

叁龍

2011 Interim Report
中期報告



Dragonite International Limited
叁龍國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code : 329) (股份代號: 329)

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Wong Yin Sen (*Chairman*)

Mr. Au Yeung Kai Chor

Ms. Chan Mee Sze (*appointed on 11 April 2011*)

Ms. Ching Yuen Man, Angela

Mr. Hon Lik

Mr. Lam Suk Ping (*appointed on 1 June 2011*)

Mr. Wong Hei Lin (*resigned on 7 July 2011*)

Non-executive Directors

Mr. Frank H. Miu (*resigned on 7 July 2011*)

Mr. Manfred A. Häussler (*resigned on 1 April 2011*)

Independent Non-executive Directors

Mr. Chung Yuk Lun

Mr. Lam Man Sum, Albert

Mr. Liu Kwong Sang

Mr. Pang Hong

AUDIT COMMITTEE

Mr. Chung Yuk Lun

Mr. Lam Man Sum, Albert

Mr. Liu Kwong Sang

Mr. Pang Hong

COMPANY SECRETARY

Ms. Chan Mee Sze

AUDITOR

Deloitte Touche Tohmatsu

REGISTERED OFFICE

Cricket Square, Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

董事會

執行董事

王彥宸先生 (*主席*)

歐陽啟初先生

陳美思女士 (*二零一一年四月十一日獲委任*)

程婉雯女士

韓力先生

林叔平先生 (*二零一一年六月一日獲委任*)

王希年先生 (*二零一一年七月七日辭任*)

非執行董事

繆希先生 (*二零一一年七月七日辭任*)

Manfred A. Häussler先生

(*二零一一年四月一日辭任*)

獨立非執行董事

鍾育麟先生

林聞深先生

廖廣生先生

龐鴻先生

審核委員會

鍾育麟先生

林聞深先生

廖廣生先生

龐鴻先生

公司秘書

陳美思女士

核數師

德勤 • 關黃陳方會計師行

註冊辦事處

Cricket Square, Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1101, 11th Floor, China United Centre
28 Marble Road, North Point
Hong Kong

香港總辦事處及主要營業地點

香港
北角馬寶道28號
華匯中心11樓1101室

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 609
Grand Cayman, KY1-1107
Cayman Islands

股份過戶登記總處

Butterfield Fulcrum Group (Cayman)
Limited
Butterfield House
68 Fort Street
P.O. Box 609
Grand Cayman, KY1-1107
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, Hopewell Centre
183 Queen's Road East
Hong Kong

香港股份過戶登記分處

香港中央證券登記有限公司
香港
皇后大道東183號
合和中心1712-1716室

PRINCIPAL BANKERS

in Hong Kong:

The Hong Kong and Shanghai Banking Corporation Limited

in the PRC:

China Construction Bank

Shenyang Economic and Technology Development Zone Branch

主要往來銀行

於香港：

香港上海滙豐銀行有限公司

於中國：

中國建設銀行

瀋陽經濟技術開發區分行

STOCK CODE

329

股份代號

329

COMPANY WEBSITE

www.dragonite.com.hk

網站

www.dragonite.com.hk

Condensed Consolidated Statement of Comprehensive Income

簡明綜合全面收益表

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

			Six months ended	
			截至下列日期止六個月	
		NOTES	30.6.2011	30.6.2010
			二零一一年	二零一零年
		附註	六月三十日	六月三十日
			HK\$'000	HK\$'000
			千港元	千港元
			(unaudited)	(unaudited)
			(未經審核)	(未經審核)
Turnover	營業額	4	(33,868)	14,708
Cost of sales	銷售成本		(34,024)	(54,896)
Gross loss	虧損總額		(67,892)	(40,188)
Other income	其他收入		1,791	2,771
Distribution cost	經銷費用		(333)	(29,279)
Administrative and other expenses	行政及其他支出		(29,599)	(64,703)
Change in fair value of derivative financial instruments	衍生金融工具之公平值變動		377	(410)
Net unrealised loss on financial assets at fair value through profit or loss	按公平值計入損益之金融資產的未變現虧損淨額		(70,511)	(7,059)
Gain on disposal of subsidiaries	出售附屬公司收益		—	21,903
Finance costs	財務費用		(661)	(17,441)
Loss before tax	稅前虧損		(166,828)	(134,406)
Income tax expense	所得稅支出	5	(32)	(247)
Loss for the period	期內虧損	6	(166,860)	(134,653)
Other comprehensive income	其他全面收入			
Exchange differences on translation	換算匯兌差額		4,318	1,292
Total comprehensive loss for the period	期內全面虧損總額		(162,542)	(133,361)
Loss per share	每股虧損			(Restated)
Basic	基本	8	HK\$(0.10) 港元	(經重列) HK\$(0.46) 港元

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

At 30 June 2011 於二零一一年六月三十日

		NOTES	30.6.2011	31.12.2010
			二零一一年	二零一零年
		附註	六月三十日	十二月三十一日
			HK\$'000	HK\$'000
			千港元	千港元
			(unaudited)	(audited)
			(未經審核)	(經審核)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	9	31,441	30,413
Goodwill	商譽	15	15,752	—
Deposit paid for acquisition	已付收購按金	18	11,700	—
Financial assets designated at fair value through profit or loss	指定按公平值計入損益之金融資產		—	20,000
Prepaid lease payments	預付租賃款項		2,709	2,678
			61,602	53,091
Current assets	流動資產			
Inventories	存貨		11,267	35,378
Trade receivables	應收貿易賬項	10	4,949	5,082
Deposits, prepayment and other receivables	按金、預付款項及其他應收賬項		8,450	5,736
Tax recoverable	可收回稅項		3,125	2,600
Prepaid lease payments	預付租賃款項		79	79
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產		257,759	11,113
Financial assets designated at fair value through profit or loss	指定按公平值計入損益之金融資產		—	4,450
Bank balances and cash	銀行結餘及現金		26,582	11,681
			312,211	76,119

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

At 30 June 2011 於二零一一年六月三十日

		NOTES	30.6.2011	31.12.2010
			二零一一年	二零一零年
		附註	六月三十日	十二月三十一日
			HK\$'000	HK\$'000
			千港元	千港元
			(unaudited)	(audited)
			(未經審核)	(經審核)
Current liabilities	流動負債			
Trade payables	應付貿易賬項	11	5,437	4,647
Accruals and other payables	應計款項及其他應付賬項		39,384	41,269
Derivative financial instruments	衍生金融工具		—	377
Borrowings	借款		1,558	5,000
Convertible bonds	可換股債券	12	4,469	4,136
Taxation payable	應付稅項		804	891
			51,652	56,320
Net current assets	流動資產淨值		260,559	19,799
Total assets less current liabilities	總資產減流動負債		322,161	72,890
Capital and reserves	資本及儲備			
Share capital	股本	13	196,731	9,236
Reserves	儲備		125,430	63,654
			322,161	72,890

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

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 account	Shareholders' contribution	Translation reserve	Non-distributable reserves	Share option reserve	Merger reserves	Special reserves	Accumulated losses	Total equity attributable to owners
		股本	股份溢價賬	股東出資	換算儲備	非供分派儲備	購股權儲備	合併儲備	特別儲備	累積虧損	擁有人應佔權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(note a)		(note b)		(note c)	(note d)		
				(附註a)		(附註b)		(附註c)	(附註d)		
At 1 January 2010 (audited)	於二零一零年一月一日 (經審核)	151,336	1,182,410	21,780	86,873	24,737	9,612	(1,016,738)	3,142	(418,945)	44,207
Loss for the period	期內虧損	—	—	—	—	—	—	—	—	(134,653)	(134,653)
Exchange differences on translation	換算匯兌差額	—	—	—	1,292	—	—	—	—	—	1,292
Total comprehensive loss for the period	期內全面虧損總額	—	—	—	1,292	—	—	—	—	(134,653)	(133,361)
Issue of new shares	發行新股	33,272	—	—	—	—	—	—	—	—	33,272
Issue of new shares upon conversion of convertible bonds	於轉換可換股債券後發行新股	71,891	10,400	—	—	—	—	—	—	—	82,291
Recognition of equity-settled share-based payments	確認以權益結算並以股份為基礎之付款	—	—	—	—	—	12,276	—	—	—	12,276
Issue of new shares upon exercise of share options	於行使購股權後發行新股	29,770	26,582	—	—	—	(11,984)	—	—	—	44,368
Issue of new shares upon rights issue	於供股後發行新股	83,180	—	—	—	—	—	—	—	—	83,180
Disposal of a subsidiary	出售附屬公司	—	—	—	(368)	—	—	—	—	—	(368)
At 30 June 2010 (unaudited)	於二零一零年六月三十日 (未經審核)	369,449	1,219,392	21,780	87,797	24,737	9,904	(1,016,738)	3,142	(553,598)	165,865

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

		Total equity attributable to owners 擁有人應佔權益總額									
		Share capital 股本	Share premium account 股份溢價賬	Shareholders' contribution 股東出資	Translation reserve 換算儲備	Non-distributable reserves 非供分派儲備	Share option reserve 購股權儲備	Merger reserves 合併儲備	Special reserves 特別儲備	Accumulated losses 累積虧損	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
				(note a) (附註a)		(note b) (附註b)		(note c) (附註c)	(note d) (附註d)		
At 1 January 2011 (audited)	於二零一一年一月一日 (經審核)	9,236	1,219,392	21,780	93,224	24,737	10,180	(1,016,738)	3,142	(292,063)	72,890
Loss for the period	期內虧損	—	—	—	—	—	—	—	—	(166,860)	(166,860)
Exchange differences on translation	換算匯兌差額	—	—	—	4,318	—	—	—	—	—	4,318
Total comprehensive loss for the period	期內全面虧損總額	—	—	—	4,318	—	—	—	—	(166,860)	(162,542)
Issue of new shares upon rights issue	於供股後發行新股	184,725	221,669	—	—	—	—	—	—	—	406,394
Issue of shares upon subscription	於認購後發行股份	1,847	1,109	—	—	—	—	—	—	—	2,956
Issue of shares upon exercise of share options	於行使購股權後發行股份	923	1,540	—	—	—	(783)	—	—	—	1,680
Recognition of equity settled share-based payments	確認以權益結算並以股份為基礎之付款	—	—	—	—	—	783	—	—	—	783
At 30 June 2011 (unaudited)	於二零一一年六月三十日 (未經審核)	196,731	1,443,710	21,780	97,542	24,737	10,180	(1,016,738)	3,142	(458,923)	322,161

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

Notes:

- (a) Shareholders' contribution represents the amounts contributed by shareholders of Ruyan Investment (Holdings) Limited ("RIHL"), formerly known as SBT Investment (Holdings) Limited.
- (b) The non-distributable reserve represents statutory reserves appropriated from profit after tax of the Company's subsidiary in the People's Republic of China (the "PRC") under the PRC laws and regulations.
- (c) The merger reserve represents (i) the share capital of RIHL; (ii) the carrying amount of equity interest in RIHL held by the non-controlling parties; and (iii) the fair value of the consideration paid for acquisition of RIHL.
- (d) The special reserve of the Group represents reserve arising pursuant to group reorganisation on the basis that the group reorganisation had been effected on 1 January 2010.

