



**RISING DEVELOPMENT HOLDINGS LIMITED**  
**麗盛集團控股有限公司**

(Incorporated in Bermuda with limited liability)  
(Stock Code: 1004)

Interim Report  
**2011**

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### Executive Directors

Dr. Lee Yuk Lun (*Chairman & Chief Executive Officer*)

Mr. Kong Shan, David

Mr. Lam Kwan Sing

Mr. Wong Nga Leung

(*Appointed on 26 October 2011*)

#### Independent Non-Executive Directors

Mr. Fok Ho Yin, Thomas

Mr. Tso Hon Sai, Bosco

Mr. Tsui Ching Hung

### AUDIT COMMITTEE

Mr. Fok Ho Yin, Thomas (*Chairman*)

Mr. Tso Hon Sai, Bosco

Mr. Tsui Ching Hung

### REMUNERATION COMMITTEE

Mr. Fok Ho Yin, Thomas (*Chairman*)

Mr. Tso Hon Sai, Bosco

Mr. Tsui Ching Hung

### COMPANY SECRETARY

Mr. Chiang Chi Kin, Stephen

### REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

### AUDITORS

Li, Tang, Chen & Co.

*Certified Public Accountants (Practising)*

10th Floor

Sun Hung Kai Centre

30 Harbour Road

Wanchai

Hong Kong

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Rooms 2004-5, 20th Floor  
World Trade Centre  
280 Gloucester Road  
Causeway Bay  
Hong Kong

### PRINCIPAL BANKERS

UBS AG

HSBC

Wing Hang Bank, Limited

DBS Bank (Hong Kong) Limited

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited

26th Floor

Tesbury Centre

28 Queen's Road East

Wanchai

Hong Kong

### STOCK CODE

1004

### WEBSITE

[www.hkrising.com](http://www.hkrising.com)

## UNAUDITED INTERIM RESULTS

The Board of Directors (the "Directors") of Rising Development Holdings Limited (the "Company") is pleased to present the unaudited condensed interim consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2011 together with the comparative figures for the corresponding period in 2010. These condensed interim consolidated financial statements have not been audited but have been reviewed by the Company's Audit Committee.

### CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2011

	Note	(Unaudited) Six months ended 30 September 2011 HK\$'000	2010 HK\$'000
<b>TURNOVER</b>	3	<b>56,912</b>	87,051
Cost of sales		<b>(53,104)</b>	(91,728)
Gross profit/(losses)		<b>3,808</b>	(4,677)
Other income and net losses			
– Net losses from investments	4	<b>(15,308)</b>	(13,437)
– Others	4	<b>(8,023)</b>	(21,850)
Impairment loss on exploration and evaluation assets		<b>(225,330)</b>	(34,959)
Impairment loss on goodwill		<b>(650)</b>	(650)
Selling and distribution expenses		<b>(2,535)</b>	(1,505)
Operating and administrative expenses		<b>(10,582)</b>	(9,636)
<b>LOSS FROM OPERATING ACTIVITIES</b>		<b>(258,620)</b>	(86,714)
Finance costs	5	<b>(1,280)</b>	(1,106)
<b>LOSS BEFORE TAX</b>	6	<b>(259,900)</b>	(87,820)
Tax	7	<b>56,333</b>	8,740
<b>LOSS FOR THE PERIOD</b>		<b>(203,567)</b>	(79,080)
<b>ATTRIBUTABLE TO:</b>			
Equity holders of the Company		<b>(169,535)</b>	(73,645)
Non-controlling interests		<b>(34,032)</b>	(5,435)
<b>LOSS FOR THE PERIOD</b>		<b>(203,567)</b>	(79,080)
PROPOSED INTERIM DIVIDEND	8	–	–
<b>LOSS PER SHARE</b>			
<b>ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY</b>	9		
Basic		<b>HK(12.23) cents</b>	HK(5.31) cents
Diluted		<b>HK(12.23) cents</b>	HK(5.31) cents

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
 FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2011

	<b>(Unaudited)</b>	
	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2011</b>	<b>2010</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>LOSS FOR THE PERIOD</b>	<b>(203,567)</b>	<b>(79,080)</b>
Other comprehensive income:		
Exchange differences arising on translation of foreign operations	<b>30,350</b>	22,794
Other comprehensive income for the period	<b>30,350</b>	22,794
Total comprehensive loss for the period	<b>(173,217)</b>	<b>(56,286)</b>
Attributable to:		
Equity holders of the Company	<b>(145,226)</b>	(55,355)
Non-controlling interests	<b>(27,991)</b>	(931)
	<b>(173,217)</b>	<b>(56,286)</b>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

