃（「購股權計劃」）。根據購股權計劃，董事會全權酌情認為已經或將會對本集團之增長及發展作出貢獻之本集團任何成員公司或任何投資實體之董事、僱員、高級行政人員或職員、經理、顧問、任何客戶、貨品或服務供應商授出購股權（「購股權」）。

於截至二零一零年九月三十日止六個月，購股權之變動如下。

Date of Grant	Exercise period	Exercise price per share	Number of share options 購股權數目			
			Outstanding at 1 April 2010 於二零一零年 四月一日 尚未行使	Granted	Lapsed	Outstanding at 30 September 2010 於二零一零年 九月三十日 尚未行使
13 January 2010 二零一零年一月十三日	13 January 2011 to 27 November 2019 二零一一年一月十三日至 二零一零九年十一月二十七日	HK\$0.940 港幣0.940元	18,416,973	-	(1,965,367)	16,451,606
13 January 2010 二零一零年一月十三日	13 January 2012 to 27 November 2019 二零一二年一月十三日至 二零一零九年十一月二十七日	HK\$0.940 港幣0.940元	18,416,975	-	(1,965,368)	16,451,607
13 January 2010 二零一零年一月十三日	13 January 2013 to 27 November 2019 二零一三年一月十三日至 二零一零九年十一月二十七日	HK\$0.940 港幣0.940元	18,416,976	-	(1,965,368)	16,451,608
7 May 2010 二零一零年五月七日	15 July 2010 to 27 November 2019 二零一零年七月十五日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元	-	5,105,427	-	5,105,427
7 May 2010 二零一零年五月七日	7 November 2010 to 27 November 2019 二零一零年十一月七日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元	-	2,000,000	-	2,000,000
7 May 2010 二零一零年五月七日	13 January 2011 to 27 November 2019 二零一一年一月十三日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元	-	9,381,644	(200,000)	9,181,644

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24. SHARE OPTION SCHEME (continued)

24. 購股權計劃(續)

Date of Grant	Exercise period	Exercise price per share	Number of share options 購股權數目			Outstanding at 30 September 2010 於二零一零年 九月三十日 尚未行使
			Outstanding at 1 April 2010 於二零一零年 四月一日 尚未行使	Granted	Lapsed	
7 May 2010 二零一零年五月七日	7 May 2011 to 27 November 2019 二零一一年五月七日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元	–	4,162,677	(467,600)	3,695,077
7 May 2010 二零一零年五月七日	15 July 2011 to 27 November 2019 二零一一年七月十五日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元	–	5,105,428	–	5,105,428
7 May 2010 二零一零年五月七日	13 January 2012 to 27 November 2019 二零一二年一月十三日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元	–	9,381,646	(200,000)	9,181,646
7 May 2010 二零一零年五月七日	7 May 2012 to 27 November 2019 二零一二年五月七日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元	–	4,162,678	(467,600)	3,695,078
7 May 2010 二零一零年五月七日	13 January 2013 to 27 November 2019 二零一三年一月十三日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元	–	9,381,654	(200,000)	9,181,654
7 May 2010 二零一零年五月七日	7 May 2013 to 27 November 2019 二零一三年五月七日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元	–	4,162,680	(467,600)	3,695,080
14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至 二零一零九年十一月二十七日	HK\$0.375 港幣0.375元	–	79,350,000	–	79,350,000
			55,250,924	132,193,834	(7,898,903)	179,545,855

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24. SHARE OPTION SCHEME (continued)

The vesting period of the Share Options is as below.

24. 購股權計劃(續)

購股權之歸屬期如下。

Date of Grant 授出日期	Number of Share Options 股份數目	Vesting conditions 歸屬條件
13 January 2010 二零一零年一月十三日	45,040,069	Three years from the date of grant (in three equal installments) 自授出日期起計三年(分三期)
	10,210,855	Two years from the date of grant (in two equal installments) 自授出日期起計兩年(分兩期)
7 May 2010 二零一零年五月七日	28,144,944	Three years from 13 January 2010 (in three equal installments) 自二零一零年一月十三日起計三年(分三期)
	6,488,035	Three years from the date of grant (in three equal installments) 自授出日期起計三年(分三期)
	10,210,855	Two years from the date of grant (in two equal installments) 自授出日期起計兩年(分兩期)
	8,000,000	Three years from the date of grant (in four equal installments) 自授出日期起計三年(分四期)
14 September 2010 二零一零年九月十四日	79,350,000	Vesting immediately (only one installment) 即時歸屬(只有一期)
Total share options granted 已授出購股權總數	187,444,758	

No other Share Options granted under the Share Option Scheme were cancelled or exercised during the period. The Group had no legal or constructive obligation to repurchase or settle the options in cash.

期內，概無其他根據購股權計劃授出之購股權獲註銷或獲行使。本集團並無法律或推定責任須以現金購回或支付購股權。

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25. COMMITMENTS

(a) Commitments in respect of capital expenditure

At the end of reporting period, the Group had commitments in respect of capital expenditure outstanding but not provided for in the condensed consolidated financial statements were as follows:

		At 30 September 2010 於二零一零年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2010 於二零一零年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Contracted, but not provided for	已訂約但未撥備		
– Acquisition of forest, forest concession rights, a wood processing plant, investment in a flooring company and exclusive production rights	– 收購森林、森林特許權、木材加工廠、於地板公司之投資及獨家生產權	(i) 318,857	294,896
– Acquisition of forest, sawmill and fibreboard processing facilities	– 收購森林、鋸木廠及纖維板加工廠	(ii) 364,408	363,844
		683,265	658,740

(i) On 12 February 2010, the Group entered into a term sheet (the "Term Sheet") to acquire the entire equity interests in a company (an independent third party) incorporated in Brazil holding among others approximately 98,000 hectares of forest are in Brazil, up to 800,000 hectares of forest concession rights in Bolivia, a wood processing plant, investment interests in a flooring company and exclusive production rights. The Term Sheet is legally binding and pursuant to its terms, the consideration of the acquisition shall be R\$70,000,000 (equivalent to approximately HK\$318,857,000 (31 March 2010: HK\$294,896,000)). The consideration shall be payable by instalments as follows: (i) R\$45,000,000 (equivalent to approximately HK\$204,979,500 (31 March 2010: HK\$189,576,000)) to be satisfied upon completion of the acquisition and (ii) R\$25,000,000 (equivalent to approximately HK\$113,877,500 (31 March 2010: HK\$105,320,000)) to be satisfied by payment in cash in United State dollars on a date falling within three years after completion. According to the terms of the Term Sheet, the consideration may be reduced, if the net profit after tax for each of the three years after completion shall be less than R\$10,000,000.

