



**FOREFRONT GROUP LIMITED**

**福方集團有限公司\***

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

# CONTENTS

## 目錄

Corporate Information	公司資料	2
Condensed Consolidated Statement of Comprehensive Income	簡明綜合全面收入報表	4
Condensed Consolidated Statement of Financial Position	簡明綜合財務狀況表	6
Condensed Consolidated Statement of Changes in Equity	簡明綜合股東權益變動表	7
Condensed Consolidated Statement of Cash Flow	簡明綜合現金流量表	8
Notes to the Condensed Interim Financial Statements	簡明中期財務報表附註	9
Management Discussion and Analysis	管理層討論及分析	26
Disclosure of Other Information	其他資料披露	31

# CORPORATE INFORMATION

## 公司資料

### DIRECTORS

#### Executive Directors

Mr. Yeung Ming Kwong# (*Chairman*)  
(*Appointed as Chairman on 25 May 2011*)

Ms. Lo Oi Kwok, Sheree  
Mr. Lam Yick Sing  
Mr. Wen Louis  
Mr. Zhuang You Dao

#### Independent Non-executive Directors

Mr. Chung Yuk Lun\*\*  
Ms. Lam Yan Fong, Flora\*\*  
Mr. Pak William Eui Won\*\*

\* *Member of Audit Committee*

# *Member of Remuneration Committee*

### COMPANY SECRETARY

Mr. Chui Kark Ming

### REGISTERED OFFICE

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

### PRINCIPAL PLACE OF BUSINESS

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

### AUDITOR

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

### 董事

#### 執行董事

楊明光先生# (主席)  
(於二零一一年五月二十五日  
獲委任為主席)

羅愛過女士  
林益勝先生  
溫耒先生  
莊友道先生

#### 獨立非執行董事

鍾育麟先生\*\*  
林欣芳女士\*\*  
Pak William Eui Won先生\*\*

\* 審核委員會成員

# 薪酬委員會成員

### 公司秘書

崔格鳴先生

### 註冊辦事處

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

### 主要營業地點

香港  
北角馬寶道28號  
華匯中心11樓1103室

### 核數師

瑪澤會計師事務所有限公司  
執業會計師  
香港  
灣仔港灣道18號  
中環廣場42樓

### PRINCIPAL BANKERS

Standard Chartered Bank (Hong Kong) Limited

### CAYMAN ISLANDS LEGAL ADVISERS

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

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

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

### STOCK CODE

885

### WEBSITE

[www.forefront.com.hk](http://www.forefront.com.hk)

### 主要往來銀行

渣打銀行(香港)有限公司

### 開曼群島法律顧問

Maples and Calder Asia  
香港  
港景街1號  
國際金融中心一期1504室

Conyers Dill & Pearman  
香港  
中環康樂廣場8號  
交易廣場第一座2901室

### 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

### 股份代號

885

### 網址

[www.forefront.com.hk](http://www.forefront.com.hk)

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 簡明綜合全面收入報表

FOR THE SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

The Board of Directors (the "Directors") of Forefront Group Limited (the "Company") reports the unaudited condensed consolidated financial statements of the company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 June 2011 as follows:

福方集團有限公司(「本公司」)董事會(「董事」)謹此匯報本公司及其附屬公司(統稱「本集團」)截至二零一一年六月三十日止六個月之未經審核簡明綜合財務報表如下:

		Unaudited 未經審核		
		Six months ended 30 June 截至六月三十日止六個月		
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	
	Note 附註			
Turnover	營業額	2	(34,920)	12,958
Other income	其他收入	3	2,853	28,530
Written back of provision for bad and doubtful debts, net	呆壞帳撥備撥回淨額		58,376	-
General and administrative expenses	一般及行政開支		(8,435)	(7,762)
Changes in fair value of financial assets at fair value through profit or loss	於損益帳按公平值處理之財務資產之公平值變動		(124,862)	(124,898)
<b>Loss from operations</b>	<b>經營虧損</b>		<b>(106,988)</b>	(91,172)
Finance costs	融資成本		-	(1,286)
Share of results of associates	應佔聯營公司之業績		4,523	4,094
Loss before taxation	除稅前虧損	4	(102,465)	(88,364)
Taxation	稅項	5	-	-
<b>Loss for the period</b>	<b>期內虧損</b>		<b>(102,465)</b>	(88,364)
<b>Other comprehensive loss</b>	<b>其他全面虧損</b>			
Exchange difference arising from translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表產生之匯兌差額		-	(213)
<b>Total comprehensive loss for the period</b>	<b>期內全面虧損總額</b>		<b>(102,465)</b>	(88,577)
<b>Loss for the period attributable to:</b>	<b>以下人士應佔期內虧損:</b>			
Equity holders of the parent	母公司股權持有人		(102,465)	(88,364)
Non-controlling interest	非控股權益		-	-
			<b>(102,465)</b>	(88,364)

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 簡明綜合全面收入報表

FOR THE SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

		<b>Unaudited</b> 未經審核	
		<b>Six months ended 30 June</b> 截至六月三十日止六個月	
	Note 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
<b>Total comprehensive loss for the period attributable to:</b>			
	以下人士應佔期內全面虧損總額：		
Equity holders of the parent	母公司股權持有人	(102,465)	(88,577)
Non-controlling interest	非控股權益	—	—
		<u>(102,465)</u>	<u>(88,577)</u>
			Restated 經重列
<b>Basic loss per share (HK cents per share):</b>	每股基本虧損 (每股港仙) :	<u>(6.02)</u>	<u>(31.87)</u>
		6	
<b>Diluted loss per share (HK cents per share):</b>	每股攤薄虧損 (每股港仙) :	<u>(6.02)</u>	<u>(31.87)</u>
		6	

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 簡明綜合財務狀況表

AS AT 30 JUNE 2011

於二零一一年六月三十日

		Note 附註	At 30 June 2011 於二零一一年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 December 2010 於二零一零年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	8	128	409
Interests in associates	於聯營公司之權益	9	41,010	36,487
Goodwill	商譽		–	–
Intangible assets	無形資產		68,296	69,000
Available-for-sale financial assets	可供出售財務資產	10	185,793	60,512
			<u>295,227</u>	<u>166,408</u>
<b>Current assets</b>	<b>流動資產</b>			
Financial assets at fair value through profit or loss	於損益帳按公平值處理之 財務資產	11	554,139	451,324
Loans receivable	應收貸款	12	302,119	150,571
Other receivables	其他應收款項	13	5,255	20,420
Bank balances and cash	銀行結存及現金		52,552	131,342
			<u>914,065</u>	<u>753,657</u>
<b>Current liabilities</b>	<b>流動負債</b>			
Other payables	其他應付款項	14	27,614	29,820
<b>Net current assets</b>	<b>流動資產淨值</b>		<u>886,451</u>	<u>723,837</u>
<b>NET ASSETS</b>	<b>資產淨值</b>		<u>1,181,678</u>	<u>890,245</u>
<b>Capital and reserves</b>	<b>股本及儲備</b>			
Share capital	股本	15	36,547	406,082
Reserves	儲備		1,145,131	484,163
Equity attributable to equity holders of the parent	母公司股權持有人應佔股權		<u>1,181,678</u>	<u>890,245</u>
Non-controlling interest	非控股權益		–	–
<b>TOTAL EQUITY</b>	<b>股權總值</b>		<u>1,181,678</u>	<u>890,245</u>