附註：

- (a) 股東出資指Ruyan Investment (Holdings) Limited(「RIHL」)(前稱SBT Investment (Holdings) Limited)之股東出資金額。
- (b) 非供分派儲備指本公司於中華人民共和國(「中國」)之附屬公司根據中國法律及法規從除稅後溢利中撥出之法定儲備。
- (c) 合併儲備指(i)RIHL股本；(ii)無控制權人士持有之RIHL股權之賬面值；及(iii)就收購RIHL支付代價之公平值。
- (d) 本集團之特別儲備指集團重組於二零一零年一月一日生效時因集團重組產生之儲備。

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

		Six months ended 截至下列日期止六個月	
		30.6.2011 二零一一年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	30.6.2010 二零一零年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)
Net cash used in operating activities	經營業務所用現金淨額	(361,029)	(57,358)
Investing activities	投資活動		
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備 所得款項	65	1,392
Purchase of property, plant and equipment	購入物業、廠房及設備	(66)	(1,749)
Purchase of financial assets designated at fair value through profit or loss	購入指定按公平值計入損益 之金融資產	(20,000)	—
Acquisition of subsidiaries	收購附屬公司	(10,000)	—
Net cash used in investing activities	投資活動所用現金淨額	(30,001)	(357)
Financing activities	融資活動		
New other borrowings raised	其他新造借款	—	125,000
Repayment of other borrowings	償還其他借款	(5,000)	(125,000)
Interest paid	已付利息	(268)	(2,370)
Redemption of convertible bonds	贖回可換股債券	—	(152,709)
Issue of new shares	發行新股	411,030	160,820
Proceeds from issue of convertible bonds	發行可換股債券之所得款項	—	75,000
Repayments to shareholders	償還股東款項	—	(9,873)
Net cash from financing activities	融資活動所得現金淨額	405,762	70,868
Net increase in cash and cash equivalents	現金及現金等值項目增加淨額	14,732	13,153
Cash and cash equivalents at beginning of the period	期初之現金及現金等值項目	11,681	24,117
Effect of foreign exchange rate changes	匯率變動之影響	169	537
Cash and cash equivalents at end of the period	期末之現金及現金等值項目	26,582	37,807
Analysis of the balances of cash and cash equivalents	現金及現金等值項目之結餘分析		
Bank balances and cash	銀行結餘及現金	26,582	37,807

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

I. GENERAL INFORMATION

Dragonite International Limited (the "Company") was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited.

The Company acts as an investment holding company. Its subsidiaries are principally engaged in securities trading and investment, production and sales of a series of health care products, pharmaceutical products and Ruyan atomizing cigarettes.

The functional currency of the Company is Renminbi ("RMB"). For the purpose of presenting the condensed consolidated financial statements, the Group adopted Hong Kong dollars as its presentation currency for the convenience of the readers. The directors consider Hong Kong dollars can provide more meaningful information to the Company's shareholders.

2. BASIS OF PREPARATION

The 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 and with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

1. 一般資料

叁龍國際有限公司(「本公司」)於開曼群島註冊成立為獲豁免有限公司，其股份於香港聯合交易所有限公司上市。

本公司為一間投資控股公司，其附屬公司之主要業務為證券買賣及投資、生產及銷售一系列保健產品、醫藥產品及如煙霧化煙。

本公司的功能貨幣為人民幣(「人民幣」)。為方便讀者閱讀，本集團呈列簡明綜合財務報表時採用港元為其呈列貨幣。董事認為港元可為本公司股東提供更有意義的資料。

2. 編製基準

簡明綜合財務報表已根據香港聯合交易所有限公司證券上市規則附錄16之適用披露規定及香港會計準則第34號「中期財務報告」編製。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2011 | 截至二零一一年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

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

The accounting policies used in the condensed consolidated financial statements for the six months ended 30 June 2011 (the "Period") are consistent with those followed in the preparation of the Group's annual financial statement for the year ended 31 December 2010.

In the current interim period, the Group has applied, for the first time, the following new and revised standards, amendments or interpretations, ("new and revised HKFRSs") issued by Hong Kong Institute of Certified Public Accountants ("HKICPA") which are or have effective for the Group's financial year beginning on 1 January 2011.

HKAS 24 (Revised 2009)
香港會計準則第 24 號 (二零零九年經修訂)
HKAS 32 (Amendments)
香港會計準則第 32 號 (修訂本)
HK(IFRIC) - INT 14(Amendments)
香港 (國際財務報告準則詮釋委員會)
— 詮釋第 14 條 (修訂本)
HK(IFRIC) - INT 19
香港 (國際財務報告準則詮釋委員會)
— 詮釋第 19 條
HKFRSs (Amendments)
香港財務報告準則 (修訂本)

The application of the above new or revised HKFRSs on the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

3. 主要會計政策

簡明綜合財務報表乃根據歷史成本法編製，惟按公平值計量之若干金融工具(倘適用)除外。

截至二零一一年六月三十日止六個月(「本期間」)的簡明綜合財務報表所採用之會計政策與編製本集團截至二零一零年十二月三十一日止年度之全年財務報表所依循者貫徹一致。

於本中期期間，本集團首次應用以下由香港會計師公會(「香港會計師公會」)頒佈並於本集團於二零一一年一月一日開始之財政年度生效或已經生效的新訂及經修訂準則、修訂或詮釋(「新訂及經修訂香港財務報告準則」)。

Related party disclosure
關連人士之披露
Classification of rights issues
供股之分類
Prepayments of a minimum funding requirement
最低資本規定之預付款項
Extinguishing financial liabilities with equity instruments
以股本工具抵銷金融負債
Improvements to HKFRSs issued in 2010
於二零一零年發佈之香港財務報告準則的改進

於本中期期間採用上述新訂或經修訂香港財務報告準則對該等簡明綜合財務報表呈報的金額及／或該等簡明綜合財務報表所載的披露並無重大影響。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

The Group has not early applied new or revised standards that have been issued but are not yet effective. The following new or revised standards has been issued after the date the consolidated financial statements for the year ended 31 December 2010 were authorised for issuance and are not yet effective:

HKFRS 7
香港財務報告準則第 7 號
HKFRS 9
香港財務報告準則第 9 號
HKFRS 10
香港財務報告準則第 10 號
HKFRS 11
香港財務報告準則第 11 號
HKFRS 12 (Amendment)
香港財務報告準則第 12 號 (修訂本)
HKFRS 13
香港財務報告準則第 13 號
HKAS 1 (Amendments)
香港會計準則第 1 號 (修訂本)
HKAS 12 (Amendments)
香港會計準則第 12 號 (修訂本)
HKAS 19 (Revised in 2011)
香港會計準則第 19 號 (二零一一年經修訂)
HKAS 27 (Revised in 2011)
香港會計準則第 27 號 (二零一一年經修訂)
HKAS 28 (Revised in 2011)
香港會計準則第 28 號 (二零一一年經修訂)

¹ Effective for accounting periods beginning on or after 1 July 2011.

² Effective for accounting periods beginning on or after 1 January 2013.

³ Effective for accounting periods beginning on or after 1 July 2012.

⁴ Effective for accounting periods beginning on or after 1 January 2012.

The directors of the Company anticipate that the application of these new or revised standards will have no material impact on the results and the financial position of the Group.

3. 主要會計政策 (續)

本集團並無提早採納已頒佈但尚未生效之新訂或經修訂準則。下述新訂或經修訂準則於截至二零一零年十二月三十一日止年度的綜合財務報表獲准發行之日後發佈，惟尚未生效：

Disclosures - Transfers of financial assets ¹
披露－轉讓金融資產 ¹
Financial instruments ²
金融工具 ²
Consolidated financial statements ²
綜合財務報表 ²
Joint arrangements ²
合營安排 ²
Disclosures of interest in other entities ²
披露其他實體的權益 ²
Fair value measurement ²
公平值計量 ²
Presentation of items of other comprehensive income ³
呈列其他全面收益項目 ³
Deferred tax: Recovery of underlying assets ⁴
遞延稅項：撥回相關資產 ⁴
Employee benefits ²
僱員福利 ²
Separate financial statements ²
獨立財務報表 ²
Investments in associates and joint ventures ²
於聯營公司及合營企業之投資 ²

¹ 於二零一一年七月一日或之後開始的會計期間生效。

² 於二零一三年一月一日或之後開始的會計期間生效。

³ 於二零一二年七月一日或之後開始的會計期間生效。

⁴ 於二零一二年一月一日或之後開始的會計期間生效。

本公司董事預期應用該等新訂或經修訂準則不會對本集團的業績及財務狀況產生重大影響。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2011 | 截至二零一一年六月三十日止六個月

4. SEGMENTAL INFORMATION

The Group's executive directors are the chief operating decision makers as they collectively make strategic decisions towards the Group's operations. During the Period, securities trading and investments has become a substantial operating activity to the Group, therefore it is reported in a new reportable segment. Figures in the segmental information for the period ended 30 June 2010 have been restated for comparative purposes only.