(i) 於二零一零年二月十二日，本集團訂立條款表（「條款表」）收購一間於巴西註冊成立之公司（獨立第三方）全部股本權益，該公司持有（其中包括）巴西約98,000公頃之森林區、達800,000公頃之玻利維亞森林特許權、木材加工廠、於一家地板公司之投資權益及獨家生產權。條款表具法律約束力，根據其條款，收購事項之代價將為70,000,000雷亞爾（約相當於港幣318,857,000元（二零一零年三月三十一日：港幣294,896,000元）），代價將按以下方式分期支付：(i)45,000,000雷亞爾（約相當於港幣204,979,500元（二零一零年三月三十一日：港幣189,576,000元））將於收購事項完成時支付及(ii)25,000,000雷亞爾（約相當於港幣113,877,500元（二零一零年三月三十一日：港幣105,320,000元））將於交易完成後三年內以美元現金支付。根據條款表之條款，倘完成後三個年度各年之除稅後純利少於10,000,000雷亞爾，則代價或會減少。

25. 承擔

(a) 有關資本開支之承擔

本集團於報告期間結算日就資本開支有下列未償還但並未於簡明綜合財務報告撥備之承擔：

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25. COMMITMENTS (continued)

(a) Commitments in respect of capital expenditure (continued)

- (ii) On 1 November 2009, the Group entered into a legally binding Memorandum of Intent (“MOU”) to acquire the entire equity interests in a company (an independent third party) incorporated in Brazil holding freehold forest area of approximately 137,000 hectares in Brazil, a sawmill and a fibreboard processing facility. Pursuant to the terms of the MOU, the consideration of the acquisition should be R\$80,000,000 (equivalent to approximately HK\$364,408,000 (31 March 2010: HK\$363,843,757)). The consideration shall be payable as follows: (i) R\$27,000,000 (equivalent to approximately HK\$122,987,700 (31 March 2010: HK\$122,797,268)) to be satisfied by cash on the completion date of the acquisition; (ii) R\$26,000,000 (equivalent to approximately HK\$118,432,600 (31 March 2010: HK\$118,249,221)) to be satisfied by the allotment and issue of new shares of the Company on the completion date of the acquisition and (iii) R\$27,000,000 (equivalent to approximately HK\$122,987,700 (31 March 2010: HK\$122,797,268)) to be paid in 6 instalments, falling due on a half-yearly basis, with the first instalment falling due after 12 months from the completion date of the acquisition.

(b) Operating lease commitment

The Group leases certain of its office premises under operating leases. Leases for these properties are negotiated for terms ranging one to two years. At the end of reporting period, the Group had total future minimum lease payments under non-cancellable operating leases are payable as follows:

		At 30 September 2010 於二零一零年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2010 於二零一零年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Within one year	一年內	3,226	2,575
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	1,694	2,298
		4,920	4,873

25. 承擔(續)

(a) 有關資本開支之承擔(續)

- (ii) 於二零零九年十一月一日，本集團訂立一份具法律約束力之意向諒解備忘錄(「諒解備忘錄」)，收購一家於巴西註冊成立之公司(獨立第三方)之全部股本權益，該公司於巴西永久持有約137,000公頃之森林區、一家鋸木廠及一家纖維板加工廠。根據諒解備忘錄之條款，收購代價應為80,000,000雷亞爾(約相當於港幣364,408,000元(二零一零年三月三十一日：港幣363,843,757元))。代價須以下列方式支付：(i) 27,000,000雷亞爾(約相當於港幣122,987,700元(二零一零年三月三十一日：港幣122,797,268元))於收購完成日期以現金支付；(ii) 26,000,000雷亞爾(約相當於港幣118,432,600元(二零一零年三月三十一日：港幣118,249,221元))於收購完成日期以配發及發行本公司新股份支付；及(iii) 27,000,000雷亞爾(約相當於港幣122,987,700元(二零一零年三月三十一日：港幣122,797,268元))於每半年到期時分六期支付，首期須自收購完成日期起計12個月後到期支付。

(b) 經營租約承擔

本集團根據經營租約出租若干辦公室物業。該等物業之租約經磋商後為期一至兩年。於報告期間結算日，本集團根據不可撤銷經營租約應付之日後最低租金總額如下：

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25. COMMITMENTS (continued)

(c) Minimum royalty payments

The total future minimum royalty payments payable under the terms of the timber concession licenses are as follows:

		At 30 September 2010 於二零一零年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2010 於二零一零年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Within one year	一年內	2,794	3,317
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	10,765	12,910
After five years	五年後	29,839	38,067
		43,398	54,294

The terms of the timber concession licences ranging from 3 to 22 years.