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 簡明綜合股東權益變動表

FOR THE SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

		Share capital	Share premium	Share options reserve	Equity component of zero coupon convertible bonds 零息票可換股債券之權益部分	Capital reserve	Capital redemption reserve	Cumulative translation reserve	Accumulated deficit	Total	Non-controlling interest	Total equity
		股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	購股權儲備 HK\$'000 千港元	可換股債券之 權益部分 HK\$'000 千港元	資本儲備 HK\$'000 千港元	資本贖回儲備 HK\$'000 千港元	累計 換算儲備 HK\$'000 千港元	累計虧絀 HK\$'000 千港元	總計 HK\$'000 千港元	非控股權益 HK\$'000 千港元	股權總值 HK\$'000 千港元
<b>Six months ended 30 June 2011 (Unaudited)</b>	截至二零一一年六月三十日止六個月 (未經審核)											
Beginning of period	期初	406,082	1,177,654	-	-	10,482	1,173	-	(705,146)	890,245	-	890,245
<b>Comprehensive loss</b>	<b>全面虧損</b>											
Loss for the period	期內虧損	-	-	-	-	-	-	-	(102,465)	(102,465)	-	(102,465)
<b>Total comprehensive loss for the period</b>	<b>期內全面虧損總額</b>	-	-	-	-	-	-	-	(102,465)	(102,465)	-	(102,465)
<b>Transactions with owners</b>	<b>與擁有人進行之交易</b>											
Issue of shares on rights issue, net of expenses	供股時發行股份 (已扣除開支)	32,487	361,411	-	-	-	-	-	-	393,898	-	393,898
Capital reorganisation	股本重組	(402,022)	-	-	-	-	-	-	402,022	-	-	-
<b>Total transaction with owners for the period</b>	<b>期內與擁有人進行之交易總額</b>	(369,535)	361,411	-	-	-	-	-	402,022	393,898	-	393,898
End of period	期終	36,547	1,539,065	-	-	10,482	1,173	-	(405,589)	1,181,678	-	1,181,678
<b>Six months ended 30 June 2010 (Unaudited)</b>	截至二零一零年六月三十日止六個月 (未經審核)											
Beginning of period	期初	43,938	805,044	-	23,230	10,482	1,173	213	(475,683)	408,397	-	408,397
<b>Comprehensive loss</b>	<b>全面虧損</b>											
Loss for the period	期內虧損	-	-	-	-	-	-	-	(88,364)	(88,364)	-	(88,364)
Exchange difference arising from translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	-	-	-	-	-	-	(213)	-	(213)	-	(213)
<b>Total comprehensive loss for the period</b>	<b>期內全面虧損總額</b>	-	-	-	-	-	-	(213)	(88,364)	(88,577)	-	(88,577)
<b>Transactions with owners</b>	<b>與擁有人進行之交易</b>											
Issue of shares on rights issue, net of expenses	供股時發行股份 (已扣除開支)	109,846	188,975	-	-	-	-	-	-	298,821	-	298,821
Share options granted	授出購股權	-	-	1	-	-	-	-	-	1	-	1
Exercise of share options	行使購股權	4,394	9,667	(1)	-	-	-	-	-	14,060	-	14,060
Convertible bonds issued and converted, net of expenses	發行及轉換可換股債券 (已扣除開支)	32,448	76,528	-	(23,230)	-	-	-	-	85,746	-	85,746
Conversion of optional bond	轉換選擇性債券	11,358	27,142	-	-	-	-	-	-	38,500	-	38,500
Issue of new shares	發行新股	79,099	73,519	-	-	-	-	-	-	152,618	-	152,618
<b>Total transaction with owners for the period</b>	<b>期內與擁有人進行之交易總額</b>	237,145	375,831	-	(23,230)	-	-	-	-	589,746	-	589,746
End of period	期終	281,083	1,180,875	-	-	10,482	1,173	-	(564,047)	909,566	-	909,566



# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

## 簡明綜合現金流量表

FOR THE SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
<b>Net cash used in operating activities</b>	經營活動所用現金淨額	<b>(347,482)</b>	(521,698)
<b>Net cash (used in) generated from investing activities</b>	投資活動(所用)所得現金淨額	<b>(125,206)</b>	84,743
<b>Net cash generated from financing activities</b>	融資活動所得現金淨額	<b>393,898</b>	364,797
<b>Decrease in cash and cash equivalents</b>	現金及現金等價物減少	<b>(78,790)</b>	(72,158)
<b>Cash and cash equivalents at beginning of period</b>	期初之現金及現金等價物	<b>131,342</b>	135,168
<b>Cash and cash equivalents at end of period</b>	期終之現金及現金等價物	<b>52,552</b>	63,010
<b>Analysis of cash and cash equivalents:</b>	現金及現金等價物分析:		
Bank balances and cash	銀行結存及現金	<b>52,552</b>	63,010
		<b>52,552</b>	63,010

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

## 簡明中期財務報表附註

SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

### 1. STATEMENT OF COMPLIANCE AND ACCOUNTING POLICIES

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

The accounting policies used in preparing these unaudited interim condensed consolidated financial statements are consistent with those used in the Group’s audited financial statements for the year ended 31 December 2010. The adoption of the new/revised HKFRSs that are relevant to the Group and effective from the current period did not have any significant effect on the financial position or performance of the Group.

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

### 1. 遵例聲明及會計政策

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

編製此等未經審核中期簡明綜合財務報表所採用之會計政策與本集團截至二零一零年十二月三十一日止年度經審核財務報表所採用者貫徹一致。採納與本集團有關並由本期間起生效之新訂／經修訂香港財務報告準則對本集團之財務狀況或表現並無任何重大影響。

於授權刊發此等簡明綜合財務報表當日，香港會計師公會已頒佈多項於本期間尚未生效之新訂／經修訂香港財務報告準則。本集團現正評估該等香港財務報告準則在初次應用期間之預期影響，目前之結論為採納該等準則不大可能對本集團之經營業績及財務狀況構成重大影響。

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

## 簡明中期財務報表附註

SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

### 2. SEGMENT INFORMATION

The chief decision maker has evaluated the performance of operating segments and allocated resources to those segments based on the Group's internal reporting in respect of these segments. The executive directors consider investing, securities trading and provision of financing services are the Group's major operating segments. Segment results represent the result from each segment without allocation of finance cost, share of results of associates and central administration costs. The following analysis is the measure reported to chief operating decision maker for the purposes of resources allocation and assessment of segment performance.

### 2. 分類資料

主要決策人已根據本集團各經營分類之內部報告，評估該等分類之表現及將資源分配至各分類。執行董事認為投資、證券買賣及提供融資服務為本集團之主要經營分類。分類業績指各分類之業績，當中並未分配融資成本、應佔聯營公司之業績及中央行政成本。以下分析為向主要營運決策人匯報之方法，以分配資源及評估分類表現。

#### Six months ended 30 June 2011 (Unaudited)

截至二零一一年六月三十日止六個月（未經審核）

		Investing 投資 HK\$'000 千港元	Financing 融資 HK\$'000 千港元	Unallocated 未經分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Turnover</b>	<b>營業額</b>				
Net loss on disposal of financial assets at fair value through profit or loss	出售於損益帳按公平值處理之財務資產之虧損淨額	(41,562)	-	-	(41,562)
Dividend income	股息收入	1,082	-	-	1,082
Interest income from provision of financial services	提供融資服務之利息收入	-	5,560	-	5,560
Total turnover	總營業額	<u>(40,480)</u>	<u>5,560</u>	<u>-</u>	<u>(34,920)</u>
<b>Operating results</b>	<b>經營業績</b>				
Segment results	分類業績	<u>(163,429)</u>	<u>63,573</u>	<u>(7,132)</u>	<u>(106,988)</u>
Share of results of associates	應佔聯營公司之業績				4,523
<b>Loss for the period</b>	<b>期內虧損</b>				<u><u>(102,465)</u></u>

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

## 簡明中期財務報表附註

SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

### 2. SEGMENT INFORMATION (continued)

### 2. 分類資料 (續)

Six months ended 30 June 2010 (Unaudited)  
截至二零一零年六月三十日止六個月 (未經審核)

		Investing 投資 HK\$'000 千港元	Financing 融資 HK\$'000 千港元	Unallocated 未經分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Turnover</b>	<b>營業額</b>				
Net gain on disposal of financial assets at fair value through profit or loss	出售於損益帳按公平值處理之財務資產之盈利淨額	9,168	-	-	9,168
Dividend income	股息收入	2,446	-	-	2,446
Interest income from provision of financial services	提供融資服務之利息收入	-	1,344	-	1,344
Total turnover	總營業額	11,614	1,344	-	12,958
<b>Operating results</b>	<b>經營業績</b>				
Segment results	分類業績	(85,110)	1,355	(8,703)	(92,458)
Share of results of associates	應佔聯營公司之業績				4,094
<b>Loss for the period</b>	<b>期內虧損</b>				(88,364)

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

本集團資產按經營分類之分析載列如下:

As at 30 June 2011 (Unaudited)  
於二零一一年六月三十日 (未經審核)

		Investing 投資 HK\$'000 千港元	Financing 融資 HK\$'000 千港元	Unallocated 未經分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment assets	分類資產	811,068	340,805	16,409	1,168,282
Interest in associates	於聯營公司之權益				41,010
					1,209,292

As at 31 December 2010 (Audited)  
於二零一零年十二月三十一日 (經審核)

		Investing 投資 HK\$'000 千港元	Financing 融資 HK\$'000 千港元	Unallocated 未經分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment assets	分類資產	597,257	150,731	135,590	883,578
Interests in associates	於聯營公司之權益				36,487
					920,065

Comparative figures:

Certain figures of segment information have been reclassified to conform with the current period's presentation.