The Group's operating and reportable segments under HKFRS 8 are therefore as follows:

- (a) health care products, which are represented by ginseng products
- (b) pharmaceutical products, which are mainly represented by licensed medicines
- (c) Ruyan atomizing cigarettes
- (d) Securities trading and investments

4. 分類資料

由於本集團執行董事共同對本集團營運作出策略決定，故彼等為主要經營決策者。於本期間內，證券買賣及投資成為本集團的重要經營活動，因此報告為新呈報分類。截至二零一零年六月三十日止期間的分類資料數據已重列，謹作比較用途。

因此，本集團根據香港財務報告準則第8號之營運及呈報分類如下：

- (a) 保健產品，為人參產品
- (b) 醫藥產品，主要為持牌藥物
- (c) 如煙霧化煙
- (d) 證券買賣及投資

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

4. SEGMENTAL INFORMATION (Cont'd)

The following is an analysis of the Group's turnover and results by operating and reportable segments for the Period:

For six months ended 30 June 2011

4. 分類資料 (續)

以下是按營運及呈報分類劃分本集團於本期間之營業額及業績分析：

截至二零一一年六月三十日止六個月

		Health care products 保健產品 HK\$'000 千港元	Pharmaceutical products 醫藥產品 HK\$'000 千港元	Ruyan atomizing cigarettes 如煙霧化煙 HK\$'000 千港元	Securities trading and investments 證券買賣 及投資 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Segment turnover	分類營業額					
Sales of Goods	銷售貨品	25	5,242	874	—	6,141
Net gain / (loss) from the sales of financial assets at fair value through profit or loss	銷售按公平值計入 損益之金融資產 的收益／（虧損） 淨額	—	—	—	(40,009)	(40,009)
		25	5,242	874	(40,009)	(33,868)
Segment result	分類業績	(6,746)	(12,752)	(8,385)	(110,520)	(138,403)
Other income	其他收入					1,791
Unallocated corporate expenses	未分配公司支出 expenses					(29,932)
Change in fair value of derivative financial instruments	衍生金融工具之 公平值變動					377
Finance costs	財務費用					(661)
Loss before tax	稅前虧損					(166,828)

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

4. SEGMENTAL INFORMATION (Cont'd)

For six months ended 30 June 2010

		Health care products 保健產品 HK\$'000 千港元	Pharmaceutical products 醫藥產品 HK\$'000 千港元	Ruyan atomizing cigarettes 如煙霧化煙 HK\$'000 千港元	Securities trading and investments 證券買賣 及投資 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Segment turnover	分類營業額					
Sales of Goods	銷售貨品	5,982	12,937	(4,343)	—	14,576
Net gain / (loss) from the sales of financial assets at fair value through profit or loss	銷售按公平值計入 損益之金融資產 的收益／（虧損） 淨額	—	—	—	132	132
		5,982	12,937	(4,343)	132	14,708
Segment result	分類業績	(60,857)	(1,023)	(6,903)	(6,927)	(75,710)
Other income	其他收入					2,771
Unallocated corporate expenses	未分配公司支出					(43,616)
Change in fair value of derivative financial instruments	衍生金融工具之 公平值變動					(410)
Finance costs	財務費用					(17,441)
Loss before tax	稅前虧損					(134,406)

Segment loss represents the loss from/profit earned by each segment without allocation of central administration costs, other income, change in fair value of derivative financial instruments, share-based payment expenses and finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

4. 分類資料 (續)

截至二零一零年六月三十日止六個月

分類虧損指各分類產生之虧損／溢利，惟並無計入中央管理成本、其他收入、衍生金融工具之公平值變動、以股份為基礎之付款開支及財務費用。此乃向主要營運決策者呈報之計量方式，以便分配資源及評估表現。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

5. INCOME TAX EXPENSE

5. 所得稅支出

		Six months ended 截至下列日期止六個月	
		30.6.2011 二零一一年 六月三十日 HK\$'000 千港元	30.6.2010 二零一零年 六月三十日 HK\$'000 千港元
Income Tax in the PRC	中國所得稅	32	247

No Hong Kong Profits Tax is payable by the Company or its subsidiaries operating in Hong Kong since they had no assessable profit for both periods.

本公司或其於香港營運之附屬公司於兩個期間並無任何應課稅溢利，故並無任何應付之香港利得稅。

PRC Enterprise Income Tax is calculated at the rate prevailing in the relevant districts of the PRC taking relevant tax incentives into account.

中國企業所得稅於計及有關稅務優惠後，按中國有關地區適用稅率計算。

6. LOSS FOR THE PERIOD

6. 期內虧損

		Six months ended 截至下列日期止六個月	
		30.6.2011 二零一一年 六月三十日 HK\$'000 千港元	30.6.2010 二零一零年 六月三十日 HK\$'000 千港元
Loss for the period has been arrived at after charging (crediting):	期內虧損已扣除（計入） 下列項目：		
Advertising expenses	廣告開支	1,858	15,857
Allowance for obsolete inventories (included in cost of sales)	廢棄存貨準備（計入銷售成本）	27,762	41,114
Amortisation of intangible assets (included in cost of sales)	無形資產之攤銷（計入銷售成本）	—	480
Amortisation of prepaid lease payments	預付租賃款項之攤銷	48	270
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	2,545	5,472
Staff costs (including directors' emoluments and share-based payment expenses)	員工開支（包括董事酬金及以股份為基礎之付款開支）	7,366	5,069
Interest income	利息收入	—	(33)

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

7. DIVIDEND

No dividends were paid, declared or proposed during both periods. The directors do not recommend the payment of an interim dividend.

8. LOSS PER SHARE

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

		Six months ended 截至下列日期止六個月	
		30.6.2011 二零一一年 六月三十日 HK\$'000 千港元	30.6.2010 二零一零年 六月三十日 HK\$'000 千港元
Loss for the purpose of basic loss per share attributable to the owners of the Company	用作計算本公司擁有人應佔每股基本虧損之虧損	(166,860)	(134,653)

		Six months ended 截至下列日期止六個月	
		30.6.2011 二零一一年 六月三十日 HK\$'000 千股	30.6.2010 二零一零年 六月三十日 HK\$'000 千股
Weighted average number of ordinary shares for the purpose of basic loss per share	用作計算每股基本虧損之普通股加權平均數	1,744,790	293,732

No diluted loss per share has been presented for the six months ended 30 June 2011 and 2010 because the assumed conversion of the convertible bonds and the share options are anti-dilutive.

The weighted average number of ordinary shares adopted in the calculation of the basic and diluted loss per shares for the six months ended 30 June 2011 and 2010 have been adjusted to reflect the impacts of the rights issue, exercise of share option and shares subscription during the Period.

7. 股息

於兩個期間內並無派付、宣派或擬派任何股息。董事不建議派付中期股息。

8. 每股虧損

本公司擁有人應佔每股基本虧損乃根據以下數據計算：

由於假設轉換可換股債券及購股權具反攤薄作用，故並無呈列截至二零一一年及二零一零年六月三十日止六個月之每股攤薄虧損。

計算截至二零一一年及二零一零年六月三十日止六個月每股基本及攤薄虧損所採用的普通股加權平均數已調整，以反映本期間內供股、行使購股權及股份認購的影響。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

9. MOVEMENT IN PROPERTY, PLANT AND EQUIPMENT

During the Period, additions and disposal to the Group's property, plant and equipment amounted to approximately HK\$66,000 (six months ended 30 June 2010: HK\$1,749,000) and HK\$938,000 (six months ended 30 June 2010: HK\$2,722,000) respectively.

10. TRADE RECEIVABLES

The Group allows an average credit period from 60 days to 270 days to its trade customers. The following is an aged analysis of trade receivables net of allowance of doubtful debts presented based on invoice date.

9. 物業、廠房及設備之變動

本期間內，本集團添置物業、廠房及設備以及出售物業、廠房及設備之金額分別約為66,000港元(截至二零一零年六月三十日止六個月：1,749,000港元)及938,000港元(截至二零一零年六月三十日止六個月：2,722,000港元)。

10. 應收貿易賬項

本集團授予其貿易客戶之平均信貸期由60日至270日不等。以下為按發票日期呈列的應收貿易賬項(經扣除呆賬準備)之賬齡分析。

		30.6.2011 二零一一年 六月三十日 HK\$'000 千港元	30.6.2010 二零一零年 六月三十日 HK\$'000 千港元
0 - 60 days	0-60 日	2,158	822
61 - 90 days	61-90 日	658	1,361
91 - 180 days	91-180 日	572	2,899
181 - 270 days	181-270 日	1,561	—
		4,949	5,082

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

II. TRADE PAYABLES

The following is an analysis of trade payables by age, presented based on invoice date.

11. 應付貿易賬項

以下為按發票日期呈列的應付貿易賬項之賬齡分析。

		30.6.2011	30.6.2010
		二零一一年	二零一零年
		六月三十日	六月三十日
		HK\$'000	HK\$'000
		千港元	千港元
0 - 30 days	0-30 日	—	51
31 - 60 days	31-60 日	112	—
61 - 90 days	61-90 日	151	—
Over 90 days but less than 1 year	超過 90 日但少於 1 年	119	517
Over 1 year	超過 1 年	5,055	4,079
		5,437	4,647

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簡明綜合財務報表附註

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

12. CONVERTIBLE BONDS AND DERIVATIVE FINANCIAL INSTRUMENTS

As at 30 June 2011, the outstanding amount of the zero-coupon convertible bonds due 2012 issued by the Company ("Convertible Bonds") which are denominated in Hong Kong Dollars was HK\$5,000,000. It entitled the holders to convert them into ordinary shares of the Company at any time between the date of issue of the Convertible Bonds and their settlement date on 21 June 2012 at the adjusted conversion price of HK\$0.675 (adjusted w.e.f. 4 August 2011) per share of the Company. If the Convertible Bonds have not been converted or repaid, they will be redeemed on 21 June 2012. The Company repaid the outstanding HK\$5,000,000 of the Convertible Bonds in full on 8 August 2011.

The movement of the liability component and conversion option derivatives of the Convertible Bonds for the current period is set out as below:

12. 可換股債券及衍生金融工具

於二零一一年六月三十日，本公司所發行於二零一二年到期之零息可換股債券（「可換股債券」）未償還金額為5,000,000港元。可換股債券以港元計值。持有人有權於可換股債券發行日期至結算日期二零一二年六月二十一日期間隨時按經調整換股價每股本公司股份0.675港元（調整自二零一一年八月四日起生效），將該等債券轉換為本公司普通股。倘可換股債券並無獲轉換或償還，則會於二零一二年六月二十一日贖回。本公司已於二零一一年八月八日悉數償還可換股債券未償還之5,000,000港元。

本期間內可換股債券之負債成份及換股權衍生工具的變動如下：

		Liability component 負債成份 HK\$'000 千港元	Conversion option derivatives 換股權 衍生工具 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 1 January 2011	於二零一一年一月一日	4,136	377	4,513
Interest charged	利息支出	333	—	333
Change in fair value	公平值變動	—	(377)	(377)
As at 30 June 2011	於二零一一年六月三十日	4,469	—	4,469

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

12. CONVERTIBLE BONDS AND DERIVATIVE FINANCIAL INSTRUMENTS (Cont'd)

Binomial model is used for valuation of conversion option of the Convertible Bonds. The inputs into the model were as follows:

		30 June 2011 二零一一年 六月三十日
Stock price	股價	HK\$0.11 港元
Exercise price	行使價	HK\$0.692 港元
Volatility (note a)	波幅 (附註 a)	46%
Option life (note b)	換股權年期 (附註 b)	1 year 年
Risk free rate (note c)	無風險利率 (附註 c)	0.14%

Notes:

- (a) Expected volatility was determined by calculating the historical volatility of the Company's share price.
- (b) Expected life was the remaining life of the respective options.
- (c) The risk free is determined by reference to the Hong Kong Government Bond Yield.