25. 承擔(續)

(c) 最低專利權費付款

根據木材特許權證之條款於日後應付之最低專利權費付款總額如下：

木材特許權證之期限介乎3至22年。

26. SEASONALITY OF OPERATIONS

The Group's forest operations in Brazil is located in the Amazon region and is subject to weather conditions during the rainy season ranging roughly from December to April each year. Forest logging activities in the Amazon region are substantially scaled down or stopped completely in some areas. Log prices usually increase during the rainy season due to diminished supplies. This affects many sawmill operators that have to stock up logs and tie up significant working capital, but benefits forest owners who can plan ahead to reserve stock pile prior to the start of the rainy season. The Group incorporates this seasonality in its forest management plan to avoid supply shortage as well as to take advantage of seasonal price differentials in logs.

27. CONTINGENT LIABILITIES

The Group and the Company had no contingent liabilities as at 30 September 2010 and 31 March 2010.

26. 業務之季節性因素

本集團於巴西之林業業務位於亞馬遜流域，於雨季受天氣狀況所限制，而雨季一般為每年十二月至四月。亞馬遜流域森林砍伐活動規模大幅減少，於若干地區更加完全停頓。木材價格一般於雨季上升，乃由於供應減少所致。此影響多家鋸木廠經營者，該等經營者須儲備木材及大量營運資金，但此情況將令及早計劃於雨季前儲備充足木材之森林擁有人受惠。本集團將此季節性因素加入森林管理計劃，以避免供應短缺，並可受惠於木材季節性價格變動。

27. 或然負債

於二零一零年九月三十日及二零一零年三月三十一日，本集團及本公司並無或然負債。

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28. MATERIAL RELATED PARTY TRANSACTIONS

The Group had the following transactions with related parties during the six months ended 30 September 2010.

(a) Key management personnel remuneration

The key management personnel of the Group are the directors of the Company. The remuneration of directors during the six months ended 30 September was as follows:

		For the six months ended 30 September 截至九月三十日止六個月	
		2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	2,130	960
Retirement scheme contribution	退休福利供款	11	13
Share based payments	以股份支付	11,889	–
		14,030	973

(b) Other related party transactions

		For the six months ended 30 September 截至九月三十日止六個月	
		2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2009 二零零九年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Interest on amounts due to shareholders	應付股東款項之利息	2,176	486
Interest on amounts due to related companies	應付關連公司款項之利息	690	500
Interest on promissory notes	承付票據之利息	520	4,746
Management fee paid to a non-controlling shareholder	向一名非控股股東支付管理費	–	384
Service fee paid to a non-controlling shareholder	向一名非控股股東支付服務費	–	257

28. 重大關連人士交易

本集團於截至二零一零年九月三十日止六個月與關連人士曾進行以下交易。

(a) 主要管理人員之薪酬

本集團之主要管理人員為本公司董事。於截至九月三十日止六個月董事之酬金詳情如下：

(b) 其他關連人士交易

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28. MATERIAL RELATED PARTY TRANSACTIONS

(continued)

(b) Other related party transactions (continued)

Notes:

- (i) During the six months ended 30 September 2010, the Group has accrued interest expenses of HK\$2,176,000 (30 September 2009: HK\$486,000) on the outstanding amounts due to shareholders which was calculated at 5% per annum.
- (ii) During the six month ended 30 September 2010, the Group has accrued interest expense of HK\$690,000 (30 September 2009: HK\$500,000) on the outstanding amounts due to related companies which was calculated at 5% per annum.
- (iii) These represent interest on promissory notes was calculated at a rate of 2% per annum on par value of the promissory notes. The outstanding balance at the end of the reporting period is disclosed in note 21.
- (iv) Two former subsidiaries of the Group entered into two agreements with a non-controlling shareholder, United Marble Company Limited, which provided project management services for the building material business to the two former subsidiaries at an aggregated monthly management fee of HK\$64,000 commencing on 1 April 2007.
- (v) During the six months ended 30 September 2009, a non-controlling shareholder, United Marble Company Limited provided staff services to the former subsidiary of the Company at a monthly fee of HK\$ 35,000 commencing on 1 April 2009.

28. 重大關連人士交易 (續)

(b) 其他關連人士交易 (續)

附註：

- (i) 截至二零一零年九月三十日止六個月，本集團就未支付之應付股東款項有應計利息開支港幣2,176,000元(二零零九年九月三十日：港幣486,000元)，乃按年利率5厘計算。
- (ii) 截至二零一零年九月三十日止六個月，本集團就未支付之應付關連公司款項有應計利息開支港幣690,000元(二零零九年九月三十日：港幣500,000元)，乃按年利率5厘計算。
- (iii) 該等利息指承付票據之利息，按承付票據面值以年利率2厘計息。於報告期間結算日之未償還餘額在附註21披露。
- (iv) 本集團兩間前附屬公司與非控股股東華聯雲石有限公司就向該兩間前附屬公司提供建材業務之項目管理服務訂立兩項協議，管理月費合共港幣64,000元，由二零零七年四月一日起。
- (v) 截至二零零九年九月三十日止六個月，非控股股東華聯雲石有限公司由二零零九年四月一日起按月費港幣35,000元，向本公司前附屬公司提供員工服務。

Supplementary Information

補充資料

The directors of the board (the “Directors” or “Board”) of Sustainable Forest Holdings Limited (the “Company”) and its subsidiaries (the “Group”) hereby present the interim financial report of the Group for the six months ended 30 September 2010.

INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the six months ended 30 September 2010 (2009: Nil).