比較數字:

分類資料之若干數字已重新分類, 以符合本期間之呈列方式。

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

## 簡明中期財務報表附註

SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

### 3. OTHER INCOME

### 3. 其他收入

		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 (Unaudited) (未經審核) HK\$'000 千港元	2010 二零一零年 (Unaudited) (未經審核) HK\$'000 千港元
<b>Other income</b>	<b>其他收入</b>		
Bank interest income	銀行利息收入	75	85
Net gain on acquisition and disposal of a subsidiary	收購及出售一間附屬公司之收益淨額	-	25,000
Bargain purchase arising from acquisition of a subsidiary	收購一間附屬公司產生之購買優惠	-	3,262
Other	其他	2,778	183
		<b>2,853</b>	<b>28,530</b>

### 4. LOSS BEFORE TAXATION

Loss from operations has been arrived at after charging:

### 4. 除稅前虧損

經營虧損經扣除下列各項後列帳：

		Six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 (Unaudited) (未經審核) HK\$'000 千港元	2010 二零一零年 (Unaudited) (未經審核) HK\$'000 千港元
Depreciation	折舊	281	442
Staff cost and related expenses	員工成本及相關開支	2,504	2,680
Share-based payment in respect of share options	有關購股權之以股份支付之款項	-	1
Amortisation of effective interest on convertible bonds	可換股債券實際利息攤銷	-	1,286
Amortisation of intangible assets	無形資產攤銷	704	-

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

## 簡明中期財務報表附註

SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

### 5. TAXATION

Hong Kong Profits Tax has not been provided as the Group's entities either have no assessable profit or their assessable profits for the period are wholly absorbed by unrelieved tax losses brought forward from previous years.

### 6. LOSS PER SHARE

#### Basic loss per share

The calculation of basic loss per share is based on the weighted average number of ordinary shares of 1,702,854,000 shares (2010 (restated): 277,284,000 shares) in issue during the period.

The weighted average number of ordinary shares adopted in the calculation of the basic loss per share for the six months ended 30 June 2010 has been adjusted to reflect the impact of capital reorganisation effected in March 2011 and rights issue effected in April 2011.

The calculation of basic loss per share attributable to equity holders is based on loss for the period of HK\$102,465,000 (2010: loss of HK\$88,364,000) and the denominators detailed above in respect of weighted average number of shares.

#### Diluted loss per share

Diluted loss per share is the same as the basic loss per share for both the six months ended 30 June 2011 and 2010 as the effect of all potential ordinary shares held at the end of reporting period is anti-dilutive.

### 5. 稅項

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

### 6. 每股虧損

#### 每股基本虧損

每股基本虧損按期內已發行1,702,854,000股(二零一零年(經重列): 277,284,000股)普通股加權平均數計算。

計算截至二零一零年六月三十日止六個月之每股基本虧損時採納之普通股加權平均數已作出調整，以反映於二零一一年三月實行之股本重組及於二零一一年四月實行之供股之影響。

股權持有人應佔每股基本虧損乃按期內虧損102,465,000港元(二零一零年: 虧損88,364,000港元)及上文詳述有關股份加權平均數之分母計算。

#### 每股攤薄虧損

截至二零一一年及二零一零年六月三十日止六個月，由於報告期結束日持有之所有潛在普通股具有反攤薄影響，故每股攤薄虧損與每股基本虧損相同。

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

## 簡明中期財務報表附註

SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

### 7. RELATED PARTY TRANSACTIONS

Other than disclosed elsewhere in these interim financial statements, during the six months ended 30 June 2011, the Group had the following significant related party transactions:

(a) Remunerations of key management personnel:

Employee benefits expenses	僱員福利開支
Contributions to defined contribution schemes	定額供款計劃供款

### 8. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2011, no addition to property, plant and equipment was spent for daily operation use (six months ended 30 June 2010: HK\$44,000). No disposal of property, plant and equipment was taken place during the six months ended 30 June 2011 (six months ended 30 June 2010: HK\$nil).

### 7. 關連人士交易

除此等中期財務報表其他部分所披露者外，本集團於截至二零一一年六月三十日止六個月內進行之重大關連人士交易如下：

(a) 主要管理人員酬金：

#### Six months ended 30 June 截至六月三十日止六個月

2011 二零一一年 (Unaudited) (未經審核) HK\$'000 千港元	2010 二零一零年 (Unaudited) (未經審核) HK\$'000 千港元
989	996
18	17
<b>1,007</b>	<b>1,013</b>

(b) 期內，莊先生已就天津市凱聲獲提供之融資信貸額合共人民幣41,000,000元（相等於49,398,000港元）以天津市凱聲為受益人向一名供應商提供個人擔保。此外，莊先生已就授予天津市凱聲之銀行貸款人民幣28,000,000元（相等於33,750,000港元）向一間銀行提供個人擔保。此等個人擔保於報告期結束日仍然有效。

### 8. 物業、廠房及設備

截至二零一一年六月三十日止六個月，並無耗資添置物業、廠房及設備作日常營運用途（截至二零一零年六月三十日止六個月：44,000港元）。截至二零一一年六月三十日止六個月，並無出售物業、廠房及設備（截至二零一零年六月三十日止六個月：無）。

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

## 簡明中期財務報表附註

SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

### 9. INTERESTS IN ASSOCIATES

### 9. 於聯營公司之權益

		As at 30 June 2011 (Unaudited)			As at 31 December 2010 (Audited)
		於二零一一年六月三十日 (未經審核)			於二零一零年 十二月 三十一日 (經審核)
		Golden Fame 金信 HK\$'000 千港元	Tianjin Kai Sheng 天津市凱聲 HK\$'000 千港元	Total 總計 HK\$'000 千港元	HK\$'000 千港元
Share of net assets	應佔資產淨值	37,064	3,946	41,010	36,487

### 10. AVAILABLE-FOR-SALE FINANCIAL ASSETS

### 10. 可供出售財務資產

		Note 附註	As at 30 June 2011 於二零一一年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 December 2010 於二零一零年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Unlisted equity interests in Taiwan, at cost	於台灣之非上市股本權益，按成本		6,908	6,908
Unlisted equity interests in Hong Kong, at cost	於香港之非上市股本權益，按成本		25,000	25,000
Unlisted investment in a limited partnership outside Hong Kong	於香港境外一間有限責任合夥公司之非上市投資	10(a)	77,793	60,512
Unlisted equity interest in a private limited company incorporated in the British Virgin Islands, at cost	於英屬處女群島註冊成立之一間私人有限公司之非上市股本權益，按成本		108,000	—
Less: Impairment loss recognised	減：已確認之減值虧損		(31,908)	(31,908)
			<b>185,793</b>	<b>60,512</b>



# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

## 簡明中期財務報表附註

SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

### 10. AVAILABLE-FOR-SALE FINANCIAL ASSETS

(continued)

#### (a) Unlisted investment in a limited partnership

Reference is made to the Company's announcement dated 17 August 2010. Pursuant to partnership agreement with the lead investor ("Lead Investor") and certain limited partners dated 17 August 2010, the Group agreed to acquire 22.22% equity interest in AITS L.P. ("AITS"), which controls a group of companies engaged in the manufacturing of automotive components, for a consideration of US\$10,000,000 (equivalent to approximately HK\$78,000,000). The consideration was settled in two phases. The first payment amounting to approximately US\$7,800,000 (equivalent to approximately HK\$60,512,000) was paid in August 2010. The balance of approximately US\$2,200,000 (equivalent to approximately HK\$17,281,000) was paid in April 2011.

Pursuant to the partnership agreement, a Tag Along Offer will be made by the Lead Investor, in the circumstance that the Lead Investor proposes to dispose of any of its units in AITS to a purchaser, an offer to other limited partners to dispose of a pro rata share of their units in AITS to the purchaser at the same price and on the same terms as the proposed disposal by the Lead Investor will also be made, subject to compliance with mandatory regulatory conditions by the relevant limited partner.