During the Period, HK\$377,000 was recognised in profit or loss as change in fair value of derivative financial instruments.

12. 可換股債券及衍生金融工具 (續)

可換股債券換股選擇權之估值採用二項式模式。輸入模式之參數如下：

附註：

- (a) 預期波幅透過計算本公司股價之歷史波幅釐定。
- (b) 預期年期為有關選擇權之餘下年期。
- (c) 無風險利率乃參照香港政府債券孳息釐定。

本期間內，377,000港元於損益中確認為衍生金融工具之公平值變動。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

13. SHARE CAPITAL

13. 股本

		Number of shares 股份數目 '000 千股	Share capital 股本 HK\$'000 千港元
Ordinary shares of HK\$0.10 each	每股面值 0.10 港元之普通股		
Authorised:	法定：		
At 1 January 2011 and 30 June 2011	於二零一一年一月一日及 二零一一年六月三十日	10,000,000	1,000,000
Issued:	已發行：		
At 1 January 2011	於二零一一年一月一日	92,362	9,236
Rights issue (note a)	供股（附註 a）	1,847,245	184,725
Exercise of share options (note b)	行使購股權（附註 b）	9,230	923
Issue of subscription shares (note c)	發行認購股份（附註 c）	18,470	1,847
At 30 June 2011	於二零一一年六月三十日	1,967,307	196,731

Notes:

附註：

- (a) On 28 January 2011, the Company allotted and issued 1,847,245,240 shares by way of rights issue at a subscription price of HK\$0.22 per rights share on the basis of twenty rights share for every share held on 7 January 2011.
- (a) 於二零一一年一月二十八日，本公司以認購價每股 0.22 港元配發及發行 1,847,245,240 股供股股份，按於二零一一年一月七日每持有一股已發行股份獲配發二十股供股股份之基準進行供股。
- (b) On 31 March 2011, share options for 9,230,000 of HK\$0.1 each were exercised at the exercise price of HK\$0.182.
- (b) 於二零一一年三月三十一日，購股權按每股 0.182 港元之行使價獲行使，認購每股面值 0.1 港元之 9,230,000 股股份。
- (c) On 12 April 2011, 18,470,000 new ordinary shares of the Company of HK\$0.1 each were issued by subscription pursuant to the subscription agreement dated 30 March 2011 entered into between the Company and an individual third party of the Company, at a price of HK\$0.16 per share.
- (c) 於二零一一年四月十二日，根據本公司與本公司獨立第三方於二零一一年三月三十日訂立的認購協議，按每股 0.16 港元認購所發行的 18,470,000 股每股面值 0.1 港元的本公司新普通股。

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簡明綜合財務報表附註

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

14. SHARE-BASED PAYMENTS

The Company has a share option scheme for eligible participants of the Group. Details of the share options outstanding during the Period are as follows:

14. 以股份為基礎之付款

本公司為本集團合資格參與者設有購股權計劃。本期間尚未行使之購股權詳情如下：

		Number of share options 購股權數目
Outstanding at 30 June 2011	於二零一一年六月三十日尚未行使	9,040,021

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

下表披露本公司於本期間內之購股權變動：

Category of participants 參與者分類	Date of share options granted 授出購股權日期 (note i) (附註 i)	No. of share options						Exercise period 行使期間	Exercise/adjusted exercise price per share option 購股權行使價／經調整行使價
		No. of share options as at 1 January 2011 於二零一一年一月一日之購股權數目	No. of share options granted during the Period 本期間內授出之購股權數目	No. of share options exercised during the Period 本期間內行使之購股權數目	No. of share options cancelled during the Period 本期間內失效／註銷之購股權數目	No. of share options adjusted during the Period 本期間內調整之購股權數目	No. of share options outstanding as at 30 June 2011 於二零一一年六月三十日尚未行使之購股權數目		
Directors 董事									
Wong Yin Sen 王彥宸	09 January 2008 二零零八年一月九日	43,912	—	—	—	216,354	260,266	11 January 2008 to 10 January 2013 二零零八年一月十一日 至二零一三年一月十日	3.455 (note iv) (附註 iv)
Hon Lik 韓力	09 January 2008 二零零八年一月九日	43,912	—	—	—	216,354	260,266	04 February 2008 to 3 February 2013 二零零八年二月四日至 二零一三年二月三日	3.455 (note iv) (附註 iv)

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

14. SHARE-BASED PAYMENTS (Cont'd)

14. 以股份為基礎之付款 (續)

Category of participants 參與者分類	Date of share options granted 授出購股權日期 (note i) (附註 i)	No. of share options				No. of share options		Exercise/adjusted exercise price per share option 購股權行使價／經調整行使價
		No. of share options as at 1 January 2011 於二零一一年一月一日之購股權數目	No. of share options granted during the Period 本期間內授出之購股權數目	No. of share options exercised during the Period 本期間內行使之購股權數目	No. of share options cancelled during the Period 本期間內失效／註銷之購股權數目	No. of share options adjusted during the Period 本期間內調整之購股權數目	No. of share options outstanding as at 30 June 2011 於二零一一年六月三十日尚未行使之購股權數目	
Wong Hei Lin (note ii) 王希年(附註ii)	09 January 2008 二零零八年一月九日	43,912	—	—	—	216,354	260,266	04 February 2008 to 3 February 2013 二零零八年二月四日 至二零一三年二月三日 (note iv) (附註iv)
Pang Hong 龐鴻	09 January 2008 二零零八年一月九日	29,275	—	—	—	144,238	173,513	14 January 2008 to 13 January 2013 二零零八年一月十四日 至二零一三年一月十三日 (note iv) (附註iv)
Cheung Kwan Hung (note ii) 張鈞鴻(附註ii)	09 January 2008 二零零八年一月九日	29,275	—	—	—	144,238	173,513	11 January 2008 to 10 January 2013 二零零八年一月十一日 至二零一三年一月十日 (note iv) (附註iv)
Ding Xun (note ii) 丁迅(附註ii)	09 January 2008 二零零八年一月九日	29,275	—	—	—	144,238	173,513	22 January 2008 to 21 January 2013 二零零八年一月二十二日 至二零一三年一月二十一日 (note iv) (附註iv)
		219,561					1,301,337	

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簡明綜合財務報表附註

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14. SHARE-BASED PAYMENTS (Cont'd)

14. 以股份為基礎之付款 (續)

Category of participants	Date of share options granted	No. of share options as at 1 January 2011	No. of share options granted during the Period	No. of share options exercised during the Period	No. of share options	No. of share options	Exercise period	Exercise/adjusted exercise price per share option	
					lapsed/ cancelled during the Period	adjusted during the Period			outstanding as at 30 June 2011
參與者分類	授出購股權日期	購股權數目	購股權數目	購股權數目	購股權數目	購股權數目	購股權數目	行使期間	購股權行使價／經調整行使價
	(note i)					(note iv)			
	(附註 i)					(附註 iv)			
Employees (in aggregate)	09 January 2008	661,616	—	—	(867,565)	3,259,783	3,053,834	06 February 2008	3.455
僱員 (總計)	二零零八年一月九日							to 5 February 2013	(note iv)
								二零零八年二月六日至	(附註iv)
								二零一三年二月五日	
	18 February 2008	29,275	—	—	—	144,238	173,513	17 March 2008	4.036
	二零零八年二月十八日							to 16 March 2013	(note iv)
								二零零八年三月十七日至	(附註 iv)
								二零一三年三月十六日	
	28 February 2008	117,100	—	—	(347,026)	576,952	347,026	27 March 2008	4.036
	二零零八年二月二十八日							to 26 March 2013	(note iv)
								二零零八年三月二十七日至	(附註 iv)
								二零一三年三月二十六日	
	05 June 2008	58,550	—	—	—	288,476	347,026	03 July 2008	3.570
	二零零八年六月五日							to 2 July 2013	(note iv)
								二零零八年七月三日至	(附註 iv)
								二零一三年七月二日	
	20 November 2009	146,375	—	—	—	721,190	867,565	20 November 2009	0.965
	二零零九年十一月二十日							to 19 November 2013	(note iv)
								二零零九年十一月二十日	(附註 iv)
								至二零一三年十一月十九日	
		1,012,916					4,788,964		

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14. SHARE-BASED PAYMENTS (Cont'd)

14. 以股份為基礎之付款 (續)

Category of participants 參與者分類	Date of share options granted 授出購股權日期 (note i) (附註 i)	No. of share options as at 1 January 2011 於二零一一年一月一日之購股權數目	No. of share options granted during the Period 本期間內授出之購股權數目	No. of share options exercised during the Period 本期間內行使之購股權數目	No. of share options cancelled during the Period 本期間內失效／註銷之購股權數目	No. of share options outstanding as adjusted during the Period 於二零一一年六月三十日尚未行使之購股權數目	Exercise period 行使期間	Exercise/adjusted price per share option 購股權行使價／經調整行使價
Others (note iii) 其他 (附註iii)	06 May 2008 二零零八年五月六日	58,550	—	—	—	288,476	03 June 2008 to 2 June 2013 二零零八年六月三日至二零一三年六月二日	3.516 (note iv) (附註iv)
	30 March 2009 二零零九年三月三十日	439,125	—	—	—	2,163,569	30 March 2009 to 29 March 2013 二零零九年三月三十日至二零一三年三月二十九日	2.308 (note iv) (附註iv)
	31 March 2011 (note v) 二零一一年三月三十一日 (附註v)	—	9,230,000	(9,230,000)	—	—	31 March 2011 to 30 March 2016 二零一一年三月三十一日至二零一六年三月三十日	0.182
		497,675				2,949,720		
Total 總額		1,730,152				9,040,021		

Notes:

- (i) There is no vesting period for the share options granted except for share options granted during 2008 which are subject to a vesting period of three stages with 33.33% of such options granted becoming exercisable on the first anniversary, another 33.33% becoming exercisable on the second anniversary and the remaining 33.34% becoming exercisable on the third anniversary of the respective dates on which the options were accepted.