DIRECTORS’ AND CHIEF EXECUTIVE’S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 September 2010, the interests and short positions of the Directors and the chief executive or their associates in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), were as follows:

Long Positions

Name of Directors 董事姓名	Capacity 身分	Number of underlying Shares held 所持相關股份數目	Approximate percentage of issued share capital of the Company as at 30 September 2010 於二零一零年九月三十日佔本公司已發行股本概約百分比
Mr LEUNG Chau Ping, Paul 梁秋平先生	Personal 個人	31,421,710 (note 2) (附註2)	0.9276%
Mr Leandro Dos Martires GUERRA Leandro Dos Martires GUERRA先生	Personal 個人	20,421,710 (note 3) (附註3)	0.6029%
Mr LEUNG Siu Hung, Joel 梁紹雄先生	Personal 個人	2,042,171 (note 4) (附註4)	0.0603%
Mr John Tewksbury BANIGAN John Tewksbury BANIGAN先生	Personal 個人	2,042,171 (note 5) (附註5)	0.0603%
Mr KEUNG Paul Hinsum 姜顯森先生	Corporate 公司	11,853,361 (note 6) (附註6)	0.3499%

永保林業控股有限公司(「本公司」)及其附屬公司(「本集團」)之董事會(「董事」或「董事會」)謹此呈報本集團截至二零一零年九月三十日止六個月之中期財務報告。

中期股息

董事不建議派發截至二零一零年九月三十日止六個月之中期股息(二零零九年：無)。

董事及行政總裁於股份及相關股份之權益及淡倉

於二零一零年九月三十日，董事及行政總裁或彼等之聯繫人士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，擁有登記在本公司根據證券及期貨條例第352條須存置登記冊之權益及淡倉，或根據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10所載上市發行人董事進行證券交易的標準守則(「標準守則」)已另行知會本公司及聯交所之權益及淡倉如下：

好倉

Supplementary Information

補充資料

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

Long Positions (continued)

Notes:

- 1 The relevant interests are unlisted physically settled convertible preferred shares (the "Convertible Preference Shares") issued pursuant to the terms of the Convertible Preference Shares approved by the shareholders of the Company at a special general meeting held on 13 July 2009. Upon conversion of the Convertible Preference Shares, ordinary shares of Hk\$0.0533 each in the share capital of the Company (the "Shares") are issuable.
- 2 The personal interest of Mr LEUNG Chau Ping, Paul represents an interest in 31,421,710 underlying Shares in respect of options granted by the Company as detailed below.
- 3 The personal interest of Mr Leandro Dos Martires GUERRA represents an interest in 20,421,710 underlying Shares in respect of options granted by the Company as detailed below.
- 4 The personal interest of Mr LEUNG Siu Hung, Joel represents an interest in 2,042,171 underlying shares in respect of options granted by the Company as detailed below.
- 5 The personal interest of Mr John Tewksbury BANIGAN represents an interest in 2,042,171 underlying Shares in respect of options granted by the Company as detailed below.
- 6 Mr KEUNG Paul Hinsum was taken to be interested in an aggregate of 11,853,361 underlying Shares in respect of the Convertible Preference Shares issued by the Company held by Million Great Investment Limited which was owned as to 80% by Mr KEUNG.

Save as disclosed above, as at 30 September 2010, none of the Directors or the chief executive or their associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of the SFO or which were required to be entered in the register required to be kept pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

董事及行政總裁於股份及相關股份之權益及淡倉 (續)

好倉 (續)

附註:

- 1 有關權益為根據本公司股東於二零零九年七月十三日舉行之股東特別大會上批准之可換股優先股份之條款發行之非上市實物結算可換股優先股份(「可換股優先股份」)。於兌換可換股優先股份時，本公司股本中每股面值港幣0.0533元之普通股(「股份」)可予發行。
- 2 梁秋平先生之個人權益指就下文詳述之本公司所授出購股權於31,421,710股相關股份之權益。
- 3 Leandro Dos Martires GUERRA 先生之個人權益指就下文詳述之本公司所授出購股權於20,421,710股相關股份之權益。
- 4 梁紹雄先生之個人權益指就下文詳述之本公司所授出購股權於2,042,171股相關股份之權益。
- 5 John Tewksbury BANIGAN先生之個人權益指就下文詳述之本公司所授出購股權於2,042,171股相關股份之權益。
- 6 姜顯森先生被當作於萬偉投資有限公司(姜先生擁有80%權益)所持有涉及本公司所發行可換股優先股份之合共11,853,361股相關股份中擁有權益。

除上文披露者外，於二零一零年九月三十日，董事或行政總裁或彼等之聯繫人士於本公司或其任何相聯法團之股份、相關股份及債券中概無擁有根據證券及期貨條例第7及第8分部須知會本公司及聯交所之任何權益或淡倉，或須登記在本公司根據證券及期貨條例第352條須存置登記冊之任何權益或淡倉，或根據標準守則須知會本公司及聯交所之權益或淡倉。

Supplementary Information

補充資料

INTERESTS BY SUBSTANTIAL SHAREHOLDERS AND OTHERS PERSONS IN SHARES AND UNDERLYING SHARES

As at 30 September 2010, the following persons had interests or short positions in the shares or underlying shares of the Company which would be required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Long Positions

主要股東及其他人士於股份及相關股份之權益

於二零一零年九月三十日，以下人士於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露之權益或淡倉，或登記在本公司根據證券及期貨條例第336條須存置之登記冊之權益或淡倉：

好倉

Name of Shareholder 股東名稱／姓名	Capacity 身分	Interest in Shares 於股份之權益	Number of Share Held 所持股份數目		Approximate percentage of issued share capital of the Company as at 30 September 2010 於二零一零年 九月三十日 佔本公司 已發行股本 概約百分比
			Interest in underlying Shares 於相關 股份之權益	Total interest 總權益	
Winner Global Holdings Limited ("Winner Global") (note 1) (附註1)	Beneficial owner 實益擁有人	360,052,500	787,500,000	1,147,552,500	33.88%
Assure Gain International Limited ("Assure Gain") (note 2) (附註2)	Beneficial owner 實益擁有人	852,814,847	1,744,581,016	2,597,395,863	76.68%
Corp Insights Holdings Inc. ("Corp Insights") (note 3) (附註3)	Beneficial owner 實益擁有人	–	197,022,568	197,022,568	5.82%
Loh Jiah Yee, Katherine (note 4) 樂家宜(附註4)	Interests of controlled corporation 受控制法團之權益	852,814,847	1,941,603,584	2,794,418,431	82.50%
Lau Jack (note 5) 廖家俊(附註5)	Interest of spouse 配偶權益	852,814,847	1,941,603,584	2,794,418,431	82.50%
NWS Financial Management Services Limited ("NWS") (note 6) (附註6)	Beneficial owner 實益擁有人	412,000,000	–	412,000,000	12.16%
Lim Ping Wai (note 7) 林萍惠(附註7)	Beneficial owner 實益擁有人	111,441,614	80,452,111	191,893,725	5.67%
Ample Pearl International Limited ("Ample Pearl") (note 8) (附註8)	Beneficial owner 實益擁有人	–	355,636,405	355,636,405	10.50%