### 10. 可供出售財務資產 (續)

#### (a) 於一間有限責任合夥公司之非上市投資

謹此提述本公司日期為二零一零年八月十七日之公佈。根據於二零一零年八月十七日與牽頭投資者(「牽頭投資者」)及若干有限責任合夥人訂立之合夥協議,本集團同意收購AITS L.P.(「AITS」)22.22%股本權益,代價為10,000,000美元(相等於約78,000,000港元)。AITS控制一組從事製造汽車零部件之公司。代價已分兩期支付。首筆款項約7,800,000美元(相等於約60,512,000港元)已於二零一零年八月支付。餘額約2,200,000美元(相等於約17,281,000港元)已於二零一一年四月支付。

根據合夥協議,倘牽頭投資者建議出售其任何AITS基金單位予一名買家,則牽頭投資者可邀請其他有限責任合夥人按牽頭投資者將同時建議出售之相同價格及條款按比例向該買家出售彼等之AITS基金單位,即隨售要約,惟相關有限責任合夥人須遵守強制規管條件。

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

## 簡明中期財務報表附註

SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

### 10. AVAILABLE-FOR-SALE FINANCIAL ASSETS

(continued)

#### (a) Unlisted investment in a limited partnership

(continued)

In addition, Drag Along Option has been granted to the Lead Investor in the same agreement aforementioned. If the Lead Investor proposes to dispose of all its units in AITS under a bona fide arm's length offer to a transferee, it has the option to require the limited partners to sell all their respective units in AITS to the transferee at a price not lower than the price which the Lead Investor offered to the transferee. Pursuant to the partnership agreement, as a limited partner, the Group shall take no part in the conduct or management and shall have no right or authority to act for AITS or take any part in or in any way to interfere in the conduct or management of AITS. From the inception of contemplating the investment plan in AITS up to the date of these condensed interim financial statements, the Group has no intention to participate in the operations of AITS and solely treat it as a passive investment looking to the long term appreciation of value so as to retrieve future benefits from the investment. Accordingly, the investment in AITS is classified as available-for-sale investment. Taken into consideration that the equity interest in AITS does not have a quoted market price in an active market, the directors are of the opinion that the fair value cannot be reliably measured. As a result, the Group's investment in AITS, together with the Tag Along Offer and the Drag Along Option that are linked to such unquoted equity instruments, are measured at cost less impairment.

### 10. 可供出售財務資產 (續)

#### (a) 於一間有限責任合夥公司之非上市投資 (續)

此外，上述相同協議亦向牽頭投資者授出領售選擇權。倘若牽頭投資者建議根據一項真誠公平之要約向一名承讓人出售其所有AITS基金單位，牽頭投資者擁有選擇權要求有限責任合夥人按作價不低於牽頭投資者提呈予該名承讓人之價格，向承讓人出售其各自之所有AITS基金單位。根據合夥協議，由於以有限責任合夥人身份投資，本集團不會參與AITS之營運或管理，亦無權利或授權代表AITS行事或參與或以任何方式干擾AITS之營運或管理。由制訂AITS之投資計劃建議起至此等簡明中期財務報表日期，本集團無意參與AITS之營運，純粹將之視為尋求長遠增值之被動投資，旨在日後從投資中獲利。因此，於AITS之投資被分類為可供出售投資。鑑於於AITS之股本權益並無活躍市場所報市價，董事認為無法可靠地計算其公平值。因此，本集團於AITS之投資連同與該等無報價股本工具掛鈎之隨售要約及領售選擇權均按成本扣除減值計量。

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

## 簡明中期財務報表附註

SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

### 11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

### 11. 於損益帳按公平值處理之財務資產

		As at 30 June 2011 於二零一一年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 December 2010 於二零一零年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
<b>Held for trading equity securities listed in Hong Kong</b>	<b>持作買賣之香港上市股本證券</b>		
At beginning of period/year	於期／年初	393,003	273,919
Additions	購入	503,583	682,508
Disposals	出售	(270,336)	(430,593)
Fair value adjustments	公平值調整	(110,207)	(132,831)
At the end of the reporting period	於報告期結束日	<b>516,043</b>	393,003
<b>Designated upon initial recognition unlisted convertible notes</b>	<b>於首次確認時指定分類之非上市可換股票據</b>		
At beginning of period/year	於期／年初	58,321	-
Additions	購入	30,000	42,041
Disposal/conversion during the period/year	期／年內出售／轉換	(35,570)	-
Fair value adjustments	公平值調整	(14,655)	16,280
At the end of the reporting period	於報告期結束日	<b>38,096</b>	58,321
Total	總計	<b>554,139</b>	451,324

The fair value of listed equity securities is based on quoted market prices in active markets at the end of the reporting period.

上市股本證券之公平值乃根據報告期結束日在活躍市場所報之市價計算。

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

## 簡明中期財務報表附註

SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

### 12. LOANS RECEIVABLE

Loans granted to borrowers are repayable according to repayment schedules. The balance comprises loans receivable from:

		Note	As at 30 June 2011 於二零一一年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 December 2010 於二零一零年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Third parties	第三方	(a)	334,921	241,388
Allowance for doubtful debts	呆帳撥備	(b)	(32,802)	(90,817)
Balances due within one year included in current assets	計入流動資產、於一年內到期之 結餘	(b)	<u>302,119</u>	<u>150,571</u>

Notes:

- (a) At the end of the reporting period, (i) loans receivable carry effective interest rates ranging from 2% per annum to 3% per month (31 December 2010: prime rate minus 2% to prime rate plus 2%); (ii) loan balance of HK\$1,435,000 (31 December 2010: HK\$1,447,000) was overdue and fully impaired; (iii) the remaining loan balances of HK\$333,486,000 (31 December 2010: HK\$239,941,000) are within the respective maturity dates; (iv) loan balances of HK\$313,486,000 (31 December 2010: HK\$162,151,000) are secured by the borrowers' net interests in their account maintained with a broker; and (v) loan balance of HK\$20,000,000 (31 December 2010: HK\$77,790,000) is unsecured.

### 12. 應收貸款

借款人獲授之貸款須按照還款時間表償還。有關結餘包括下列應收貸款：

		Note	As at 30 June 2011 於二零一一年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 December 2010 於二零一零年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Third parties	第三方	(a)	334,921	241,388
Allowance for doubtful debts	呆帳撥備	(b)	(32,802)	(90,817)
Balances due within one year included in current assets	計入流動資產、於一年內到期之 結餘	(b)	<u>302,119</u>	<u>150,571</u>

附註：

- (a) 於報告期結束日，(i)應收貸款之實際利率介乎每年2厘至每月3厘（二零一零年十二月三十一日：最優惠利率減2厘至最優惠利率加2厘）；(ii)貸款結餘1,435,000港元（二零一零年十二月三十一日：1,447,000港元）乃逾期未付並已全數減值；(iii)餘下貸款結餘333,486,000港元（二零一零年十二月三十一日：239,941,000港元）均無逾期；(iv)貸款結餘313,486,000港元（二零一零年十二月三十一日：162,151,000港元）乃以借款人證券經紀帳戶內之淨權益作擔保；及(v)貸款結餘20,000,000港元（二零一零年十二月三十一日：77,790,000港元）為無抵押。

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

## 簡明中期財務報表附註

SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

### 12. LOANS RECEIVABLE (continued)

Notes: (continued)

- (b) The directors assessed the collectability of loans receivable at the end of the reporting period individually with reference to borrowers' past collection history and current creditworthiness. Based on the assessment with reference to the collaterals secured by the borrowers on the secured loans and the financial position of the borrower of the unsecured loan, the collectability of loans receivable amounting to HK\$32,802,000 (31 December 2010: HK\$90,817,000) was in doubt and net write back of provision amounting to HK\$58,015,000 (2010: provision of HK\$89,370,000) was made during the period accordingly. In the directors' opinion, there was no indication of deterioration in the collectability of the remaining amount of HK\$302,119,000 (31 December 2010: HK\$150,571,000) and thus no additional allowance was considered necessary.

### 13. OTHER RECEIVABLES

Deposits, prepayments and other debtors	按金、預付款項及其他 應收帳款
Dividend receivable from an associate	應收一間聯營公司股息

Included in other debtors is an amount of HK\$2,840,000 (31 December 2010: HK\$16,422,000) receivables from a securities broker of which the settlement term is two days after trade date.

### 12. 應收貸款 (續)

附註：(續)

- (b) 董事於報告期結束日參照借款人過往之還款紀錄及現時之信用程度，個別評估能否收回應收貸款。根據參照借款人就有抵押貸款抵押之抵押品及無抵押貸款借款人之財務狀況作出之評估，應收貸款32,802,000港元（二零一零年十二月三十一日：90,817,000港元）之可收回程度成疑，因而於期內撥回相應撥備淨額58,015,000港元（二零一零年：撥備89,370,000港元）。董事認為並無跡象顯示收回餘額302,119,000港元（二零一零年十二月三十一日：150,571,000港元）方面出現問題，故無須作出額外撥備。

### 13. 其他應收款項

	As at 30 June 2011 於二零一一年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 December 2010 於二零一零年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Deposits, prepayments and other debtors	5,255	19,220
Dividend receivable from an associate	—	1,200
	<u>5,255</u>	<u>20,420</u>

其他應收帳款包括應收一名證券經紀之款項2,840,000港元（二零一零年十二月三十一日：16,422,000港元），該筆款項之結算期為交易日後兩日。

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

## 簡明中期財務報表附註

SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

### 14. OTHER PAYABLES

### 14. 其他應付款項

	As at 30 June 2011 於二零一一年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 December 2010 於二零一零年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Accrued charges and other creditors	27,614	29,820
應計費用及其他應付帳款	27,614	29,820

Included in other creditors is an amount of HK\$23,910,000 (31 December 2010: HK\$23,910,000) payable to Excel Way Investments Limited ("Excel Way").