附註：

- (i) 授出之股份並無歸屬期，惟於二零零八年授出之購股權受限於下列歸屬期，於購股權獲接納之各自日期起分三期行使：33.33%授出之有關購股權於第一周年可行使，另外33.33%授出之有關購股權於第二周年可行使，而其餘33.34%於第三周年可行使。

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簡明綜合財務報表附註

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

14. SHARE-BASED PAYMENTS (Cont'd)

Notes: (Cont'd)

- (ii) Mr. Cheung Kwan Hung and Mr. Ding Xun resigned as an independent non-executive director on 28 June 2010 respectively. Mr. Wong Hei Lin resigned as an executive director on 7 July 2011.
- (iii) These are individuals who rendered consultancy services to the Group. The Group granted share options to them for recognising their services similar to those rendered by other employees. The consultancy services rendered by the consultants include coordination of potential investment projects and advise on potential acquisition. In the opinion of the directors, the consultancy services rendered by the consultants are similar to those rendered by the employees. Therefore, the fair value of the share options granted to the consultants was measured by the same accounting policies as that of the employees in accordance with HKFRS 2.
- (iv) The number of share options and exercise price per share option were adjusted immediately after the completion of the rights issue on 28 January 2011.
- (v) The weighted average fair value of all options granted on 31 March 2011 was HK\$0.085 per share. The fair value of the share options granted is calculated on 31 March 2011, using the Binominal model with the following assumptions: expected dividend yield of 0%, expected life of five years, expected volatility of 65% and risk-free interest rate of 1.845%. The closing price of the shares immediately before 31 March 2011 on which the options were exercised was HK\$0.182 per share.

In the Period, an amount of share-based payment expenses in respect of its share options of HK\$783,000 (2010: HK\$12,276,000) has been recognised in the condensed consolidated income statement with a corresponding adjustment recognised in the Group's share option reserve.

14. 以股份為基礎之付款 (續)

附註：(續)

- (ii) 張鈞鴻先生及丁迅先生已分別於二零一零年六月二十八日辭任獨立非執行董事。王希年先生已於二零一一年七月七日辭任執行董事。
- (iii) 該等為向本集團提供顧問諮詢服務之人士，本集團確認因彼等提供類似其他僱員之服務而向彼等授出購股權。該等顧問提供之諮詢服務包括協調潛在投資項目及就潛在收購提供意見。董事認為，顧問提供之諮詢服務類似僱員提供之服務。因此，授予顧問購股權之公平值根據香港財務報告準則第2號按照適用於僱員之相同會計政策計量。
- (iv) 購股權數目及每股購股權行使價於二零一一年一月二十八日供股完成後即時調整。
- (v) 於二零一一年三月三十一日所有被授予的股份期權的加權平均公允價值是每股0.085港元。於二零一一年三月三十一日被授予股份期權的公允價值是採用二項式模式，基於下列假設確定的：預期股息率0%，預期年限五年，預期波動率65%，無風險利率1.845%。於緊接於二零一一年三月三十一日前購股權獲行使時的股份期權的收市價格是每股0.182港元。

於本期間內，就購股權以股份為基礎付款之支出783,000港元（二零一零年：12,276,000港元）已於簡明綜合收益表確認，其相應調整則於本集團購股權儲備確認。

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簡明綜合財務報表附註

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15. ACQUISITION OF SUBSIDIARIES

On 21 February 2011, the Group acquired the entire shareholding of Charm Action Group Limited and its subsidiary (the "Charm Action Group") at the consideration of HK\$10,000,000. The net liabilities of the Charm Action Group at the date of acquisition were as follows:

		HK\$'000 千港元
Inventories	存貨	972
Other receivables	其他應收賬項	47
Trade payables	應付貿易賬項	(876)
Other payables	其他應付賬項	(4,337)
Other borrowings	其他借款	(1,558)
		(5,752)
Goodwill	商譽	15,752
Total cash consideration	現金代價總額	10,000
Net cash outflow arising on acquisition	收購產生之現金流出淨額	
Cash consideration	現金代價	10,000

The initial accounting for the assets and liabilities (including goodwill) acquired in the above business combination have been determined on a provisional basis, awaiting the finalisation of financial information of Charm Action Group.

15. 收購附屬公司

於二零一一年二月二十一日，本集團以代價10,000,000港元收購Charm Action Group Limited及其附屬公司（「Charm Action Group」）之全部股權。Charm Action Group於收購日期之負債淨額如下：

上文業務合併中所收購資產及負債（包括商譽）之初步會計方法已按暫定基準釐定，待Charm Action Group之財務資料確定後方可釐定。

16. RELATED PARTY TRANSACTIONS

The remuneration of key management during the Period was HK\$2,757,400 (six months ended 30 June 2010: HK\$1,851,167).

16. 關連人士交易

本期間內，主要管理層酬金為2,757,400港元（截至二零一零年六月三十日止六個月：1,851,167港元）。

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簡明綜合財務報表附註

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

17. MAJOR NON-CASH TRANSACTION

During the Period, the convertible bond instruments in ABC Communications (Holdings) Limited (the "ABC"), a Hong Kong listed company incorporated in Bermuda, has been converted into 5,000,000 ordinary shares of the ABC.

18. EVENTS AFTER THE REPORTING PERIOD

On 4 August 2011, 750,000,000 shares of the Company have been successfully placed to the independent third parties at HK\$0.10 per share (the "Placing"). The net proceeds of approximately HK\$73,000,000 was intended to be used as general working capital and/or allocated for the Group's future investments, including the acquisition of Central Town Limited. At the completion date of the Placing, the closing market price of the Company's shares was HK\$0.145 per share.

Subsequent to the end of the reporting period, the Group completed the acquisition of the entire equity interest in and the shareholder's loan extended to Central Town Limited for a cash consideration of HK\$117,000,000 in August 2011. Central Town Limited and its subsidiaries are principally engaged in property investment in Hong Kong. A deposit of HK\$11,700,000 was paid for the acquisition in May 2011. Details of the acquisition are set out in the Group's circular dated 20 June 2011.

17. 主要非現金交易

本期間內，所持有佳訊（控股）有限公司（「佳訊」）（於百慕達註冊成立之香港上市公司）的可換股債券工具已轉換為5,000,000股佳訊之普通股。

18. 呈報期結算日後事項

二零一一年八月四日，本公司成功向獨立第三方以每股0.10港元配售750,000,000股股份（「配售事項」）。所得款項淨額約73,000,000港元擬用作一般營運資金及／或留用於本集團之未來投資，包括收購Central Town Limited。於配售事項完成日期，本公司股份的收市價為每股0.145港元。

於呈報期結算日後，本集團於二零一一年八月完成收購Central Town Limited之全部股權以及向其提供之股東借款，現金代價為117,000,000港元。Central Town Limited及其附屬公司主要在香港從事物業投資。收購相關之按金11,700,000港元已於二零一一年五月支付。收購事項之詳情載於本集團二零一一年六月二十日的通函。

BUSINESS REVIEW AND MARKET CONDITIONS

The Group recorded an unaudited consolidated net loss of approximately HK\$166,860,000 for the Period (six months ended 30 June 2010: net loss of approximately HK\$134,653,000). Turnover for the Period was a negative amount of approximately HK\$33,868,000, representing a decrease of 330.27% from approximately HK\$14,708,000 for the corresponding period of last year. The loss and significant decrease in turnover were mainly attributable to the following factors:

1. The net loss of approximately HK\$40,009,000 arising from the disposal of financial assets was recorded as turnover for the Period. As the market value of the Group's securities portfolio had declined, the net realized and unrealized losses in financial assets at fair value through profit or loss for the Period amounted to approximately HK\$110,520,000 (six months ended 30 June 2010: HK\$6,927,000).
2. The sales of electronic cigarettes products were very minimal during the Period as the Group has been revamping its products. In the first six months of 2011, the Group strived to revamp its products so as to expand its product portfolio to include all tiers of the market in the second half of 2011. Turnover from electronic cigarettes amounted to approximately HK\$874,000 for the Period (six months ended 30 June 2010: a negative amount of HK\$4,343,000).
3. Due to technical or commercial obsolescence, a provision for impairment of inventory at about HK\$27,762,000 was made for the Period.
4. Sales and production of health care products had been temporarily suspended during the Period.

As for the pharmaceutical business, Azithromycin Granules (II) (「阿奇霉素顆粒(II)」) and Rosiglitazone Hydrochloride Capsules (「鹽酸吡格列酮膠囊」) remained as two key products of the Group for the sales during the Period. The continued increase in prices of raw materials and energy, continued strategic price reduction of medicine and irrational price competition caused by tendering have adversely affected operations. Turnover of pharmaceutical products for the Period was approximately HK\$5,242,000, representing a decrease of 59.48% from approximately HK\$12,937,000 as compared to the corresponding period in 2010.

業務回顧及市場情況

本集團於本期間內錄得未經審核綜合虧損淨額約166,860,000港元(截至二零一零年六月三十日止六個月：虧損淨額約134,653,000港元)。本期間內營業額約為負數33,868,000港元，較去年同期約14,708,000港元減少330.27%。虧損及營業額大幅減少主要由於下列因素：

1. 本期間錄得出售金融資產所致虧損淨額約40,009,000港元，入賬列為營業額。由於本集團證券組合的市值減少，本期間內按公平值計入損益之金融資產之已變現及未變現虧損淨額約110,520,000港元(截至二零一零年六月三十日止六個月：6,927,000港元)。
2. 由於本集團本期間不斷改良產品，故本期間內電子煙產品的銷售額極低。二零一一年首六個月，本集團致力改良產品，爭取於二零一一年下半年將產品組合擴大至各級市場。本期間內電子煙營業額約874,000港元(截至二零一零年六月三十日止六個月：負4,343,000港元)。
3. 本期間內因存貨在技術或商業方面過時而作出減值撥備約27,762,000港元。
4. 本期間內暫停銷售及生產保健品。

藥品業務方面，阿奇霉素顆粒(II)及鹽酸吡格列酮膠囊兩種主要產品仍佔本集團本期間銷售額相當比例。原材料及能源價格繼續上揚，藥品維持策略性降價，加上以非理性價格競爭投標導致對公司經營有不利影響。本期間內醫藥產品的營業額約5,242,000港元，較二零一零年同期約12,937,000港元減少59.48%。

Management Discussion and Analysis

管理層討論及分析

In the first six months of 2011, the Group focused on developing the electronic cigarette business through new product innovation. The Group paid much attention to research and development of new products and plans to launch new products in the PRC prior to overseas markets.

The Group continued to enforce and protect its proprietary rights in e-cigarette technology during the Period. Significant litigation was initiated against suspected intellectual property infringers in the United States. The Group is continuing litigation and is confident it will prevail. Design patent for e-cigars was filed on 20 July 2011 in the PRC. It is expected that more core patents will be filed by the Group.