Supplementary Information

補充資料

INTERESTS BY SUBSTANTIAL SHAREHOLDERS AND OTHERS PERSONS IN SHARES AND UNDERLYING SHARES (continued)

Long Positions (continued)

Notes:

1. Winner Global is a corporation controlled by Assure Gain directly.
2. Assure Gain, a company beneficially and wholly owned by Ms LOH Jiah Yee, Katherine, is beneficially interested in 43.38% of the issued share capital of Winner Global.
3. Corp Insights is a corporation controlled by Ms LOH Jiah Yee, Katherine indirectly.
4. Ms LOH Jiah Yee, Katherine, is beneficially interested in 100% of the issued share capital of Assure Gain, 43.39% of the issued share capital of Winner Global and 50% of the issued share capital of Corp Insights, and thus, Ms LOH Jiah Yee, Katherine is deemed to be interested in the Shares of the Company and the underlying Shares in respect of the Convertible Preference Shares issued by the Company in which Assure Gain, Winner Global and Corp Insights are interested.
5. Mr LAU Jack, being the spouse of Ms LOH Jiah Yee, Katherine, is deemed to be interested in the same parcel of Shares in which Ms LOH Jiah Yee, Katherine is taken to be interested.
6. NWS is a corporation wholly owned by NWS Holdings Limited indirectly.
7. (i) Ample United Limited ("Ample United") is a corporation wholly owned by New Premier Holdings Limited ("New Premier") directly. Ample United had an interest in 61,243,179 underlying Shares in respect of the Convertible Preference Shares issued by the Company as at 30 September 2010.
(ii) New Premier is beneficially interested in 100% of the issued share capital of Ample United, and thus, New Premier is deemed to be interested in the underlying Shares in respect of the Convertible Preferred Shares issued by the Company in which Ample United is interested. New Premier had an interest in 106,654,553 Shares and 61,243,179 underlying Shares in respect of the Convertible Preference Shares issued by the Company as at 30 September 2010.
(iii) Ms LIM Ping Wai is beneficially interested in 100% of the issued share capital of New Premier and thus, Ms LIM Ping Wai is deemed to be interested in the Shares and the underlying Shares in respect of the Convertible Preferred Shares issued by the Company in which New Premier and Ample United are interested.
8. Ample Pearl is a corporation wholly owned by Mr WONG Man Hin, Charles.

Save as disclosed above, as at 30 September 2010, the Company had not been notified of any other persons (other than the Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would be required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

主要股東及其他人士於股份及相關股份之權益(續)

好倉(續)

附註:

1. Winner Global為Assure Gain直接控制之公司。
2. Assure Gain為樂家宜女士實益全資擁有之公司，其實益擁有Winner Global已發行股本中43.38%。
3. Corp Insights為樂家宜女士間接控制之公司。
4. 樂家宜女士實益擁有Assure Gain全部已發行股本、Winner Global已發行股本中43.39%及Corp Insights已發行股本50%，故樂家宜女士被視為於本公司股份及涉及本公司所發行可換股優先股份(當中Assure Gain、Winner Global及Corp Insights擁有權益)之相關股份中擁有權益。
5. 廖家俊先生為樂家宜女士之配偶，被視為於樂家宜女士被當作擁有權益之同一批股份中擁有權益。
6. NWS為新創建集團有限公司間接全資擁有之公司。
7. (i) Ample United Limited (「Ample United」) 為New Premier Holdings Limited (「New Premier」)直接全資擁有之公司。於二零一零年九月三十日，Ample United於涉及本公司所發行可換股優先股份之61,243,179股相關股份中擁有權益。
(ii) New Premier實益擁有Ample United全部已發行股本，因此，New Premier被視為於涉及本公司所發行可換股優先股份而Ample United擁有權益之相關股份中擁有權益。於二零一零年九月三十日，New Premier於106,654,553股股份及涉及本公司所發行可換股優先股份之61,243,179股相關股份中擁有權益。
(iii) 林萍惠女士實益擁有New Premier全部已發行股本，故林萍惠女士被視為於股份及涉及本公司所發行可換股優先股份(當中New Premier及Ample United擁有權益)之相關股份中擁有權益。
8. Ample Pearl為黃文軒先生全資擁有之公司。

除上文披露者外，於二零一零年九月三十日，本公司並無獲悉任何其他人士(董事或本公司行政總裁除外)於本公司之股份或相關股份中，擁有根據證券及期貨條例第XV部第2及3分部之條文須向本公司披露之權益或淡倉，或記錄於本公司根據證券及期貨條例第336條須存置登記冊之權益或淡倉。

DIRECTORS' RIGHT TO ACQUIRE SECURITIES

Save as disclosed in the heading “Directors’ and Chief Executive’s Interests and Short Positions in Shares and Underlying Shares” above, at no time during the period was the Company, or any of its subsidiaries a party to any arrangements with enable a director or chief executive of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and none of the directors or their spouses or their children under the age of 18 had any right to subscribe for the securities of the Company or had exercised any such rights.