其他應付帳款包括應付溢威投資有限公司(「溢威」)之款項23,910,000港元(二零一零年十二月三十一日: 23,910,000港元)。

Reference is made to the annual report of year 2009, interim report of year 2010, the annual report of year 2010 and related announcements. The Group had invested in Tinhua by acquiring two subsidiaries, Excel Way and Shinning Global Worldwide Limited ("Shinning Global"), at an aggregate consideration of HK\$158,500,000. Due to the lengthy administrative process for a bank in granting banking facility to Tinhua, the required liquidity to meet the working capital requirement for the commencement of Tinhua's production has been adversely affected. Up to 31 December 2009, the Group had not yet injected the last instalment of capital of US\$3,100,000 due to the uncertainties involved in the operations of Tinhua. The Group believed that such uncertainties arisen would in turn increase the risk exposure of its investment in Tinhua. The directors were of the opinion that the possibility of recovering the residual value from the investment in Tinhua was low and a full impairment loss of HK\$158,000,000 was made in the consolidated financial statements for the year ended 31 December 2009.

謹此提述二零零九年年報、二零一零年中期報告、二零一零年年報及相關公佈。本集團已透過收購兩間附屬公司溢威及Shinning Global Worldwide Limited(「Shinning Global」)而投資於天華，總代價為158,500,000港元。由於銀行向天華授出銀行信貸須辦理冗長之行政程序，令天華取得所需流動資金作為開展生產業務所需之營運資金一事受到不利影響。截至二零零九年十二月三十一日止，本集團並無作出最後一期注資3,100,000美元，原因為天華之營運產生不確定因素。本集團相信，出現該等不確定因素將增加本集團於天華之投資風險。董事認為，本公司可收回於天華之投資之剩餘價值之可能性不大，因而已於截至二零零九年十二月三十一日止年度之綜合財務報表內計提全數減值虧損158,000,000港元。

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

## 簡明中期財務報表附註

SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

### 14. OTHER PAYABLES (continued)

Given the unforeseeable prospect of Tinhua's business, management has appointed provisional liquidators to voluntarily liquidate Excel Way. A Statement of Voluntary Winding Up and the Notice of Appointment of Provisional Liquidators were filed with the Company Registry on 14 April 2010 and the commencement of the voluntary liquidation process has been disclosed in the Company's announcement on 15 April 2010. Pursuant to High Court Order on 31 May 2010, joint and several liquidators had been appointed and as at the end of the reporting period, Excel Way is still under the winding up process.

The Group had ceased to exercise significant influence over Tinhua following Excel Way's appointment of the provisional liquidators and therefore Tinhua is no longer treated as an associate of the Group.

In February 2011, Tinhua received a demand notice from the State Administration of Industry and Commerce of the PRC for the remaining capital injection of US\$3,100,000 (HK\$23,910,000) for which the amount had already been recorded in accrued charges and other creditors. Taking into consideration the current status of Excel Way, the directors are of the opinion that the exposure associated with the investment in Tinhua would not give rise to any further material financial impact on the Group's condensed consolidated financial statements.

### 14. 其他應付款項 (續)

鑑於天華業務之不明朗前景，管理層已委任臨時清盤人對溢威進行自動清盤。於二零一零年四月十四日，自動清盤陳述書及委任臨時清盤人通知書已獲呈交予公司註冊處，而如本公司日期為二零一零年四月十五日之公佈所披露，自動清盤程序已經展開。根據日期為二零一零年五月三十一日之高等法院判令，共同及個別清盤人已獲委任，而於報告期結束日，溢威仍處於清盤程序中。

於溢威委任臨時清盤人後，本集團已不再對天華行使重大影響力，故天華不再被視為本集團之聯營公司。

於二零一一年二月，天華接獲中國國家工商行政管理總局就餘下注資3,100,000美元(23,910,000港元)發出之催繳通知。有關金額已經於應計費用及其他應付帳款入帳。經考慮溢威之現況，董事認為與於天華之投資相關之風險不會對本集團之簡明綜合財務報表進一步構成任何重大財務影響。

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

## 簡明中期財務報表附註

SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

### 15. SHARE CAPITAL

### 15. 股本

		Number of shares 股份數目		Share capital 股本	
		As at 30 June 2011 於二零一一年 六月三十日 (Unaudited) (未經審核) '000 千股	As at 31 December 2010 於二零一零年 十二月 三十一日 (Audited) (經審核) '000 千股	As at 30 June 2011 於二零一一年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 December 2010 於二零一零年 十二月 三十一日 (Audited) (經審核) HK\$'000 千港元
<b>Authorised:</b>	<b>法定：</b>				
At beginning of period/year	於期／年初				
Ordinary shares of HK\$0.10 each	每股面值0.10港元之 普通股	50,000,000	50,000,000	5,000,000	5,000,000
Capital reorganisation (Note a)	股本重組 (附註a)	450,000,000	-	-	-
<b>At end of period/year</b>	<b>於期／年終</b>				
Ordinary shares of HK\$0.01 each (2010: ordinary shares of HK\$0.1 each)	每股面值0.01港元之 普通股 (二零一零年： 每股面值0.1港元之 普通股)	500,000,000	50,000,000	5,000,000	5,000,000
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>				
At beginning of period/year	於期／年初				
Ordinary shares of HK\$0.10 each	每股面值0.10港元之 普通股	4,060,825	439,384	406,082	43,938
Capital reorganisation (Note a)	股本重組 (附註a)	(3,654,743)	-	(402,022)	-
Issue of shares on rights issue (Note b)	供股時發行股份 (附註b)	3,248,660	1,098,461	32,487	109,846
Issue of new shares	發行新股	-	2,040,988	-	204,099
Issue of shares under share option scheme	根據購股權計劃發行股份	-	43,939	-	4,394
Shares issued on conversion of zero coupon convertible bonds	轉換零息票可換股債券時 發行股份	-	324,484	-	32,448
Shares issued on conversion of optional bond	轉換選擇性債券時 發行股份	-	113,569	-	11,357
<b>At end of period/year</b>	<b>於期／年終</b>				
Ordinary shares of HK\$0.01 each (2010: ordinary shares of HK\$0.1 each)	每股面值0.01港元之 普通股 (二零一零年： 每股面值0.1港元之 普通股)	3,654,742	4,060,825	36,547	406,082



# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

## 簡明中期財務報表附註

SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

### 15. SHARE CAPITAL (continued)

- (a) At the extraordinary general meeting of the Company held on 10 January 2011, the resolutions in respect of the share consolidation, the capital reduction and the capital subdivision of the Company (the "Capital Reorganisation") were approved by the shareholders. The effects of the Capital Reorganisation were as follows:
- (i) Under the share consolidation, every ten issued share of par value of HK\$0.1 each was consolidated into one adjusted issued share of par value of HK\$1.00 each.
- (ii) Immediately following the share consolidation, the nominal value of all the issued existing share will be reduced from par value of HK\$1.0 each to par value of HK\$0.01 each by cancellation of the paid up capital to the extent of HK\$0.99 on each issued consolidated share.
- (iii) The credit arising from such capital reduction will be applied towards canceling the accumulated deficit of the Company with the balance to be transferred to the distributable capital redemption reserve account of the Company.
- (iv) Under the share subdivision, each of the authorised but unissued share of par value of HK\$0.10 each will be subdivided into ten adjusted shares of par value of HK\$0.01 each.
- (b) Pursuant to the ordinary resolutions passed at the extraordinary general meeting held on 10 January 2011, 3,248,660,184 rights shares on the basis of 8 rights shares for every 1 adjusted share held at a price of HK\$0.125 per rights share were issued and allocated to successful applicants on 28 April 2011.