AS AT 30 SEPTEMBER 2011 AND 31 MARCH 2011

	Note	(Unaudited) 30 September 2011 HK\$'000	(Audited) 31 March 2011 HK\$'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	2,548	2,618
Available-for-sale financial assets	11	7,800	7,800
Exploration and evaluation assets	12	1,377,145	1,561,824
Goodwill		641	1,291
Convertible notes		123	398
		<b>1,388,257</b>	<b>1,573,931</b>
<b>CURRENT ASSETS</b>			
Inventories		3,694	2,005
Trade receivables	13	855	1,633
Prepayments, deposits, temporary payments and other receivables		6,089	4,282
Financial assets at fair value through profit or loss	14	22,573	38,033
Tax recoverable		2,831	2,831
Time deposits, cash and bank balances		6,626	18,920
		<b>42,668</b>	<b>67,704</b>
<b>CURRENT LIABILITIES</b>			
Trade payables	15	43	43
Customers' deposits		1,525	1,613
Other payables and accruals		3,960	3,956
Convertible notes		42,628	33,584
Tax payable		590	676
		<b>48,746</b>	<b>39,872</b>
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		<b>(6,078)</b>	<b>27,832</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>1,382,179</b>	<b>1,601,763</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		341,649	388,016
<b>NET ASSETS</b>		<b>1,040,530</b>	<b>1,213,747</b>
<b>CAPITAL AND RESERVES</b>			
Share capital	16	13,862	13,862
Reserves		821,257	966,483
Equity attributable to equity holders of the Company		835,119	980,345
Non-controlling interests		205,411	233,402
<b>TOTAL EQUITY</b>		<b>1,040,530</b>	<b>1,213,747</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Unaudited)

Six months ended 30 September, 2011

	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Convertible		Statutory reserve fund HK\$'000	Retained		Non-controlling interests HK\$'000	Total Equity HK\$'000
				equity reserve HK\$'000	Exchange fluctuation reserve HK\$'000		profits/ losses HK\$'000	Sub-total HK\$'000		
At 1 April 2011	13,862	920,524	77,102	25,992	66,309	12	(123,456)	980,345	233,402	1,213,747
<b>Comprehensive loss</b>										
Loss for the period	-	-	-	-	-	-	(169,535)	(169,535)	(34,032)	(203,567)
<b>Other comprehensive income</b>										
Exchange differences arising on translation for foreign operations	-	-	-	-	24,309	-	-	24,309	6,041	30,350
<b>Total comprehensive income/(loss)</b>	-	-	-	-	24,309	-	(169,535)	(145,226)	(27,991)	(173,217)
At 30 September 2011	13,862	920,524	77,102	25,992	90,618	12	(292,991)	835,119	205,411	1,040,530

(Unaudited)

Six months ended 30 September, 2010

	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Convertible		Statutory reserve fund HK\$'000	Retained		Non-controlling interests HK\$'000	Total Equity HK\$'000
				equity reserve HK\$'000	Exchange fluctuation reserve HK\$'000		profits/ losses HK\$'000	Sub-total HK\$'000		
At 1 April 2010	13,862	920,524	77,102	25,992	29,288	12	(9,375)	1,057,405	232,115	1,289,520
<b>Comprehensive loss</b>										
Loss for the period	-	-	-	-	-	-	(73,645)	(73,645)	(5,435)	(79,080)
<b>Other comprehensive income</b>										
Exchange differences arising on translation for foreign operations	-	-	-	-	18,290	-	-	18,290	4,504	22,794
<b>Total comprehensive income/(loss)</b>	-	-	-	-	18,290	-	(73,645)	(55,355)	(931)	(56,286)
At 30 September 2010	13,862	920,524	77,102	25,992	47,578	12	(83,020)	1,002,050	231,184	1,233,234

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
 FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2011

	(Unaudited)	
	Six months ended	
	30 September	
	2011	2010
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net cash (used in)/from operating activities	<b>(12,671)</b>	8,197
Net cash from/(used in) investing activities	<b>377</b>	(38)
Net cash outflow from financing activities	–	–
Net (decrease)/increase in cash and cash equivalents	<b>(12,294)</b>	8,159
Cash and cash equivalents at beginning of period	<b>18,920</b>	13,137
Cash and cash equivalents at end of period	<b>6,626</b>	21,296
Analysis of balances of cash and cash equivalents		
Cash and bank balances	<b>6,626</b>	21,296

## NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 1. BASIS OF PREPARATION

The unaudited condensed consolidated interim 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 (the "Listing Rules") and with Hong Kong Accounting Standards ("HKAS") 34 "Interim financial reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The unaudited condensed consolidated interim financial statements should be read in conjunction with the audited annual financial statements of the Group for the year ended 31 March 2011.

### 2. PRINCIPAL ACCOUNTING POLICIES

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

Except as described below, the accounting policies adopted in the preparation of the unaudited condensed consolidated financial statements are consistent with those of the Group's annual financial statements for the year ended 31 March 2011.