SHARE OPTION SCHEME

A share option scheme was adopted by the shareholders of the Company on 27 November 2009 (the “Share Option Scheme”). Pursuant to the Share Option Scheme, the Company may grant options to the Company’s directors, employees, senior executive or officers, managers, consultants, any customers, suppliers of goods or services to any member of the Group or any Invested Entity who, in the sole discretion of the Board have contributed or will contribute to the growth and development of the Group, to provide incentives or rewards for their contribution to the success of the Group’s operation.

As at 30 September 2010, the total number of shares available for issue under the Share Option Scheme was 16,772,349 Shares.

董事購買證券之權利

除上文「董事及行政總裁於股份及相關股份之權益及淡倉」一節所披露外，於本期間任何時間，本公司或其任何附屬公司概無訂立任何安排，致使本公司董事或行政總裁可藉收購本公司或任何其他法團之股份或債券而獲益，且董事或彼等之配偶或彼等未滿18歲之子女概無擁有任何認購本公司證券之權利或已行使任何該等權利。

購股權計劃

本公司之股東於二零零九年十一月二十七日採納購股權計劃（「購股權計劃」）。根據購股權計劃，本公司可向董事會全權酌情認為已經或將會對本集團之增長及發展作出貢獻之本公司董事、僱員、高級行政人員或職員、經理、顧問或本集團任何成員公司之任何客戶、貨品或服務供應商或任何投資實體授出購股權，以鼓勵或回報彼等為本集團之成功營運作出之貢獻。

於二零一零年九月三十日，根據購股權計劃可供發行之股份總數為16,772,349股。

Supplementary Information

補充資料

SHARE OPTION SCHEME (continued)

As at 30 September 2010, details of the share options granted under the New Option Scheme and remain outstanding are as follows:

購股權計劃(續)

於二零一零年九月三十日，根據新購股權計劃授出及尚未行使之購股權詳情如下：

Name 姓名	Number of share options 購股權數目			Cancelled/ Lapsed 已註銷/失效	Outstanding at 30 September 2010 於二零一零年 九月三十日 尚未行使	Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價 (HK\$) (港幣)
	Outstanding at 1 April 2010 於二零一零年 四月一日 尚未行使	Granted 已授出	Exercised 已行使					
Director 董事								
Mr LEUNG Chau Ping, Paul 梁秋平先生	6,807,236	-	-	-	6,807,236	13 January 2010 二零一零年一月十三日	13 January 2011 to 27 November 2019 二零一一年一月十三日至 二零一零九年十一月二十七日	HK\$0.940 港幣0.940元
	6,807,237	-	-	-	6,807,237	13 January 2010 二零一零年一月十三日	13 January 2012 to 27 November 2019 二零一二年一月十三日至 二零一零九年十一月二十七日	HK\$0.940 港幣0.940元
	6,807,237	-	-	-	6,807,237	13 January 2010 二零一零年一月十三日	13 January 2013 to 27 November 2019 二零一三年一月十三日至 二零一零九年十一月二十七日	HK\$0.940 港幣0.940元
	-	11,000,000	-	-	11,000,000	14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至 二零一零九年十一月二十七日	HK\$0.375 港幣0.375元
Mr. Leandro Dos Martires GUERRA Leandro Dos Martires GUERRA 先生	1,701,809	-	-	-	1,701,809	13 January 2010 二零一零年一月十三日	13 January 2011 to 27 November 2019 二零一一年一月十三日至 二零一零九年十一月二十七日	HK\$0.940 港幣0.940元
	1,701,809	-	-	-	1,701,809	13 January 2010 二零一零年一月十三日	13 January 2012 to 27 November 2019 二零一二年一月十三日至 二零一零九年十一月二十七日	HK\$0.940 港幣0.940元
	1,701,809	-	-	-	1,701,809	13 January 2010 二零一零年一月十三日	13 January 2013 to 27 November 2019 二零一三年一月十三日至 二零一零九年十一月二十七日	HK\$0.940 港幣0.940元
	-	5,105,427	-	-	5,105,427	7 May 2010 二零一零年五月七日	13 January 2011 to 27 November 2019 二零一一年一月十三日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元
	-	5,105,428	-	-	5,105,428	7 May 2010 二零一零年五月七日	13 January 2012 to 27 November 2019 二零一二年一月十三日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元
	-	5,105,428	-	-	5,105,428	7 May 2010 二零一零年五月七日	13 January 2013 to 27 November 2019 二零一三年一月十三日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元
Mr LEUNG Siu Hung, Joel 梁紹雄先生	-	680,723	-	-	680,723	7 May 2010 二零一零年五月七日	7 May 2011 to 27 November 2019 二零一一年五月七日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元
	-	680,724	-	-	680,724	7 May 2010 二零一零年五月七日	7 May 2012 to 27 November 2019 二零一二年五月七日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元
	-	680,724	-	-	680,724	7 May 2010 二零一零年五月七日	7 May 2013 to 27 November 2019 二零一三年五月七日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元

Supplementary Information

補充資料

SHARE OPTION SCHEME (continued)

購股權計劃(續)