### 15. 股本 (續)

- (a) 於本公司在二零一一年一月十日舉行之股東特別大會上，股東批准多項關於本公司股份合併、資本削減及股份拆細（「資本重組」）之決議案。資本重組之影響如下：
- (i) 根據股份合併，將每十股每股面值0.1港元之已發行股份合併為一股面值1.00港元之經調整已發行股份。
- (ii) 緊隨股份合併後，藉註銷每股已發行合併股份之繳足股本0.99港元，將所有已發行現有股份之面值由每股1.0港元削減至每股0.01港元。
- (iii) 動用削減資本所產生之進帳額抵銷本公司之累計虧絀，餘額則轉撥至本公司之可分派資本贖回儲備帳。
- (iv) 根據股份分拆，每股面值0.10港元之法定但未發行股份將分拆為十股每股面值0.01港元之經調整股份。
- (b) 於二零一一年四月二十八日，本公司根據於二零一一年一月十日舉行之股東特別大會上通過之普通決議案，按每持有一股經調整股份供八股供股股份之基準，以每股供股股份0.125港元之價格向成功申請人發行及配發3,248,660,184股供股股份。

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

## 簡明中期財務報表附註

SIX MONTHS ENDED 30 JUNE 2011

截至二零一一年六月三十日止六個月

### 16. CONTINGENT LIABILITIES

#### Alleged agreement on investment in a customer

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

### 16. 或然負債

#### 於一名客戶之投資的指稱協議

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

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BUSINESS REVIEW

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

#### Tianjin Motor Business

The Company through its indirect wholly-owned subsidiary, Crown Creation Limited, acquired 50% of the equity interest in 天津市凱聲汽車維修有限公司 (Tianjin Kai Sheng Automobile Service Co., Ltd.) ("Tianjin Kai Sheng") since October 2007. Tianjin Kai Sheng and its subsidiaries engaged in the business of selling and distribution of Nissan motor vehicles, operation of the Nissan 4S shops, provision of heavy motor vehicle repair and maintenance services in the PRC. During the period under review, the sales increased approximately 41.93% as compare with the same period last year. Under the situation of tightened supplies on certain components for manufacturing of motor vehicle due to recent incidents of earthquake, tsunami and nuclear leakage in Japan, Tianjin Kai Sheng contributed approximately HK\$0.47 million to the Group's interim result. Tianjin Kai Sheng will manage to improve its performance during high season in the PRC's motor vehicle sale market in the second half of the year.

#### Logistic Services

The Group through its indirect wholly-owned subsidiary invests 40% issued share capital of Golden Fame International Investments Group Limited ("GFIIGL") since 13 September 2007. GFIIGL provides various logistics services in Hong Kong and the PRC including third party logistics, freight forwarding, airline general sales agency, supply chain management, river trade shipping and terminal stevedoring. During the reporting period under review, the overall performance of GFIIGL remain stable despite a weak economic recovery, the great decreases in international trade and cargo volume and the threats of high fuel price. GFIIGL contributed approximately HK\$4.05 million to the results of the Group. Subject to the market trends and conditions, it is expected that the result of GFIIGL for the second half of 2011 will be stable.

### 業務回顧

本集團於回顧期內曾進行下列主要業務活動：

#### 天津汽車業務

本公司自二零零七年十月起透過其間接全資附屬公司Crown Creation Limited收購天津市凱聲汽車維修有限公司(「天津市凱聲」)50%股權。天津市凱聲及其附屬公司於中國從事銷售及分銷日產汽車、經營日產4S店及提供重型汽車維修保養服務等業務。於回顧期內，天津市凱聲之銷售較去年同期增長約41.93%。近期日本發生地震、海嘯及核洩漏等事故，令製造汽車之若干零件供應緊張。天津市凱聲為本集團中期業績帶來約470,000港元之貢獻。天津市凱聲將致力於本年度下半年之中國汽車銷售旺季改善其表現。

#### 物流服務

本集團自二零零七年九月十三日起透過其間接全資附屬公司投資於金信環球投資集團有限公司(「金信」)已發行股本之40%。金信在香港及中國提供各類物流服務，包括第三方物流、貨運、一般航空銷售代理、供應鏈管理、內河貨運及碼頭裝卸。於報告之回顧期間，儘管經濟復甦動力疲弱、國際貿易及貨運量大跌及燃油價格高企帶來威脅，金信之整體表現仍然保持平穩。金信為本集團業績帶來約4,050,000港元之貢獻。取決於市場走勢及市況，預期金信於二零一一年下半年將繼續維持平穩之表現。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### **BUSINESS REVIEW** *(continued)*

#### **Logistic Services** *(continued)*

Reference is also made to the Company's announcement dated 8 November 2010 that GFIIGL and its subsidiaries intended to list on the growth enterprise market of the Hong Kong Stock Exchange. The preparation for application for the listing is in progress and is scheduled to apply within the year 2011.

#### **Forestry Business**

On 26 April 2010, the Company's indirectly wholly-owned subsidiary, Regent Square Limited, completed its acquisition of Richful Zone International Limited at a consideration of HK\$79.2 million. The consideration was satisfied by an issue of 330,000,000 shares of the Company at an issue price of HK\$0.24 per share to Mascotte Holdings Limited. Richful Zone International Limited and its subsidiary hold 50% of the interests in the concession rights and forestry contracts in respect of three pieces of forest lands located in Simao District, Puer City, Yunnan Province, the PRC, with a total site area of approximately 36,735 Chinese Mu. The concession rights and interest in the forest lands are expiring in January 2060. During the period under review, the operation of the forest lands has not achieved the level of profits which can contribute profit to the Group after payment of estimated management fee to the PRC's partner. In view of the current condition of the forest lands and market environments, it is expected that the operation of the forest lands will have profits contribution and appreciation in forest lands value to the Group in the medium to long term spectrum.

### **業務回顧** *(續)*

#### **物流服務** *(續)*

謹此同時提述本公司日期為二零一零年十一月八日之公佈，金信及其附屬公司擬申請在香港聯交所創業板上市。上市申請現正籌備中，計劃於二零一一年內提出申請。

#### **林地業務**

於二零一零年四月二十六日，本公司之間接全資附屬公司Regent Square Limited完成收購豐域國際有限公司，代價為79,200,000港元。代價已透過按發行價每股0.24港元向馬斯葛集團有限公司發行330,000,000股本公司股份之方式支付。豐域國際有限公司及其附屬公司持有三塊林地之特許權利及林地合約之50%權益。該等林地位於中國雲南省普洱市思茅區，總地盤面積約為36,735畝。該等林地之特許權利及權益將於二零六零年一月屆滿。於回顧期內，經向中國夥伴支付估計管理費後，該等林地之營運並未達致能為本集團帶來溢利之溢利水平。鑑於該等林地之現況及市場環境，預期該等林地之營運於中長期將會為本集團帶來溢利貢獻及林地升值。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### **BUSINESS REVIEW** (continued)

#### **Investment in a Limited Partnership**

On 17 August 2010, the Company's indirect wholly-owned subsidiary, Pan Fortune Investments Limited, entered into an investors' subscription agreement to invest a total of US\$10,000,000 into a co-investment vehicle, a limited partnership, established for the purpose of acquiring control of the equity securities and loans receivable of an investee group which is a supplier of automotive components, supplying both original equipment manufacturers and the aftermarket. The investment was approved by independent shareholders at the extraordinary general meeting of the Company on 27 September 2010. On April 2011, the Group completed its investment by payment of the remaining investment balance of approximately HK\$17.28 million (US\$2,222,222.22). The investment represents 22.2% holdings on the limited partnership. The limited partnership is managed by AITS Cayman Limited which is an affiliate of Unitas Capital Pte Ltd ("Unitas"). Unitas is one of the pioneers in large leveraged buy-out transactions in Asia. Since inception in 1999, funds advised by Unitas have invested in excess of US\$2.3 billion in equity capital in 28 transactions across a broad range of industries and geographies. The Company plays a passive role on the investment and to keep the investment as available-for-sale financial assets. For the period under review, the Company was informed by the limited partnership that the investee group's sales remained strong and continued to outperform its budget during the period and full year forecast sales was ahead its budget.

#### **Trading of securities**

The Group invested its surplus cash in Hong Kong's listed securities and unlisted securities as short-term investments. During the first half of the year, the Group recorded realised losses of approximately HK\$41.56 million from the disposal of certain securities and an unrealised losses of approximately HK\$124.86 million on the portfolio.

#### **Money lending business**

The Group has used part of its surplus cash through its indirect wholly-owned subsidiary, Forefront Finance Co., Limited, to provide short-term loans to various borrowers. Those short-term loans normally carried interest rate of 2% per annum to 3% per month. During the period under review, net write back of approximately HK\$58.02 million bad debt provision was made to the loan portfolio and Forefront Finance Co., Limited contributed profit of approximately HK\$5.6 million interest income to the results of the Group.