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

HKFRS 1 Amendments	Amendments to HKFRS 1 First-time Adoption of Hong Kong Financial Reporting Standards- Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters
HKAS 24 (Revised)	Related Party Disclosures
HKAS 32 (Amendments)	Amendment to HKAS 32 Financial Instruments: Presentation-Classification of Rights Issues
HK(IFRIC)-Int14 (Amendments)	Amendments to HK(IFRIC)- Int 14 Prepayments of a Minimum Funding Requirement
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments

Apart from the above, the Hong Kong Institute of Certified Public Accountants ("HKICPA") has issued Improvements to HKFRSs 2010 which sets out amendments to a number of HKFRSs primarily with a view to removing inconsistencies and clarifying wording. The amendments to HKFRS 3 and HKAS 27 are effective for annual periods beginning on or after 1 July 2010, whereas the amendments to HKFRS 1, HKFRS 7, HKAS 1, HKAS 34 and HK(IFRIC)-Int 13 are effect for annual periods beginning on or after 1 January 2011 although there are separate transitional provisions for each standard.



The adoption of these new and revised HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these interim financial statements.

HKAS 1 (Revised) HKFRS 1 Amendments	HKAS 1 (Revised) Presentation of Financial Statements <sup>3</sup> Amendments to HKFRS 1 First-time Adoption of Hong Kong Financial Reporting Standards – Severe ‘Hyperinflation and Removal of Fixed Dates for First-time Adopters’ <sup>1</sup>
HKFRS 7 Amendments	Amendments to HKFRS 7 Financial Instruments: Disclosures-Transfers of Financial Assets <sup>1</sup>
HKFRS 9	Financial Instruments <sup>4</sup>
HKFRS 10	Consolidated Financial Statements <sup>4</sup>
HKFRS 11	Joint Arrangements <sup>4</sup>
HKAS 12 Amendments	Amendments to HKAS 12 Income Taxes-Deferred Tax: Recovery of Underlying Assets <sup>2</sup>
HKFRS 12	Disclosure of Interests in Other Entities <sup>4</sup>
HKFRS 13	Fair Value Measurement <sup>4</sup>
HKAS 19 (2011)	Employee Benefits <sup>4</sup>
HKAS 27 (2011)	Separate Financial Statements <sup>4</sup>
HKAS 28 (2011)	Investments in Associates and Joint Ventures <sup>4</sup>
HKAS 31	Interests in Joint Venture <sup>4</sup>
HK(SIC)-Int 12	Consolidation-Special Purpose Entities <sup>4</sup>
HK(SIC)-Int 13	Jointly Controlled Entities-Non-Monetary Contributions by Venturers <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 July 2011.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2012.

<sup>3</sup> Effective for annual periods beginning on or after 1 July 2012.

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2013.

### 3. SEGMENT INFORMATION

The Group has adopted HKFRS 8 "Operating Segments" with effect from 1 April 2009. HKFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. HKFRS 8 replaces the requirement under HKAS 14 to determine primary (business) and secondary (geographical) reporting segments of the Group. Adoption of HKFRS 8 did not have any effect on the Group's results of operations or financial position.

The Group determines that in accordance with HKFRS 8, there are six business reportable segments which are Trading in securities, Investments, Trading and sales of fur garments, Trading of fur skins, Mine and Others.

The following tables present revenue, profit/(loss) and expenditure information for the Group's business and geographical segments:

## (a) Operating segments information:

	(Unaudited)						
	6 months ended 30 September 2011						
	Trading in securities	Investments	Trading and sales of fur garments	Trading of fur skins	Mine	Others	Consolidated
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Segment revenue:</b>							
Sales to external customers	52,985	-	3,900	27	-	-	56,912
Intersegment sales	-	-	708	277	-	-	985
<b>Reportable segment revenue</b>	<b>52,985</b>	<b>-</b>	<b>4,608</b>	<b>304</b>	<b>-</b>	<b>-</b>	<b>57,897</b>
Elimination of inter-segment sales							(985)
<b>Consolidated revenue</b>							<b>56,912</b>
<b>Segment results</b>	<b>(16,735)</b>	<b>(205)</b>	<b>(2,077)</b>	<b>171</b>	<b>(226,497)</b>	<b>(1,168)</b>	<b>(246,511)</b>
Reconciliation:							
Interest income							2
Change in fair value of derivative components embedded in convertible notes							(8,038)
Unallocated corporate expenses							(4,073)
Loss from operating activities							(258,620)
Finance costs							(1,280)
Loss before tax							(259,900)
Tax							56,333
Loss for the period							(203,567)