Trading of Securities

Since 2011, the Group has been expanding its principal business in securities trading. During the Period, part of the surplus working capital was utilized for short term investments in the securities market. However, the development in the sovereign debt crisis in Europe causes an adverse impact on the global market. As the market value of the Group's securities portfolio had declined, the net realized and unrealized losses from securities trading for the Period amounted to approximately HK\$110,520,000 (six months ended 30 June 2010: HK\$6,927,000).

The Group will continue to expand and diversify its investment portfolio when the opportunities arise. In view of continuing worries over the euro zone debt crisis in addition to a gloomy forecast on global growth, the management of the Company will adopt a cautious approach in securities trading.

Property Investment

In view of the surge of the real estate price in the recent years, the Company holds a positive view towards the prospects of real estate market in Hong Kong, particularly the commercial and retail real estates and the Board believes that the investment in real estate market is a good strategic plan. The Group therefore entered into a sale and purchase agreement on 4 May 2011 to acquire the entire issued share capital of Central Town Limited for the interests in the property situated at the Basement, China United Centre, 28 Marble Road, North Point, Hong Kong.

二零一一年首六個月，本集團致力以產品創新拓展電子煙業務，十分注重新產品的研發，並計劃先在中國推出新產品，然後才推廣至海外市場。

本期間內本集團繼續致力加強及保護電子煙技術的知識產權，並針對可疑的美國知識產權的侵權者提出重大訴訟。本集團將繼續進行訴訟，且有信心勝訴。本集團於二零一一年七月二十日在中國遞交電子雪茄設計專利申請，亦預計會申請更多核心專利。

證券買賣

本集團自二零一一年起不斷於證券買賣方面擴展其主要業務。本期間內，將部分剩餘營運資金用於證券市場短期投資。然而，全球市場受到歐洲主權債務危機的不利影響。由於本集團證券組合市值減少，本期間內證券買賣有已變現及未變現虧損淨額約110,520,000港元(截至二零一零年六月三十日止六個月：6,927,000港元)。

本集團將繼續掌握機會擴展並分散投資組合。鑑於對歐元區債務危機的擔憂揮之不去，加上全球發展前景的黯淡，本公司管理層會審慎進行證券買賣。

物業投資

由於近年來房地產價格飆升，本公司看好香港房地產市場，特別是商用及零售物業。董事會認為，投資房地產市場乃良好的策略計劃，因此本集團於二零一一年五月四日訂立買賣協議，收購Central Town Limited全部已發行股本以取得香港北角馬寶道28號華匯中心地庫的物業權益。

Research & Development - New Product Launch

Ruyan's research and development team recently achieved a major technical breakthrough advancing the vapor yield of the electronic cigarette. The new technology will be implemented in 9 newly designed electronic cigarette models across three new product lines to be launched in the second half of 2011. In addition, the Company has greatly improved the taste and quality of its electronic cigarettes.

The Company held a trade conference in Beijing in early August 2011 for prospective new PRC distributors to introduce its new lines of electronic cigarettes. The conference was well-attended by distributors from all regions across the PRC. The responses from the distributors were very positive and various letters of intent were received.

The Company considers quality and safety as its top concerns. Backed by its extensive research and development investment program, technical innovation and quality control, and together with the maturity of its patent portfolio, the Company is confident it will succeed in driving out inferior product imitations in global markets in the near future. These efforts will be synchronized to reinforce Ruyan's brand position as a high-end, trend-setting, and safe smoking alternative that offers consumers freedom and choice.

Intellectual Property

The Company has an extensive portfolio of issued patents for the electronic cigarettes and additional pending patent applications that continue to issue in many key markets. The Company is also in the process of filing national phase applications for a core patent ("Improved Atomizing Electronic Cigarette" - PCT/CN2010/000125) in countries including the United States, Canada, Japan, Brazil, Egypt, Israel, and Singapore. The Company also recently applied for a patent on a novel capacitive sensor, which is an internal component of certain electronic cigarettes. With its existing portfolio and the successful grant of these new patents, the Company believes its intellectual property rights will offer broad protection for its innovative electronic cigarettes.

研發 – 推出新產品

如煙的研發團隊最近在提升電子煙煙霧氣量方面有重大技術突破。該項新技術將用於9項新設計電子煙型號，分為三個新產品系列，將於二零一一年下半年面市。此外，本公司已大幅改進電子煙的味道及品質。

二零一一年八月初，本公司在北京舉辦招商會，向未來的新中國分銷商介紹新系列電子煙產品。來自中國各地區的分銷商踴躍出席，反應非常積極，本公司已接獲多封意向書。

本公司以質量及安全為首要考慮。憑藉全面的研發投資、技術創新及質量控制，以及成熟的專利組合，本公司深信可在短期內淘汰全球市場上劣質的假冒產品。本公司通過上述措施多管齊下，加強如煙作為高端、前衛的香煙替代品的品牌定位，是消費者安全享受吸煙自由的上佳選擇。

知識產權

本公司的電子煙有大量已獲頒佈的專利，亦於多個主要市場有更多待批的專利申請。本公司正著手在美國、加拿大、日本、巴西、埃及、以色列及新加坡等多個國家就一項核心專利（「Improved Atomizing Electronic Cigarette」－PCT/CN2010/000125）遞交全國專利申請。本公司近期亦就一種新穎的電容傳感器申請專利，該傳感器為若干電子煙的內部配件。憑藉現有的專利組合加上成功申請的新專利，相信本公司擁有的知識產權可全面保障創新的電子煙產品。

Management Discussion and Analysis

管理層討論及分析

During the Period, the Company's wholly-owned subsidiary, Ruyan Investment (Holdings) Limited, has initiated civil actions for infringement of US Patent No. 7,832,410 against a total of 11 defendants in the United States District Court of the Central District of California ("US Court"). The US Court has already entered a Notice of Default in regard to two of the defendants and ruled against a Motion to Dismiss by a third. The Company believes the 11 defendants include the largest electronic cigarette companies in the United States and is confident it will prevail in these litigations.

Progress in Overseas Markets

Patents were granted in Canada, Japan, and Malaysia during the first half of 2011. The Company is expanding distribution of electronic cigarettes in many overseas markets. The Company has been approached by new prospective distributors and is also pursuing new innovative distribution channels in certain markets. New orders have been received from several European countries for its new lines and product testing is underway in the United Kingdom, Greece, Netherlands, Malaysia, and other markets.

LIQUIDITY, FINANCIAL ANALYSIS AND CAPITAL STRUCTURE

As at 30 June 2011, the Group's net borrowing was approximately HK\$6,027,000 (31 December 2010: HK\$9,136,000), in which all of the borrowings represented the liability component of convertible bonds and unsecured bank borrowings. Gearing ratio of the Group decreased from approximately 12.53% as at 31 December 2010 to approximately 1.87% as at 30 June 2011. This calculation is based on net borrowings mentioned above and shareholders fund of approximately HK\$322,161,000 (31 December 2010: HK\$72,890,000). Cash and bank balances amounted to approximately HK\$26,582,000 (31 December 2010: HK\$11,681,000) and total assets was approximately HK\$373,813,000 (31 December 2010: HK\$129,210,000). Net current assets of the Group on the same date amounted to approximately HK\$260,559,000 (31 December 2010: HK\$19,799,000). As at 30 June 2011, the inventories amounted to approximately HK\$11,267,000, representing a decrease of approximately HK\$24,111,000 when compared with the amount as at 31 December 2010. The Group had no material capital commitment as at 30 June 2011.

本期間內，本公司全資附屬公司 Ruyan Investment (Holdings) Limited 就 7,832,410 號美國專利遭侵權於加州中央區美國地方法院（「美國法院」）向合共 11 名被告提出民事訴訟。美國法院已向其中兩名被告發出違規通知，並駁回另一被告提出的撤案呈請。本公司認為，該 11 名被告已包括美國最大的電子煙公司，並對勝訴極具信心。

海外市場的發展

本公司於二零一一年上半年在加拿大、日本及馬來西亞獲授專利權，現正於多個海外市場擴大電子煙分銷，不少有意加入的新分銷商與本公司接洽，另本公司亦在若干市場尋求創新的分銷渠道。本公司獲得多個歐洲國家有關新產品系列的新訂單，正在英國、希臘、荷蘭、馬來西亞及其他市場進行產品測試。

流動資金、財務分析及資本結構

於二零一一年六月三十日，本集團的借貸淨額約 6,027,000 港元（二零一零年十二月三十一日：9,136,000 港元），其中所有借貸均為可換股債券之負債部份及無擔保銀行貸款。本集團之資本負債比率由二零一零年十二月三十一日約 12.53%，減少至二零一一年六月三十日約 1.87%。此乃根據上述借貸淨額及股東資金約 322,161,000 港元（二零一零年十二月三十一日：72,890,000 港元）計算。現金及銀行結餘約 26,582,000 港元（二零一零年十二月三十一日：11,681,000 港元）及資產總值約 373,813,000 港元（二零一零年十二月三十一日：129,210,000 港元）。本集團於同日之流動資產淨值約 260,559,000 港元（二零一零年十二月三十一日：19,799,000 港元）。於二零一一年六月三十日，存貨約 11,267,000 港元，較於二零一零年十二月三十一日之金額減少約 24,111,000 港元。於二零一一年六月三十日，本集團概無重大資本承擔。

In order to improve the financial position of the Group, the Company had the following fund raising exercises during the Period:

- 1) Subsequent to the capital reorganization in 2010 which involved, among other things, share consolidation and capital reduction, the Company allotted and issued 1,847,245,240 shares on 28 January 2011, by way of rights issue at a subscription price of HK\$ 0.22 per rights share on the basis of twenty rights shares for every share held on 7 January 2011. Net proceeds of approximately HK\$390,650,000 was raised.
- 2) On 30 March 2011, an independent investor subscribed for 18,470,000 shares of the Company which was issued under general mandate at the subscription price of HK\$0.16 per share. The share subscription was completed on 12 April 2011 and the Company received a net proceeds of approximately HK\$2,856,000.

The above fund raising activities strengthened the financial position of the Company and broadened its capital base. The Company has fully utilized such proceeds. As at 30 June 2011, the issued share capital of the Company was 1,967,307,502 shares of HK0.10 each.

FOREIGN EXCHANGE RISKS

The Group's operations conducted in the PRC are mainly settled in Renminbi. However, certain corporate activities (i.e. rights issue and subscription of new shares) are conducted in Hong Kong dollars. Therefore, the Group is exposed to fluctuations in foreign exchange rate to a certain extent. Operating cash flow or liquidity of the Group is not subject to any exchange rate fluctuations. Currently, the Group has no formal hedging policies in place. The Group has not entered into any foreign currency exchange contracts or derivatives to hedge against the Group's currency risks.