### **業務回顧** (續)

#### **投資於有限責任合夥公司**

於二零一零年八月十七日，本公司之間接全資附屬公司Pan Fortune Investments Limited訂立一項投資者認購協議，以向一間共同投資有限責任合夥公司投資合共10,000,000美元，該公司乃為取得一個接受投資集團之股本證券及應收貸款之控制權而成立，而後者為汽車零件供應商，對象為原設備製造商及售後零部件市場。該投資於二零一零年九月二十七日在本公司之股東特別大會上獲獨立股東批准。於二零一一年四月，本集團透過支付投資餘額約17,280,000港元(2,222,222.22美元)完成其投資。該投資為有限責任合夥公司之22.2%股權。有限責任合夥公司由AITS Cayman Limited管理，而AITS Cayman Limited為Unitas Capital Pte Ltd(「Unitas」)之聯屬公司。Unitas為亞洲大型槓桿收購交易先驅之一，自一九九九年創業以來，接受Unitas建議之基金於各行各業及不同地區進行28宗交易，於股權資本方面之投資額超過23億美元。本公司於該投資擔當被動角色，並以供銷售財務資產形式持有該投資。於回顧期內，本公司獲有限責任合夥公司通知，接受投資集團期內之銷售仍然強勁，表現繼續超出預算，而全年預測銷售會超出預算。

#### **證券買賣**

本集團將現金盈餘投資於香港上市證券及非上市證券作短期投資。於本年度上半年，本集團透過出售若干證券錄得已變現虧損約41,560,000港元，而投資組合則錄得未變現虧損約124,860,000港元。

#### **貸款業務**

本集團透過其間接全資附屬公司福方財務有限公司利用其部分現金盈餘向不同借款人提供短期貸款。該等短期貸款一般按利率每年2厘至每月3厘計息。於回顧期內，撥回就貸款組合作出之壞帳撥備淨額約58,020,000港元，而福方財務有限公司為本集團業績貢獻溢利約5,600,000港元之利息收入。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### OUTLOOK

On 28 April 2011, Rights Issue of the Company was completed as expected. The Company received a net proceeds of approximately HK\$393.90 million from the Rights Issue and therefore the Company has sufficient capacity to expand its business and ability to consider appropriate investment project as it arise.

### Result for the period

For the six months ended 30 June 2011, the Group recorded a loss from operations of approximately HK\$106.99 million (2010: loss of HK\$91.17 million) and turnover of HK\$(34.92) million (2010: HK\$12.96 million). The net loss attributable to shareholders for the period was approximately HK\$102.47 million (2010: loss of HK\$88.36 million). The operating loss was mainly due to the realized and unrealised losses of HK\$166.42 million arisen from securities portfolio held during the period.

### Liquidity, financial resources, borrowing and gearing ratio

During the period under review, the Group financed its operation through internal cash resources and fund raising exercise. As at the end of the reporting period, the Group maintained cash and bank balances of approximately HK\$52.55 million (as at 31 December 2010: HK\$131.34 million). The decrease in cash and bank balances were due to the increase in the money lending business and securities trading activities during the period. The Group's gearing ratio, calculated as total borrowings divided by net assets, is stated at 0% (as at 31 December 2010: 0%) since the Group had no outstanding borrowing as at 30 June 2011 (as at 31 December 2010: HK\$Nil).

As at 30 June 2011, the Group's net assets value amounted to approximately HK\$1,181.68 million (as at 31 December 2010: HK\$890.25 million) with total assets amounted to approximately HK\$1,209.29 million (as at 31 December 2010: HK\$920.07 million). Net current assets were approximately HK\$886.45 million (as at 31 December 2010: HK\$723.84 million) and the current ratio was 33.10 times (as at 31 December 2010: 25.27 times).

### 前景

於二零一一年四月二十八日，本公司如期完成供股。本公司來自供股之所得款項淨額約為393,900,000港元，使本公司擁有足夠能力擴充業務及於機會出現時考慮合適之投資項目。

### 期內業績

截至二零一一年六月三十日止六個月，本集團錄得經營虧損約106,990,000港元（二零一零年：虧損91,170,000港元），而營業額為(34,920,000)港元（二零一零年：12,960,000港元）。期內股東應佔虧損淨額約為102,470,000港元（二零一零年：虧損88,360,000港元）。錄得經營虧損主要由於期內所持證券組合產生已變現及未變現虧損166,420,000港元所致。

### 流動資金、財務資源、借貸及負債資產比率

於回顧期內，本集團透過內部現金資源及集資活動為其業務提供資金。於報告期結束日，本集團之現金及銀行結餘維持約52,550,000港元（於二零一零年十二月三十一日：131,340,000港元）。現金及銀行結餘減少是由於期內增加進行貸款業務及證券買賣活動所致。由於本集團於二零一一年六月三十日並無尚未償還之借貸（於二零一零年十二月三十一日：零港元），故本集團之負債資產比率（以借貸總額除以資產淨值計算）為0%（於二零一零年十二月三十一日：0%）。

於二零一一年六月三十日，本集團之資產淨值約為1,181,680,000港元（於二零一零年十二月三十一日：890,250,000港元），資產總值約為1,209,290,000港元（於二零一零年十二月三十一日：920,070,000港元）。流動資產淨值約為886,450,000港元（於二零一零年十二月三十一日：723,840,000港元），而流動比率為33.10倍（於二零一零年十二月三十一日：25.27倍）。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Capital structure

On 8 February 2011, the Company repurchased a total of 3 shares of its listed shares on the Hong Kong Stock Exchange for the purpose of reducing fraction share in the share consolidation of which carried out by the Company on 7 March 2011.

On 25 November 2010, the Company proposed that consolidation of every ten issued shares of par value of HK\$0.1 each into one consolidated share of par value of HK\$1.00 each then a reduction in nominal value of all the issued consolidated shares from par value of HK\$1.00 each to par value of HK\$0.01 each by the cancellation of the paid-up capital to the extent of HK\$0.99 on each consolidated share and the share subdivision of each of the authorized but unissued share at par value of HK\$0.10 each into ten shares of par value at HK\$0.01 each. The capital reorganization was approved by shareholders at the EGM of the Company held on 10 January 2011 and approved by the Grand Court of Cayman Islands on 7 March 2011.

On 25 November 2010, the Company proposed a Rights Issue of not less than 3,248,660,184 and not more than 4,100,897,984 rights shares to the qualifying shareholders at a price of HK\$0.125 per rights share on the basis of eight rights shares for every share in issue and held on record date (i.e. 31 March 2011). On 28 April 2011, the Rights Issue was completed. The Company's share capital increased from 406,082,523 shares to 3,654,742,707 shares. The Company received a net proceeds of approximately HK\$393.90 million.

### Pledge of Assets

As at 30 June 2011, margin facilities from a regulated securities broker were granted to the Group which was secured by the Group's financial assets at fair value through profit or loss. As at 30 June 2011, the Group has no outstanding or utilization (as at 31 December 2010: HK\$Nil) of these facilities.

### Exchange rate exposure

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

### 資本架構

於二零一一年二月八日，本公司於香港聯交所購回合共三股上市股份，以減少本公司於二零一一年三月七日進行之股份合併之碎股。

於二零一零年十一月二十五日，本公司建議將每十股每股面值0.1港元之已發行股份，合併為1股面值1.00港元之合併股份，其後藉註銷每股合併股份之繳足股本0.99港元，將所有已發行合併股份之面值由每股面值1.00港元削減至每股面值0.01港元，並將每股面值0.10港元之法定但未發行股份拆細為十股每股面值0.01港元之股份。股本重組經股東於本公司在二零一一年一月十日舉行之股東特別大會上批准，並於二零一一年三月七日經開曼群島大法院批准。

於二零一零年十一月二十五日，本公司建議透過供股（按於記錄日期（即二零一一年三月三十一日）每持有一股已發行股份供八股供股股份之基準，價格為每股供股股份0.125港元），向合資格股東發行不少於3,248,660,184股及不多於4,100,897,984股供股股份。供股已於二零一一年四月二十八日完成。本公司之股本由406,082,523股增至3,654,742,707股。本公司之所得款項淨額約為393,900,000港元。

### 資產抵押

於二零一一年六月三十日，受規管證券經紀向本集團授出若干孖展融資，並以本集團於損益帳按公平值處理之財務資產作擔保。於二零一一年六月三十日，本集團並無結欠或動用該等融資（於二零一零年十二月三十一日：零港元）。

### 匯率風險

由於本集團之業務主要以港元計值，故本集團並無面對任何重大外幣風險。

## DISCLOSURE OF OTHER INFORMATION 其他資料披露

### INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend in respect of the six months ended 30 June 2011 (six months ended 30 June 2010: HK\$Nil).

### DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST AND SHORT POSITION

As at 30 June 2011, the interests and short positions of the Directors and the Company's chief executive in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Future Ordinance ("SFO")) which were required to be notified to the Company and the Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest and short positions which they are taken or deemed to have under such provisions of the SFO), the Model Code for Securities Transactions by Directors of the Listed Companies and which were required to be entered in the register to be kept under section 352 of the SFO were as follows:

#### (a) Long positions in shares of the Company

Name of Director	Capacity	Number of shares held	% of the Company's issued share capital
董事姓名	身份	所持股份數目	佔本公司已發行股本之百分比
Mr. Yeung Ming Kwong 楊明光先生	Beneficial owner 實益擁有人	3,978,936	0.11%
Mr. Lam Yick Sing 林益勝先生	Beneficial owner 實益擁有人	24,000,000	0.66%
Mr. Wen Louis 溫耒先生	Interest of spouse 配偶權益	750	0.00%

### 中期股息

董事會不建議就截至二零一一年六月三十日止六個月派發中期股息(截至二零一零年六月三十日止六個月:零港元)。

### 董事及主要行政人員之權益及淡倉

於二零一一年六月三十日,董事及本公司主要行政人員於本公司或任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債權證中,擁有根據證券及期貨條例第XV部第7及8分部及上市公司董事進行證券交易的標準守則須知會本公司及香港聯合交易所有限公司(「聯交所」)之權益及淡倉(包括根據證券及期貨條例有關條文彼等被當作或視為擁有之權益及淡倉),以及須根據證券及期貨條例第352條而存置之登記冊所記錄之權益及淡倉如下:

#### (a) 於本公司股份中之好倉



## DISCLOSURE OF OTHER INFORMATION

### 其他資料披露

#### DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST AND SHORT POSITION *(continued)*

##### (b) Long positions in shares or registered capital of associated corporations

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

Save as disclosed above, as at 30 June 2011, none of the Directors or the chief executive had under Division 7 and 8 of Part XV of the SFO, nor were they taken to or deemed to have under such provisions of the SFO, any interests or short positions in the shares, underlying shares or debentures of the company or any associated corporations (within the meaning of Part XV of the SFO) or any interests which are required to be entered into the register kept by the Company pursuant to section 352 of the SFO or any interests which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transaction by Directors of Listed Companies in the Listing Rules.

#### 董事及主要行政人員之權益及淡倉 (續)

##### (b) 於相聯法團之股份或註冊資本中之好倉

除上文所披露者外，於二零一一年六月三十日，董事或主要行政人員概無於本公司或任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債權證中，擁有證券及期貨條例第XV部第7及8分部所指或根據證券及期貨條例有關條文彼等被當作或視為擁有之權益或淡倉，或擁有須於本公司根據證券及期貨條例第352條存置之登記冊記錄之權益，或根據上市規則所載上市公司董事進行證券交易的標準守則須知會本公司及聯交所之權益。

## DISCLOSURE OF OTHER INFORMATION 其他資料披露

### EMPLOYEES

As at 30 June 2011, the Group had approximately 23 employees including directors of the Company. The policy of employee remuneration, bonus, share option scheme and training are commensurate with performance, experience and comparable to the market rate. The Group contribute to a Mandatory Provident Fund under the Hong Kong Mandatory Provident Fund Schemes Ordinance.

### SHARE OPTIONS

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

During the period ended 30 June 2011, no share option has been granted to any participants, directors or employees and no share option is outstanding pending for exercise.

### SUBSTANTIAL SHAREHOLDERS

As at 30 June 2011, no persons (other than the Directors or Chief Executive of the Company) has interests or short position in the shares and underlying shares of the company, being 5 % or more of the Company's issued share capital, as recorded in the register required to be kept under Section 336 of the SFO and in accordance with information received by the Company.

### 僱員

於二零一一年六月三十日，本集團約有23名員工，包括本公司董事。僱員酬金政策、花紅、購股權計劃及培訓均按表現、經驗和參照市場水平釐定。本集團根據香港強制性公積金計劃條例向強制性公積金供款。

### 購股權

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

於截至二零一一年六月三十日止期間，並無向任何參與者、董事或僱員授出任何購股權，亦無任何尚未行使而有待行使之購股權。

### 主要股東

於二零一一年六月三十日，根據證券及期貨條例第336條須存置之登記冊所記錄及按照本公司獲得之資料，概無人士（董事或本公司主要行政人員除外）於本公司股份及相關股份中擁有本公司已發行股本5%或以上之權益或淡倉。

## DISCLOSURE OF OTHER INFORMATION

### 其他資料披露

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

During the six months ended 30 June 2011, the Company repurchased a total of 3 shares of its listed shares on the Hong Kong Stock Exchange for the purpose of reducing fraction share in the share consolidation of which carried out by the Company on 7 March 2011. Details of the repurchases are summarized as follows:

Month/Year 年份／月份	Number of ordinary shares repurchased 所購回之 普通股數目	Purchases price per share 每股購買價		Aggregate purchase consideration 總購買代價
		Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
February 2011 二零一一年二月	3	0.021	0.021	0.063

All the shares repurchased during the period were cancelled. Accordingly, the issued share capital of the Company was reduced by the par value of the repurchased shares. The difference between the issued share capital purchased and the value of cash consideration paid was debited to the Company's capital redemption reserve.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the period.

#### 購買、出售或贖回本公司上市證券

於截至二零一一年六月三十日止六個月內，本公司於香港聯交所購回合共三股上市股份，以減少本公司於二零一一年三月七日進行之股份合併之碎股。購回詳情概述如下：

期內購回之股份已全部註銷。因此，本公司之已發行股本已按所購回股份之面值削減。所購入已發行股本與已付現金代價價值兩者之差額已於本公司之資本贖回儲備中扣除。

除上文所披露者外，本公司或其任何附屬公司於期內概無購買、出售或贖回本公司任何上市證券。

## DISCLOSURE OF OTHER INFORMATION 其他資料披露

### CODE ON CORPORATE GOVERNANCE PRACTICES

Save as disclosed below, in the opinion of the Directors, the Company has complied with Code on Corporate Governance Practices ("CG Code") as set out in Appendix 14 to the Listing Rules during the six months ended 30 June 2011.

- (a) Code Provision A.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company has no such title as the chief executive officer but the daily operation and management of the Company are monitored by the executive directors. Mr. Yeung Ming Kwong, executive director of the Company, is also the Chairman of the Group.
- (b) Code Provision A.4.1 stipulated that non-executive directors should be appointed for a specific term and be subject to re-election. The Company has not fixed the term of appointment for non-executive directors, which constitutes a deviation from Code Provision of A.4.1. However, all non-executive directors are also subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to Article 116 in the Articles of Association of the Company.

### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code of the Listing Rules as the Company's code of conduct for dealing in securities of the Company by the directors, all directors confirmed that they have complied with the required standards as set out in the Model Code throughout the period.

### 企業管治常規守則

除下文所披露者外，董事認為，本公司於截至二零一一年六月三十日止六個月內一直遵守上市規則附錄十四所載之企業管治常規守則（「企業管治守則」）。

- (a) 守則條文A.2.1訂明主席及行政總裁之角色應有所區分，而不應由同一人兼任。本公司並無設立行政總裁一職，惟執行董事會負責監督本公司日常營運及管理。本公司執行董事楊明光先生兼任本集團之主席。
- (b) 守則條文A.4.1規定非執行董事應按特定任期委任，並須接受重選。本公司並無釐定非執行董事之任期，因而構成偏離守則條文A.4.1。然而，按照本公司組織章程細則第116條，全體非執行董事須於本公司股東週年大會上輪流告退並接受重選。

### 證券交易標準守則

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

## DISCLOSURE OF OTHER INFORMATION

### 其他資料披露

#### REMUNERATION COMMITTEE

A Remuneration Committee has been established in accordance with the requirements of the CG Code. The Remuneration Committee comprises three independent non-executive Directors and an executive Director.

#### AUDIT COMMITTEE

The unaudited interim financial results of the Group for the six months ended 30 June 2011 has been reviewed by the Audit Committee of the Company. The audit committee comprises three independent non-executive Directors namely Mr. Chung Yuk Lun, Ms. Lam Yan Fong, Flora and Mr. Pak William Eui Won.

#### APPRECIATION

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

By Order of the Board

**Forefront Group Limited**  
**Yeung Ming Kwong**  
*Chairman*

Hong Kong, 19 August 2011

#### 薪酬委員會

本公司已根據企業管治守則之規定成立薪酬委員會。薪酬委員會由三名獨立非執行董事及一名執行董事組成。

#### 審核委員會

本集團截至二零一一年六月三十日止六個月之未經審核中期財務業績已由本公司審核委員會審閱。審核委員會由三名獨立非執行董事鍾育麟先生、林欣芳女士及Pak William Eui Won先生組成。

#### 致謝

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

承董事會命

**福方集團有限公司**  
**主席**  
**楊明光**

香港，二零一一年八月十九日



**Cover & Inside page** is printed on recycle paper

封面及內頁由再造紙印製



FOREFRONT GROUP LIMITED  
福方集團有限公司\*