**(b) The segment assets and liabilities at the end of the reporting period are as follows:**

	(Unaudited)						
	As at 30 September 2011						
	Trading in	Investments	Trading	Trading of	Mine	Others	Consolidated
	securities	HK\$'000	and sales of	fur skins	HK\$'000	HK\$'000	HK\$'000
	HK\$'000	HK\$'000	fur garments	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Reportable segment assets	22,573	1,749	12,804	16,459	1,378,560	54,647	1,486,792
Elimination of inter-segment receivables							(73,247)
							1,413,545
Unallocated assets:							
Available-for-sale financial assets							7,800
Cash and cash equivalents							6,626
Tax recoverable							2,831
Convertible notes							123
<b>Total assets per consolidated statement of financial position</b>							<b>1,430,925</b>
<b>Reportable segment Liabilities</b>	-	(3,632)	(35,740)	(23,645)	(10,480)	(5,278)	(78,775)
Elimination of inter-segment payables							73,247
							(5,528)
Unallocated liabilities:							
Convertible notes							(42,628)
Deferred tax liabilities							(341,649)
Tax payable							(590)
<b>Total liabilities per consolidated statement of financial position</b>							<b>(390,395)</b>
<b>Additions to non-current segment assets during the period</b>	-	-	195	-	563	-	758

	(Audited)						
	As at 31 March 2011						
	Trading in securities HK\$'000	Investments HK\$'000	Trading and sales of fur garments HK\$'000	Trading of fur skins HK\$'000	Mine HK\$'000	Others HK\$'000	Consolidated HK\$'000
<b>Reportable segment assets</b>	38,033	1,643	10,566	15,395	1,563,062	58,171	1,686,870
Elimination of inter-segment receivables							(75,184)
							1,611,686
Unallocated assets:							
Available-for-sale financial assets							7,800
Cash and cash equivalents							18,920
Tax recoverable							2,831
Convertible notes							398
<b>Total assets per consolidated statement of financial position</b>							<b>1,641,635</b>
<b>Reportable segment Liabilities</b>	-	(7,389)	(33,419)	(27,027)	(8,391)	(4,570)	(80,796)
Elimination of inter-segment payables							75,184
							(5,612)
Unallocated liabilities:							
Convertible notes							(33,584)
Deferred tax liabilities							(388,016)
Tax payable							(676)
<b>Total liabilities per consolidated statement of financial position</b>							<b>(427,888)</b>
<b>Additions to non-current segment assets during the year</b>	-	-	158	2	1,533	-	1,693

**(c) Geographical information:**

Revenue from external customers

The Group's activities are conducted predominantly in Hong Kong and Mainland China. Revenue by geographical location is determined on the basis of the locations of stock exchanges for sales of listed securities and the services provided, as well as the destination of the goods delivered.

The following table provides an analysis of the Group's revenue by geographical location:

	<b>(Unaudited)</b>	
	<b>6 months ended</b>	
	<b>30 September</b>	
	<b>2011</b>	<b>2010</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Hong Kong	<b>56,444</b>	75,821
Mainland China	–	11,095
Other countries	<b>468</b>	135
	<hr/>	<hr/>
Total revenue	<b>56,912</b>	87,051

**4. OTHER INCOME AND NET LOSSES**

	<b>(Unaudited)</b>	
	<b>6 months ended</b>	
	<b>30 September</b>	
	<b>2011</b>	<b>2010</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Other income and net losses:		
Net loss from investments:		
Interest income from investments in available-for-sale financial assets	<b>1,248</b>	–
Dividend income from financial assets at fair value through profit or loss	<b>137</b>	675
Unrealised loss on investments in financial assets at fair value through profit or loss	<b>(16,693)</b>	(14,112)
	<hr/>	<hr/>
	<b>(15,308)</b>	(13,437)
-----		
Others:		
Bank interest income	<b>2</b>	2
Exchange gain	–	38
Others	<b>13</b>	10
Fair value change on derivative components embedded in convertible notes	<b>(8,038)</b>	(21,900)
	<hr/>	<hr/>
	<b>(8,023)</b>	(21,850)
-----		
	<b>(23,331)</b>	(35,287)

## 5. FINANCE COSTS

	(Unaudited) 6 months ended 30 September	
	2011	2010
	<i>HK\$'000</i>	<i>HK\$'000</i>
Imputed interest expenses on convertible notes	<b>1,280</b>	1,106

## 6. LOSS BEFORE TAX

	(Unaudited) 6 months ended 30 September	
	2011	2010
	<i>HK\$'000</i>	<i>HK\$'000</i>
Charging		
Cost of inventories and trading securities sold	<b>53,104</b>	91,728
Depreciation	<b>288</b>	465
Operating lease rentals on lands and buildings	<b>1,535</b>	1,413
Staff costs (including directors' remuneration)	<b>5,922</b>	4,688

## 7. TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong for the periods ended 30 September 2011 and 30 September 2010. Overseas taxes on assessable profits of the Company or its subsidiaries, if any, are calculated at the rates of tax prevailing in the respective jurisdictions in which they operate, based on the prevailing legislation, interpretations and practices in respect thereof.