Name 姓名	Number of share options 購股權數目				Outstanding at 30 September 2010 於二零一零年 九月三十日 尚未行使	Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價 (HK\$) (港幣)
	Outstanding at 1 April 2010 於二零一零年 四月一日 尚未行使	Granted 已授出	Exercised 已行使	Cancelled/ Lapsed 已註銷/失效				
Mr John Tewksbury BANIGAN John Tewksbury BANIGAN先生	680,723	-	-	-	680,723	13 January 2010 二零一零年一月十三日	13 January 2011 to 27 November 2019 二零一一年一月十三日至 二零一零九年十一月二十七日	HK\$0.940 港幣0.940元
	680,724	-	-	-	680,724	13 January 2010 二零一零年一月十三日	13 January 2012 to 27 November 2019 二零一二年一月十三日至 二零一零九年十一月二十七日	HK\$0.940 港幣0.940元
	680,724	-	-	-	680,724	13 January 2010 二零一零年一月十三日	13 January 2013 to 27 November 2019 二零一三年一月十三日至 二零一零九年十一月二十七日	HK\$0.940 港幣0.940元
Sub-total 小計	27,569,308	28,358,454	-	-	55,927,762			
Employees and other participants (note) 僱員及其他參與者(附註)	9,227,205	-	-	(1,965,367)	7,261,838	13 January 2010 二零一零年一月十三日	13 January 2011 to 27 November 2019 二零一一年一月十三日至 二零一零九年十一月二十七日	HK\$0.940 港幣0.940元
	9,227,205	-	-	(1,965,368)	7,261,837	13 January 2010 二零一零年一月十三日	13 January 2012 to 27 November 2019 二零一二年一月十三日至 二零一零九年十一月二十七日	HK\$0.940 港幣0.940元
	9,227,206	-	-	(1,965,368)	7,261,838	13 January 2010 二零一零年一月十三日	13 January 2013 to 27 November 2019 二零一三年一月十三日至 二零一零九年十一月二十七日	HK\$0.940 港幣0.940元
	-	5,105,427	-	-	5,105,427	7 May 2010 二零一零年五月七日	15 July 2010 to 27 November 2019 二零一零年七月十五日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元
	-	2,000,000	-	-	2,000,000	7 May 2010 二零一零年五月七日	7 November 2010 to 27 November 2019 二零一零年十一月七日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元
	-	4,276,217	-	(200,000)	4,076,217	7 May 2010 二零一零年五月七日	13 January 2011 to 27 November 2019 二零一一年一月十三日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元
	-	3,481,954	-	(467,600)	3,014,354	7 May 2010 二零一零年五月七日	7 May 2011 to 27 November 2019 二零一一年五月七日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元
	-	5,105,428	-	-	5,105,428	7 May 2010 二零一零年五月七日	15 July 2011 to 27 November 2019 二零一一年七月十五日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元
	-	4,276,218	-	(200,000)	4,076,218	7 May 2010 二零一零年五月七日	13 January 2012 to 27 November 2019 二零一二年一月十三日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元

Supplementary Information

補充資料

SHARE OPTION SCHEME (continued)

購股權計劃(續)

Name 姓名	Number of share options 購股權數目				Outstanding at 30 September 2010	Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價 (HK\$) (港幣)
	Outstanding at 1 April 2010 於二零一零年 四月一日 尚未行使	Granted 已授出	Exercised 已行使	Cancelled/ Lapsed 已註銷/失效	Outstanding at 30 September 2010 於二零一零年 九月三十日 尚未行使			
Employees and other participants (note) (Continued) 僱員及其他參與者(附註)(續)	-	3,481,954	-	(467,600)	3,014,354	7 May 2010 二零一零年五月七日	7 May 2012 to 27 November 2019 二零一二年五月七日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元
	-	4,276,226	-	(200,000)	4,076,226	7 May 2010 二零一零年五月七日	13 January 2013 to 27 November 2019 二零一三年一月十三日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元
	-	3,481,956	-	(467,600)	3,014,356	7 May 2010 二零一零年五月七日	7 May 2013 to 27 November 2019 二零一三年五月七日至 二零一零九年十一月二十七日	HK\$0.710 港幣0.710元
	-	68,350,000	-	-	68,350,000	14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至 二零一零九年十一月二十七日	HK\$0.375 港幣0.375元
Sub-total 小計	27,681,616	103,835,380	-	(7,898,903)	123,618,093			
Total 總計	55,250,924	132,193,834	-	(7,898,903)	179,545,855			

Note:

- Mr CHIU Raymond Yim had retired as an executive director of the Company with effect from 31 August 2010. The details of the outstanding options held by Mr CHIU during the period ended 30 September 2010 were accounted and described under the heading "Employees and other participants". Such details were accounted and described under Mr CHIU's name in the annual report for the year ended 31 March 2010.
- The closing price of the Shares immediately before the date on which the options were granted on 13 January 2010 was HK\$0.850.
- The closing price of the Shares immediately before the date on which the options were granted on 7 May 2010 was HK\$0.706.
- The closing price of the Shares immediately before the date on which the options were granted on 14 September 2010 was HK\$0.366.

附註:

- 趙炎仁先生已退任本公司執行董事，自二零一零年八月三十一日起生效。於截至二零一零年九月三十日止期間，趙先生持有之尚未行使購股權詳情已於「僱員及其他參與者」列賬及闡述。有關詳情於截至二零一零年三月三十一日止年度之年報在趙先生名下列賬及闡述。
- 股份於緊接購股權於二零一零年一月十三日授出當日之收市價為港幣0.850元。
- 股份於緊接購股權於二零一零年五月七日授出當日之收市價為港幣0.706元。
- 股份於緊接購股權於二零一零年九月十四日授出當日之收市價為港幣0.366元。

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 September 2010.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code for dealing in securities of the Company by Directors. Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard as set out in the Model Code during the six months ended 30 September 2010.

CORPORATE GOVERNANCE PRACTICES

The Company has complied throughout the six months ended 30 September 2010 with all the code provisions (the "Code Provisions") and, where applicable, the recommended best practices as set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Listing Rules, except Code Provisions A.2.1 and A.4.1.

Under the Code Provision A.2.1, the roles of chairman and chief executive officer should be separate and performed by different individuals. The roles of the chairman and the chief executive officer of the Company are segregated and are clearly defined to ensure their respective independence, accountability and responsibilities. The chairman of the Company is responsible for the formulation of the Group's overall business development policies while the chief executive officer of the Company is responsible for the implementation of major decision of the Board and overall management of the Group's business.