為改善本集團的財務狀況，本公司於本期間有下列集資活動：

- 1) 包括股份合併及削減股本的二零一零年股本重組完成後，本公司於二零一一年一月二十八日以認購價每股0.22港元配發及發行1,847,245,240股供股股份，按二零一一年一月七日每持有一股已發行股份獲配發二十股供股股份之基準進行供股。所得款項淨額約390,650,000港元。
- 2) 二零一一年三月三十日，獨立投資者以認購價每股0.16港元認購18,470,000股本公司根據一般授權發行的股份。股份於二零一一年四月十二日完成認購，本公司所得款項淨額約2,856,000港元。

上述集資活動鞏固本公司的財務狀況及擴大資本基礎。本公司已悉數動用該等款項。於二零一一年六月三十日，本公司已發行股本為1,967,307,502股每股面值0.10港元的股份。

外匯風險

本集團之國內業務主要以人民幣結算，然而，供股及配售新股等若干企業活動則以港元進行。因此，本集團有一定程度的匯率波動風險。本集團經營業務之現金流量或流動資金不受任何匯率波動影響。現時，本集團並無制定正式對沖政策，亦無訂立任何外匯合約或衍生工具，以對沖本集團的貨幣風險。

PROSPECTS FOR THE YEAR 2011 AND DEVELOPMENT PLAN

Electronic Cigarette

The Company will continue to accelerate its marketing efforts. The marketing strategy of RUYAN products will evolve from a product oriented approach, which primarily focused on the product itself, to a market oriented approach which will focus more on the appeal or social status the product provides.

The recent validation of the company's intellectual property in the United States and elsewhere over the past several years will enable the Company to strengthen and expand its strategic partnerships around the globe. As disclosed in the announcement of the Company dated 13 January 2011, 28 January 2011 and 1 August 2011, the Group has initiated civil actions for infringement of its patents in the United States. It is expected that similar civil actions will be initiated in other countries and investments in intellectual property protection will be ramped up significantly in 2011 and beyond. The Company is confident that it will prevail in this litigation and regain market share in the electronic cigarette business once its proprietary rights are enforced and protected.

Market conditions have changed from previous years. As the objectives of anti-smoking and tobacco control are now clearly stated in the "12th Five Year Plan" in the PRC, we are increasingly optimistic about our future development and the industry. Looking forward, the Company plans to continue to invest in research and development and to define the global market for the electronic cigarette. The Company is confident that by ramping up its research and development, intellectual property, marketing strategies and regulatory work in concert, the market demand for RUYAN products will grow rapidly in the near future.

Pharmaceuticals and health care products

The Board anticipates that our pharmaceuticals and health care products will recover from the recent market adjustment in the PRC. The sales and production of health care products have been temporarily suspended in order to upgrade our production plants for improving the sanitary standards and product quality and for future business development. In future, the Group will seize every opportunity to diversify its line of ginseng products and other non-traditional health care products.

二零一一年展望及發展計劃

電子煙

本公司會繼續加快市場推廣。如煙產品的市場推廣策略將由產品導向策略轉化為市場導向策略，專注提升產品吸引力或公眾形象。

本公司知識產權近年在美國及其他地區獲得確認，加強及擴大本公司在全球的策略合夥地位。根據本公司於二零一一年一月十三日、二零一一年一月二十八日及二零一一年八月一日刊發之公佈，本集團就其專利權於美國受侵權提出民事訴訟。預期亦會於其他國家提出同類民事訴訟，因此二零一一年及其後對知識產權投資的保護會大幅加強。一旦本身的專有權利獲得加強及保障，本公司深信會在該等訴訟中勝訴及重奪電子煙業務市場份額。

多年來，市場環境不斷變遷。鑑於中國「十二五」規劃列明反吸煙及控煙目標，我們對本身及行業的發展前景愈趨樂觀。展望將來，本公司計劃繼續投資研發電子煙並確立其全球市場。本公司深信透過加強研發、知識產權、市場策略及對吸煙的監管，如煙產品的市場需求將於不久將來快速增長。

醫藥及保健品

董事會預期我們的醫藥及保健品銷售經營經近期市場調整後將會好轉。為改良生產廠房以提升衛生標準及產品質素，以及配合未來業務發展，我們暫停銷售及生產保健品。未來，本集團會把握每個機會豐富人蔘產品及其他非傳統保健品的產品系列。

DETAILS OF MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the Period under review, Ruyan International Limited, a wholly-owned subsidiary of the Company, acquired the entire interest in Charm Action Group Limited and its subsidiary ("Charm Action Group") from an independent third party at a cash consideration of HK\$10,000,000. The acquisition was duly completed on 21 February 2011. This was for the future market development of e-cigarette in North America.

On 4 May 2011, the Company through a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement to acquire the entire issued share capital of and the related shareholder's loan extended to Central Town Limited for the property situated at the Basement, China United Centre, 28 Marble Road, North Point, Hong Kong at an aggregate consideration of HK\$117,000,000. In August 2011, completion was taken place and a portion (approximately 9,747 square feet) of the premises has been leased to HON Chinese Medicine Company Limited (the "Clinic") at the rate of HK\$350,000 per month for 5 years, which will provide a steady income stream for the Group. Upon completion, the Group has entered into an option agreement for the possible acquisition of Apex Corporate Investments Limited ("Apex"), the holding company of the Clinic. The pre-agreed exercise price of such option is capped at HK\$75 million and the minimum is HK\$25 million. The Group has no obligations to make further investments into Apex. However, if and when the Group acquires Apex, the Company will keep itself apprised of any future fund raising opportunities for developing Apex and the Clinic.

Save as disclosed herein this interim report, there were no significant investments held, and material acquisitions or disposals of subsidiaries and associated companies during the Period.

CHARGE OF ASSETS

As at 30 June 2011, the Group had no bank deposits pledged to banks to secure banking facilities granted to its subsidiaries (31 December 2010: nil).

重大收購及出售附屬公司及聯營公司詳情

於回顧本期間內，本公司全資附屬公司Ruyan International Limited以代價10,000,000港元現金向獨立第三方收購其於Charm Action Group Limited及其附屬公司（「Charm Action Group」）之全部股權。收購事項已於二零一一年二月二十一日正式完成，乃為未來發展北美電子煙市場。

二零一一年五月四日，本公司通過本公司全資附屬公司訂立買賣協議，以總代價117,000,000港元收購Central Town Limited之全部已發行股本及相關之股東貸款，以取得位於香港北角馬寶道28號華滙中心地庫的物業。上述事項於二零一一年八月完成，該物業之部份（約9,747平方呎）已租予漢坊中醫藥業有限公司（「診所」），為期五年，月租為350,000港元，這將為本集團帶來固定收入。完成後，本集團就可能收購持有診所的控股公司Apex Corporate Investments Limited（「Apex」）訂立期權協議。有關期權之預先協定行使價最高為75,000,000港元，最低為25,000,000港元。本集團並無責任進一步投資Apex。然而，倘本集團收購Apex，則本公司將適時利用未來發展Apex及診所的任何集資機會。

除本中期報告所披露者外，本期間內並無所持重大投資以及其他附屬公司及聯營公司之重大收購或出售。

資產抵押

於二零一一年六月三十日，本集團並無銀行存款抵押予銀行作為其附屬公司所獲授銀行融資的擔保（二零一零年十二月三十一日：無）。

PLEDGE OF ASSETS

At 30 June 2011, margin facilities of approximately HK\$ 122,729,000 (31 December 2010: HK\$4,809,000) from regulated securities brokers were granted to the Group which were secured by the Group's financial assets at fair value through profit or loss with the carrying amount of approximately HK\$257,759,000 (31 December 2010: HK\$11,113,000).

CONTINGENT LIABILITIES

As at 30 June 2011, the Group did not provide any form of guarantees for any external party and was not liable to any material legal proceedings of which provision for contingent liabilities was required.

EMPLOYEE POLICY

As at 30 June 2011, the Group employed a total of about 216 employees in the PRC and Hong Kong.

The remuneration package of the employees is determined with reference to their performance, experience and their positions, duties and responsibilities in the Group. In addition, discretionary bonus will be paid to staff based on individual and the Group's performance.

The Group will further establish its own corporate culture, strengthen staff training and implement the appraisal system.

資產抵押

於二零一一年六月三十日，本集團獲規管證券經紀商授予保證金信貸額約122,729,000港元（二零一零年十二月三十一日：4,809,000港元），以本集團按公平值計入損益之金融資產作擔保，其賬面值約257,759,000港元（二零一零年十二月三十一日：11,113,000港元）。

或然負債

於二零一一年六月三十日，本集團並無對外為其他公司作出任何形式之擔保，亦無涉及重大訴訟事項而需要作出或然負債撥備。

僱員政策

於二零一一年六月三十日，本集團在中國和香港共僱有員工約216名。

僱員的薪酬待遇參考其表現、經驗及在本集團的職位、職責及責任而釐定。此外，亦會基於個人及本集團的績效向員工支付酌情花紅。

本集團將進一步建立自己的企業文化，加強對員工的培訓，實行績效考核。

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 INTERESTS AND SHORT POSITION IN SHARES AND UNDERLYING SHARES

As at 30 June 2011, the interests and short positions of the directors and the chief executive of the Company in the shares, underlying shares and debt securities of the Company or any of its subsidiaries or associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which are required (i) to be notified to the Company and the The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the The Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") to be notified to the Company and the Stock Exchange were as follows:-

中期股息

董事會不建議派付截至二零一一年六月三十日止六個月之中期股息(截至二零一零年六月三十日止六個月：無)。

董事及主要行政人員於股份及相關股份之權益及短倉

於二零一一年六月三十日，本公司董事及主要行政人員於本公司或其任何附屬公司或相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第十五部)之股份、相關股份及債券中，擁有須(i)根據證券及期貨條例第十五部而須知會本公司及香港聯合交易所有限公司(「聯交所」)之權益及短倉(包括根據證券及期貨條例有關規定擁有或視作擁有之權益及短倉)；或(ii)須載入根據證券及期貨條例第352條之規定所存置之登記冊內之權益及短倉；或(iii)根據聯交所證券上市規則(「上市規則」)附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)而須知會本公司及聯交所之權益及短倉載列如下：

Other Disclosure Information

其他資料披露

Long positions in ordinary shares and underlying shares of the Company as at 30 June 2011:

於二零一一年六月三十日，本公司普通股及相關股份中的長倉載列如下：

Name of Director 董事姓名	Capacity 身份	Number of issued ordinary shares of the Company 本公司已發行 普通股數目	Number of underlying shares in respect of the options granted under the share option scheme of the Company 根據本公司 購股權計劃授出 購股權之相關 股份數目 (Note 1) (附註1)	Approximate percentage of the issued share capital of the Company 本公司已 發行股本 之概約百分比
Mr. Wong Yin Sen 王彥宸先生	Beneficial owner 實益擁有人		260,266	0.01%
	Interest of controlled corporation 受控制法團權益	167,265,000 (Note 2) (附註2)		8.50%
Mr. Hon Lik 韓力先生	Beneficial owner 實益擁有人		260,266	0.01%
	Interest of controlled corporation 受控制法團權益	167,265,000 (Note 2) (附註2)		8.50%
Mr. Wong Hei Lin (Note 3) 王希年先生 (附註3)	Beneficial owner 實益擁有人		260,266	0.01%
	Interest of controlled corporation 受控制法團權益	167,265,000 (Note 2) (附註2)		8.50%
Mr. Pang Hong 龐鴻先生	Beneficial owner 實益擁有人		173,513	0.01%

Notes:

1. Details of share option scheme of the Company are disclosed in note 14 to the condensed consolidated financial statements.
2. These represent the interests in the 167,265,000 shares of the Company directly held by Absolute Target Limited which is controlled as to 46.25%, 42.5% and 11.25% by Mr. Wong Yin Sen, Mr. Hon Lik and Mr. Wong Hei Lin respectively.
3. Mr. Wong Hei Lin resigned as an executive director of the Company with effect from 7 July 2011.