	(Unaudited) 6 months ended 30 September	
	2011	2010
	<i>HK\$'000</i>	<i>HK\$'000</i>
Tax represents income tax credit as follows:		
Deferred tax	<b>56,333</b>	8,740



**8. PROPOSED INTERIM DIVIDEND**

The Board does not recommend the payment of any interim dividend for the six months ended 30 September 2011 (2010: Nil).

**9. LOSS PER SHARE ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY**

The calculation of the basic loss per share amount for the period is based on the Group's loss attributable to equity holders of the Company of HK\$169,535,000 (2010: loss of HK\$73,645,000). The basic loss per share is based on the weighted average of 1,386,228,600 (2010: 1,386,228,600) ordinary shares in issue during the period.

Diluted loss per share amounts for the six months ended 30 September 2011 and 2010 are the same as the basic loss per share, as the convertible notes outstanding during these periods had an anti-dilutive effect on the basic loss per share for these periods.

**10. PROPERTY, PLANT AND EQUIPMENT**

During the six months ended 30 September 2011, the Group acquired items of property, plant and equipment with cost of HK\$221,000 (year ended 31 March 2011: HK\$733,000) and disposed items of property, plant and equipment of HK\$Nil (year ended 31 March 2011: HK\$18,000).

**11. AVAILABLE-FOR-SALE FINANCIAL ASSETS**

	<b>(Unaudited)</b> <b>30 September</b> <b>2011</b> <b>HK\$'000</b>	(Audited) 31 March 2011 HK\$'000
At Cost:		
Equity securities unlisted outside Hong Kong	<b>7,800</b>	7,800

At the end of reporting period, the above unlisted equity investments are not stated at fair value but at cost less any impairment loss because they do not have a quoted market price in an active market and the fair value cannot be reliably measured.

## 12. EXPLORATION AND EVALUATION ASSETS

	Exploration rights <i>HK\$'000</i>	Evaluation expenditure <i>HK\$'000</i>	Total <i>HK\$'000</i>
Balance at 1 April 2009 (Audited)	1,790,930	8,078	1,799,008
Exchange adjustment	13,114	59	13,173
Additions during the year	–	326	326
Impairment loss	(262,614)	–	(262,614)
Balance at 31 March 2010 and 1 April 2010 (Audited)	1,541,430	8,463	1,549,893
Exchange adjustment	61,695	339	62,034
Additions during the year	–	960	960
Impairment loss	(51,063)	–	(51,063)
Balance at 31 March 2011 and 1 April 2011 (Audited)	1,552,062	9,762	1,561,824
Exchange adjustment	39,864	251	40,115
Additions during the period	–	536	536
Impairment loss	(225,330)	–	(225,330)
<b>Balance at 30 September 2011 (Unaudited)</b>	<b>1,366,596</b>	<b>10,549</b>	<b>1,377,145</b>

The exploration rights represent the carrying amount of the rights for mining, exploration and exploitation in a vanadium mine located in Shanxi, PRC. The exploitation licence of the mine has been granted for 3 years and is renewable on an ongoing basis.

As at 30 September 2011, the management has engaged an independent professional valuer, BMI Appraisals Limited, to carry out a valuation on the exploration rights for the purposes of an impairment review on the exploration rights. Based on the report of this valuer, the management considers that the exploration and evaluation assets should be impaired as the carrying amount of exploration and evaluation assets exceeds its estimated recoverable amount at 30 September 2011. Accordingly, an impairment loss of HK\$225,330,000 was recognized in consolidated income statement for the six months ended 30 September 2011.

As at 31 March 2011, the management has engaged an independent professional valuer, BMI Appraisals Limited, to carry out a valuation on the exploration rights for the purposes of an impairment review on the exploration rights. Based on the report of this valuer, the management considers that the exploration and evaluation assets should be impaired as the carrying amount of exploration and evaluation assets exceeds its estimated recoverable amount at 31 March 2011. Accordingly an impairment loss of HK\$51,063,000 (2010: HK\$262,614,000) was recognized in consolidated income statement for the year ended 31 March 2011.

### 13. TRADE RECEIVABLES

The Group's trading terms with its customers are mainly on credit. The Group allows an average credit period of 30 to 60 days for its customers. Trade receivables are non-interest-bearing.