During the period, the position of chairman has not been appointed by the Board. The functions of the chairman of the Company are performed by Mr LEUNG Chau Ping, Paul, the Chief Executive Officer of the Company, with support from other Executive Directors and senior management of the Company. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company, and has been effective in discharging its responsibilities satisfactorily and facilitating the Company's operation and business development. The Board will review the current situation from time to time and will make the necessary appointment if a candidate with suitable leadership, knowledge, skills and experience can be identified outside the Group.

Under the Code Provision A.4.1, non-executive directors should be appointed for specific term and subject to re-election. According to the bye-laws of the Company, each director appointed to fill a causal vacancy shall be subject to re-election at the next following general meeting or until the next following annual general meeting in the case of an addition to the Board and shall then be eligible for re-election at such meeting. Moreover, one-third of the Directors (including the independent non-executive directors) shall retire from office by rotation at least once every three years.

購買、出售或贖回本公司上市證券

於截至二零一零年九月三十日止六個月，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

董事進行證券交易之標準守則

本公司已採納標準守則，作為其本身董事買賣本公司證券之操守守則。經向全體董事作出具體查詢後，本公司確認，全體董事於截至二零一零年九月三十日止六個月內一直遵守標準守則所載規定準則。

企業管治常規

於截至二零一零年九月三十日止六個月內，本公司一直遵守上市規則附錄十四企業管治常規守則所載所有守則條文(「守則條文」)及(如適用)建議之最佳常規，惟守則條文A.2.1及A.4.1除外。

根據守則條文A.2.1，主席及行政總裁之職責應有所區分，並由不同人士擔任。本公司設有主席及行政總裁兩個獨立職位，且已清楚界定兩者角色，以確保彼等各自之獨立身分、問責性與職責。本公司主席負責制訂本集團之整體業務發展政策，而本公司行政總裁則負責實行董事會作出之重要決策，以及整體管理本集團業務。

董事會於期內尚未委任主席一職，現由本公司行政總裁梁秋平先生在本公司其他執行董事及高級管理層之協助下履行本公司主席之職責。董事會認為，此架構不會影響董事會與本公司管理層之權力及授權平衡，並可有效地履行其責任，促進本公司營運及業務發展。董事會將不時檢討現時狀況，倘能於本集團以外物色具備適當領導才能、知識、技能及經驗之人選，將作出所需委任。

根據守則條文A.4.1，非執行董事應按特定年期獲委任及重選。根據本公司之公司細則，凡為填補臨時空缺獲委任之每名董事均須於下屆股東大會重選連任；或如屬董事會新增成員，則彼之任期將直至下屆股東週年大會為止，其後將合資格於該大會上重選連任。此外，三分之一董事(包括獨立非執行董事)須至少每三年輪值退任一次。

Supplementary Information

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OTHER CHANGES IN DIRECTORS' INFORMATION

Mr KEUNG Paul Hinsum has been appointed as an Independent Non-executive Director and a member of the audit committee and the remuneration committee of the Company with effect from 27 July 2010.

Mr CHIU Raymond Yim had retired as an Executive Director of the Company with effect from the conclusion of the annual general meeting of the Company held on 31 August 2010 (the "AGM"). Following his retirement, Mr CHIU had also ceased to be a member of the executive committee of the Company with effect from 31 August 2010.

Mr CHU Kin Wang, Peleus had retired as an Independent Non-Executive Director of the Company with effect from the conclusion of the AGM held on 31 August 2010. Following his retirement, Mr CHU Kin Wang, Peleus had also ceased to be a member of the audit committee and remuneration committee of the Company with effect from 31 August 2010.

Mr NG Tik Hong has been appointed as a Non-executive Director Company with effect from 8 October 2010.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") comprises three members, namely Mr LEUNG Siu Hung, Joel, Mr John Tewksbury BANIGAN and Mr KEUNG Paul Hinsum and all of them are Independent Non-executive Directors. The principal activities of the Audit Committee include the review and supervision of the Group's financial reporting process and internal controls. The Audit Committee has reviewed the unaudited condensed consolidated interim financial statements of the Group and the interim report for the six months ended 30 September 2010. After review and discussions, the Audit Committee recommended the Board's approval of the unaudited condensed consolidated interim financial statements for the six months ended 30 September 2010.

By order of the Board

LEUNG Chau Ping, Paul

Executive Director and Chief Executive Officer

Hong Kong, 29 November 2010

董事資料其他變動

姜顯森先生已獲委任為獨立非執行董事兼本公司審核委員會及薪酬委員會成員，自二零一零年七月二十七日起生效。

趙炎仁先生已退任本公司執行董事，自本公司於二零一零年八月三十一日舉行之股東週年大會（「股東週年大會」）結束後生效。繼彼退任後，趙先生亦不再出任本公司執行委員會成員，自二零一零年八月三十一日起生效。

朱健宏先生已退任本公司獨立非執行董事，於二零一零年八月三十一日舉行之股東週年大會結束後生效。繼彼退任後，朱健宏先生亦不再出任本公司審核委員會及薪酬委員會成員，自二零一零年八月三十一日起生效。

吳迪康先生已獲委任為本公司非執行董事，自二零一零年十月八日起生效。

審核委員會

本公司之審核委員會（「審核委員會」）由三名成員梁紹雄先生、John Tewksbury BANIGAN先生及姜顯森先生組成，彼等均為獨立非執行董事。審核委員會之主要工作包括審閱及監督本集團之財務匯報程序及內部監控。審核委員會已審閱本集團截至二零一零年九月三十日止六個月之未經審核簡明綜合中期財務報告及中期報告。經審閱及討論後，審核委員會建議董事會批准截至二零一零年九月三十日止六個月之未經審核簡明綜合中期財務報告。

承董事會命

執行董事兼行政總裁

梁秋平

香港，二零一零年十一月二十九日

SUSTAINABLE FOREST HOLDINGS LIMITED

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