Save as disclosed above, as at 30 June 2011, none of the directors and chief executive of the Company had any interests or short positions in the shares, underlying shares and debt securities of the Company or any of its subsidiaries or associated corporations that are required to be recorded pursuant to section 352 of the SFO, or otherwise notified to the Company or the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES OF THE COMPANY

Save as disclosed under "Share-Based Payments" relating to the share options granted by the Company in note 14 to the condensed consolidated financial statements, at no time during the Period was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of acquisition of shares in, or debt securities (including debentures) of, the Company or any associated corporations, and none of the directors of the Company, or their spouses or children under age of 18, had any right to subscribe for the shares or debt securities of the Company or had exercised any such right during the Period.

DIRECTORS' INTERESTS IN CONTRACTS

There was no contract of significance to which the Company, its holding company, subsidiaries or fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the Period or at any time during the Period.

附註：

1. 本公司購股權計劃之詳情於簡明綜合財務報表附註14披露。
2. 由Absolute Target Limited直接持有的本公司167,265,000股之權益。王彥宸先生、韓力先生及王希年先生分別擁有Absolute Target Limited 46.25%、42.5%及11.25%權益。
3. 王希年先生於二零一一年七月七日辭任本公司執行董事。

除上文披露者外，於二零一一年六月三十日，概無任何本公司董事及主要行政人員於本公司或其任何附屬公司或相聯法團的股份、相關股分及債券中擁有須根據證券及期貨條例第352條之規定登記之權益及短倉或須根據標準守則知會本公司或聯交所之權益或短倉。

董事購買本公司股份或債券之權利

除簡明綜合財務報表附註14「以股份為基礎之付款」披露有關本公司授出的購股權外，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，致使本公司董事透過收購本公司或任何相聯法團之股份或債券（包括公司債券）而獲得利益，且於本期間，本公司董事或彼等配偶或十八歲以下子女並無認購本公司股份或債券的權利，亦無行使任何權利。

董事於合約之權益

於本期間末或本期間內任何時間，本公司、其控股公司、附屬公司或其同系附屬公司概無訂立任何本公司董事於其中直接或間接擁有重大利益關係之重大合約。

Other Disclosure Information

其他資料披露

SUBSTANTIAL SHAREHOLDERS

So far as is known to directors of the Company, as at 30 June 2011, the persons or companies (other than directors or chief executive of the Company) who had interests or short positions in the shares and underlying shares of the Company which fall to be disclosed to the Company under Part XV of the SFO, or which were recorded in the register of substantial shareholders required to be kept by the Company under section 336 of the SFO were as follows:

Long positions in the ordinary shares of the Company as at 30 June 2011:

Name of Shareholder 股東名稱	Capacity 身份	Number of shares of the Company 本公司股份數目	Approximate percentage of shareholding 股權概約百分比
Yu Man Fung Alice 于文鳳	Beneficial owner 實益擁有人	370,653,759	18.84%
Absolute Target Limited (Note 1)	Beneficial owner	167,265,000	8.50%
Absolute Target Limited (附註1)	實益擁有人		

Note:

1. According to the filings made under the SFO, Absolute Target Limited is controlled as to 46.25% by Mr. Wong Yin Sen, 42.50% by Mr. Hon Lik and 11.25% by Mr. Wong Hei Lin. Both Mr. Wong Yin Sen and Mr. Hon Lik are executive directors of the Company.

Save as disclosed above, as at 30 June 2011, no person, other than the directors of the Company, whose interests are set out herein this report, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

SHARE OPTION SCHEME

The existing share option scheme was adopted by the Company on 30 May 2003. Details and the movement of the share option scheme of the Company are disclosed in "Share-based Payments" in note 14 to the condensed consolidated financial statements.

主要股東

就本公司董事所知，於二零一一年六月三十日，於本公司股份或相關股份中擁有須根據證券及期貨條例第十五部向本公司披露，或須載入本公司根據證券及期貨條例第336條之規定存置之主要股東登記冊的權益或短倉的人士或公司(除本公司董事或主要行政人員外)載列如下：

於二零一一年六月三十日，本公司普通股的長倉載列如下：

附註：

1. 根據按證券及期貨條例進行的登記，Absolute Target Limited由王彥宸先生、韓力先生及王希年先生分別擁有46.25%、42.50%及11.25%權益。王彥宸先生及韓力先生均為本公司執行董事。

除上文披露者外，於二零一一年六月三十日，概無任何人仕(於本報告中載有其權益的本公司董事外)於本公司股份或相關股份中擁有須根據證券及期貨條例第336條登記之權益或短倉。

購股權計劃

本公司於二零零三年五月三十日採納現有購股權計劃。本公司購股權計劃之詳情及變動於簡明綜合財務報表附註14「以股份為基礎之付款」披露。

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the directors of the Company. Having made specific enquiry of all directors of the Company, they all confirmed that they have complied with the required standard set out in the Model Code during the Period.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions of the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 14 to the Listing Rules during the Period, with deviation from A.4.1 of the Code as summaries below.

Code Provision A.4.1 stipulated that non-executive directors should be appointed for a specific term and be subject to re-election. The non-executive directors of the Company are not appointed for a specific term of office, which constitutes a deviation from A.4.1 of the Code. However, all non-executive directors of the Company are subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Company's Articles of Association. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Code.

AUDIT COMMITTEE

The interim results for the Period have been reviewed by the audit committee of the Company. The audit committee comprises four independent non-executive directors of the Company, namely Mr. Chung Yuk Lun, Mr. Lam Man Sum, Albert, Mr. Liu Kwong Sang and Mr. Pang Hong.

購買、出售及贖回證券

於本期間，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載之標準守則作為本公司董事進行證券交易之行為守則。經向本公司所有董事作出具體查詢後，彼等均已確認於本期間內一直遵守標準守則載列之所須標準。

遵守企業管治常規守則

本公司於本期間內一直遵守上市規則附錄十四所載之企業管治常規守則（「守則」）之守則條文，惟下文概述的第A4.1條守則條文之偏離情況外。

第A.4.1條守則條文規定，非執行董事應以特定年期委任及可重選連任。本公司非執行董事並非以特定年期委任，故偏離守則第A.41條。然而，本公司所有非執行董事須根據本公司之章程細則於本公司股東週年大會上輪席告退及重選連任。因此，本公司認為已採取足夠措施保障本公司的企業管治常規執行不遜於守則所制定者。

審核委員會

本期間之中期業績已由本公司審核委員會審閱。審核委員會由本公司四名獨立非執行董事（即鍾育麟先生、林聞深先生、廖廣生先生及龐鴻先生）組成。

Other Disclosure Information

其他資料披露

REMUNERATION COMMITTEE

The duties of the remuneration committee of the Company include making recommendations on the Group's policy and structure for remuneration package of the directors and senior management, evaluation and making recommendation on other employees' benefit arrangements. The remuneration committee comprises four independent non-executive directors of the Company, namely Mr. Chung Yuk Lun, Mr. Lam Man Sum, Albert, Mr. Liu Kwong Sang and Mr. Pang Hong.

BOARD OF DIRECTORS

As at the date of this report, the members of the Board are as follows:

<i>Executive Directors</i>	<i>Independent non-executive Directors</i>
Mr. Wong Yin Sen (<i>Chairman</i>)	Mr. Chung Yuk Lun
Mr. Au Yeung Kai Chor	Mr. Lam Man Sum, Albert
Ms. Chan Mee Sze	Mr. Liu Kwong Sang
Ms. Ching Yuen Man, Angela	Mr. Pang Hong
Mr. Hon Lik	
Mr. Lam Suk Ping	

During the Period, Mr. Wong Hei Lin was an executive director and Mr. Frank H. Miu was a non-executive director of the Company. Both of them resigned with effect from 7 July 2011.

The Board has approved the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2011.

APPRECIATION

The Board would like to express our gratitude and sincere appreciation to our business partners, all management and staff members, and shareholders for their continuous support.

By order of the Board
Dragonite International Limited
Wong Yin Sen
Chairman

26 August 2011

薪酬委員會

董事會薪酬委員會職責包括對本集團政策以及董事及高級管理層薪酬方案架構提供意見，並對其他僱員福利安排進行評估及提供意見。薪酬委員會由四名本公司獨立非執行董事(即鍾育麟先生、林聞深先生、廖廣生先生及龐鴻先生)組成。

董事會成員

於本報告日期，董事會成員如下：

<i>執行董事</i>	<i>獨立非執行董事</i>
王彥宸先生(主席)	鍾育麟先生
歐陽啟初先生	林聞深先生
陳美思女士	廖廣生先生
程婉雯女士	龐鴻先生
韓力先生	
林叔平先生	

於本期間，王希年先生為本公司執行董事及繆希先生為獨立非執行董事。彼等於二零一一年七月七日離任。

董事會已通過本集團截至二零一一年六月三十日止六個月未經審該簡明綜合財務報表。

感謝

董事會衷心感謝本公司的業務夥伴、全體管理層、員工及股東一直以來的支持。

承董事會命
叁龍國際有限公司
主席
王彥宸

二零一一年八月二十六日