An ageing analysis of trade receivables at the end of reporting period based on the invoice date is as follows:

	<b>(Unaudited)</b> <b>30 September</b> <b>2011</b>		<b>(Audited)</b> <b>31 March</b> <b>2011</b>	
	<i>HK\$'000</i>	%	<i>HK\$'000</i>	%
Current to 30 days	<b>167</b>	<b>20</b>	160	10
31 days to 60 days	<b>166</b>	<b>19</b>	240	15
Over 60 days	<b>522</b>	<b>61</b>	1,233	75
	<b>855</b>	<b>100</b>	1,633	100

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

	<b>(Unaudited)</b> <b>30 September</b> <b>2011</b> <i>HK\$'000</i>	<b>(Audited)</b> <b>31 March</b> <b>2011</b> <i>HK\$'000</i>
At fair value:		
Equity securities listed in Hong Kong	<b>22,573</b>	38,033

### 15. TRADE PAYABLES

An ageing analysis of trade payables at the end of reporting period is as follows:

	<b>(Unaudited)</b> <b>30 September</b> <b>2011</b>		<b>(Audited)</b> <b>31 March</b> <b>2011</b>	
	<i>HK\$'000</i>	%	<i>HK\$'000</i>	%
Current to 30 days	–	–	–	–
31 days to 60 days	–	–	–	–
Over 60 days	<b>43</b>	<b>100</b>	43	100
	<b>43</b>	<b>100</b>	43	100

## 16. SHARE CAPITAL

	Number of shares	Amount HK\$'000
Authorised		
Ordinary shares of HK\$0.01 each		
At 1 April 2011 and 30 September 2011	30,000,000,000	300,000
Issued and fully paid		
At 1 April 2011 and 30 September 2011	1,386,228,600	13,862

Except above, during the period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares.

## 17. BANKING FACILITIES/CONTINGENT LIABILITIES

At 30 September 2011 and 31 March 2011, the Group did not have any significant contingent liabilities.

At 30 September 2011 and 31 March 2011, the Group had no bank borrowings.

## 18. SUBSEQUENT EVENTS

- On 3 October 2011, the Company entered into the placing agreement with the placing agent, pursuant to which the placing agent agreed to procure the places for the three-year 5% coupon convertible notes with the principal amount of HK\$100,000,000 which will be placed on a fully underwritten basis. The placing of convertible notes was completed at 12 October 2011.
- On 14 October 2011, the Company repaid the outstanding amount HK\$43,200,000 convertible notes in full.

## MANAGEMENT DISCUSSION AND ANALYSIS

### RESULTS

During the first six months, the Group's turnover was HK\$56,912,000 (2010: HK\$87,051,000), a decrease of 34.6% compared to the corresponding period last year. The net loss attributable to equity shareholders of the company was HK\$169,535,000 as compared to a net loss of HK\$73,645,000 for the last corresponding period, resulting in a basic loss of HK12.23 cents per share for the current period (2010: a basic loss of HK5.31 cents per share)

### OPERATION REVIEW

The major source of revenue of the Group for the first half-year were trading in securities, the trading and sales of fur garment, the trading of fur skins and business of mining natural resources.

## Investment Business

### *Trading in Securities*

The decrease in the Group's total turnover for the first half of the year was partly due to decrease in the turnover in trading in securities. During the period, the turnover in trading in securities was HK\$52,985,000 as compared to that of HK\$73,529,000 of the corresponding period last year, representing a decrease in securities turnover by 27.9% compared to that of last year. Loss during the period was HK\$16,735,000, representing a decrease of 16.3% compared with the corresponding period last year of loss of HK\$19,984,000.

### *Investments*

The Group's turnover in investment was nil during the period and was the same nil for the corresponding period last year. Loss from investment during the period was HK\$205,000 compared to that of HK\$1,101,000 of the corresponding period last year, representing a decrease in loss by 81.4%, the loss was mainly due to operating expenses.

## Business of Mining Natural Resources

The mining business of the Group had not started contributing revenue during the period under review, revenue was the same nil for corresponding period last year. However, a loss of HK\$226,497,000 was recorded in this sector, compared to a loss of HK\$35,918,000 in the corresponding period last year, representing an increase in loss by 530.6%. The loss was mainly due to an impairment loss incurred on exploration and evaluation assets during the period.

## Fur Business

### *Fur Skin Trading*

The turnover in trading of fur skins for the first half year was HK\$27,000, representing a decrease by 99.8% compared to that of HK\$11,086,000 in the corresponding period last year. A profit of HK\$171,000 was recorded, an increase by 15.5% compared to that of profit of HK\$148,000 in the corresponding period last year. The reasons of the significant drop in turnover were auction prices of the raw skin were at high level around the world auction markets, this would mean higher risks for either our own purchasing or acting as a buying agent for customers, as a result the Group reduced the turnover in this section.

### *Trading and sales of Fur Garments*

The turnover of trading and sales of fur garments for the first half year was HK\$3,900,000, an increase of 60% compared to HK\$2,436,000 in the corresponding period last year. During the period, a loss of HK\$2,077,000 was recorded, a decrease of losses by 49.6% compared to that of loss of HK\$4,118,000 in the corresponding period last year. The increase in sales was mainly to increase in sales turnover in Greater China.

## PROSPECTS

### Investment Business

European financial ruin, high unemployment rate in United States and tightening monetary policy in China, these three main issues that are presently the focus of the global investment market. The European sovereign-debt crisis is the most top priority problem that has to be solved within the shortest time, otherwise ripple effects of which would caused material impacts to world economic growth. Uncertain and volatile investment market keep us alert of future investment opportunities in the forthcoming year, the Group will and has to extend more cautious approaches in various investment activities.

### Vanadium Mining Business

Vanadium, a steel hardening agent, its selling price is now at relatively low level compared to that of last year in both China and Europe market. This is mainly due to most European Governments have to face tough expenditure cutting to achieve balancing budget, that in return affect investments and consumptions in Europe. Under such circumstances the Group is in the process of seeking low cost techniques and refining methods for keeping reasonable profit margin. Refining, ground and technical works that needed to be done for preparing of the mining of vanadium were carried out last year and had completed as planned for its initial stage. However due to low vanadium selling price, the Group decides to slow down the mining extraction and refining works, awaiting for a better vanadium selling environment.

### Fur Business

#### *Fur Skin Trading*

The Group temporarily ceased the auction business in fur skin trading due to the auction prices of the raw skin were and continues at high side, this would mean higher risks for either our own purchasing or acting as a buying agent for customers. The Group would restart the business again in due course if the auction price of the raw skin is lowering back to a more reasonable level.

#### *Trading and sales of Fur Garments*

In recent years, luxury items selling in Greater China are in a good growing trend including the sales of fur garments. The Group had increased its sales spots in Greater China and recorded a growth in sales, we expect in the forthcoming year the sales growth trend could be continued in the Greater China market. The Group would keep on its sales expansion in Greater China. However fur garment trading and fur garments sales were not in a good shape in our retail outlet in Paris. This is due to high running cost and low sales in the area, the Group decides to slow down and revise its operation and marketing plan in Europe. Overall we expect a steady growth in the sector of trading and sales of fur garment.

## LIQUIDITY AND FINANCIAL RESOURCES

The Group generally derives cash for operation from internal cash flow and facilities from banks in Hong Kong and PRC. As at 30 September 2011, the Group had cash and bank balances of approximately HK\$6,626,000 (31 March 2011: HK\$18,920,000). As at 30 September 2011, the Group's interest bearing bank and other borrowings (including convertibles notes) amounted to approximately HK\$42,628,000 (31 March 2011: HK\$33,584,000). As at 30 September 2011, the shareholders' funds amounted to approximately HK\$1,040,530,000 (31 March 2011: HK\$1,213,747,000). Accordingly, the gearing ratio was 0.03 (31 March 2011: 0.01).

## CAPITAL STRUCTURE

- (1) During the year ended 31 March 2009, the Company issued convertible notes (the "11 April 2008 convertible notes") with a nominal value of HK\$837,000,000 to three independent vendors as part of consideration for acquiring 80% interest in Shanxi Jiuquan Mining Company Limited. The 11 April 2008 convertible notes bear interest at 1% per annum with a maturity date on 10 April 2011. The holders of the 11 April 2008 convertible notes (the "CN holders") have the right to convert on or after 11 April 2008 up to and including 10 April 2011, into ordinary share of the Company at an initial conversion price of HK\$0.28 per share, subject to adjustment for general dilutive events.

During the year ended 31 March 2010, the Company entered into a deeds of settlement dated 24 June 2009 with the holders of the 11 April 2008 convertible notes that the Company issued to the CN holders the new convertible notes in the aggregate principal amount of HK\$744,930,000 with a term of 3 years. The new convertible notes were issued on 24 June 2009. The notes bear no interest with a maturity date on 23 June 2012. The conversion price of the new convertible notes is HK\$0.6 per share (subject to adjustment). The CN holders agreed that the obligations of the Company under the 11 April 2008 convertible notes were fully discharged. In addition, the 1% interest payable amounting to HK\$8,370,000 on the 11 April 2008 convertible notes was waived. The principal amount of the 11 April 2008 convertible notes were settled in fully by the new convertible notes of HK\$744,930,000 for the same holders during the year ended 31 March 2010. The effective interest rate of the liability component is 10.19% per annum.

During the year ended 31 March 2010, total principal of HK\$744,465,000 were converted into 1,240,775,000 new ordinary shares of the Company of HK\$0.01 each. Outstanding principal amounts of the convertible notes as at 31 March 2011 were HK\$465,000.

During the six months ended 30 September 2011, the outstanding principal amounts of the convertible notes remained unchanged and the balances of such convertible notes at 30 September 2011 were HK\$465,000.

- (2) On 15 October 2008, the Company issued convertible notes with a nominal value of HK\$43,200,000. The notes bear no interest with maturity date on 14 October 2011. The holders of the convertible notes have the right to convert on or after 15 October 2008 up to and including 7 October 2011, into ordinary share of the Company at an initial conversion price of HK\$0.06 per share (subject to adjustment). The conversion price of the convertible notes was subsequently adjusted to HK\$1.478 per share due to the capital reorganization. The Company shall have the right at any time from the date of issue of the convertible notes and inclusive of the maturity date to redeem the whole or part of the outstanding convertible notes. The effective interest rate of the liability component is 6.19% per annum.

On 14 October 2011, the Company repaid the outstanding amount HK\$43,200,000 convertible notes in full.

- (3) On 3 October 2011, the Company and the placing agent entered into the placing agreement whereby the Company has conditionally agreed to place, through the placing agent, on a fully underwritten basis, the three-year 5% coupon convertible notes in an aggregate principal amount of HK\$100,000,000 into ordinary share of the Company at an initial conversion price of HK\$1.00 per share.

The convertible notes as stated in (1) and (2) above were split into liability, derivative and equity components upon initial recognition by recognising the liability components and conversion option derivative components at their fair value and attributing to the equity components the residual amount. The liability component is subsequently carried at amortised cost while the derivative component is carried at fair value to be remeasured at the end of each reporting period. The equity component is recognized in the convertible notes equity reserve. The fair values of the conversion option derivative components of the convertible notes were determined as of the date of issue and 30 September 2011 and 31 March 2011 by an independent firm of professionally qualified valuers, BMI Appraisals Limited.



The Group monitors capital using a gearing ratio, which is net debt divided by the total equity of the Group. Net debt includes interest-bearing bank and other borrowings, less time deposits, cash and bank balances, and excludes discontinued operations. Capital includes equity attributable to equity holders of the Company. The gearing ratio of the Group as at the end of the reporting periods was as follows:

	<b>(Unaudited)</b> <b>30 September</b> <b>2011</b> <b>HK\$'000</b>	(Audited) 31 March 2011 HK\$'000
Total borrowings	<b>42,628</b>	33,584
Convertible notes		
Less: time deposits, cash and bank balance	<b>6,626</b>	18,920
<b>Net debt</b>	<b>(36,002)</b>	(14,664)
<b>Total equity</b>	<b>1,040,530</b>	1,213,747
<b>Gearing ratio</b>	<b>0.03</b>	0.01

Neither the Company nor its subsidiaries are subject to externally imposed capital requirements.

Details in the changes of the capital structure of the Company during the six months ended 30 September 2011 are set out in note 16 to the condensed financial statements.

## FOREIGN EXCHANGE EXPOSURE

The Group's businesses are mainly conducted in United States dollars and Renminbi, with minimal exposure to fluctuations in foreign exchanges.

## EMPLOYEES

As at 30 September 2011, the Group employed around 31 employees in Hong Kong, Macau and Mainland China. The Group's remuneration policies are based primarily on the prevailing market rate and the performance of individual employees. Fringe benefits, including Mandatory Provident Fund, medical benefits and training are provided. The Group has also established a discretionary bonus scheme for its management and staff with awards determined annually based upon the performance of the Group and individual employees.

## CONTINGENT LIABILITIES

The Group had no contingent liabilities as at 30 September 2011.

## DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2011, the following director of the Company had an interest set out below in the shares of the Company which was required to be notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (the "SFO") (including interest which he was deemed or taken to have under such provisions of the SFO) or which was required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which was required pursuant to the Model Code, to be notified to the Company and the Stock Exchange:

### (a) Long positions in ordinary shares of HK\$0.01 each of the Company

Name of Director	Capacity	Number of ordinary shares interested	Percentage of the Company's issued share capital
Mr. Lai Leong (Note 1)	Interest held by controlled corporation (Note 2)	811,532,600 (Note 3)	58.54%

#### Notes:

- Mr. Lai Leong resigned as an executive director, Chairman and Chief Executive Officer of the Company with effect from 15 March 2010. Mr. Lai Leong remains a director of a number of the subsidiaries of the Company.
- These shares are owned by Oriental Day International Limited, which was 100% beneficially owned by Mr. Lai Leong. Please refer to the section headed "Substantial shareholders' and other persons' interests and short positions in shares and underlying shares" for further details.
- Out of 811,532,600 shares, 810,757,600 shares have been issued and are beneficially owned by Oriental Day International Limited which represented approximately 58.49% of the issued share capital of the Company. Up to 30 September 2011, a total of 775,000 shares are underlying shares held by Oriental Day International Limited pursuant to the conversion of the convertible notes held by Oriental Day International Limited.

## **(b) Long positions in underlying shares of the Company – physically settled unlisted equity derivatives**

Details of the interests of directors and chief executive in share options of the Company are disclosed under the section “Share Option Scheme” in this report.

No share options were granted to, or exercised by, the directors and chief executive during the six months ended 30 September 2011. There was no outstanding option granted to the directors and chief executive at the beginning and at the six months ended 30 September 2011.

Save as disclosed above, as at 30 September 2011, none of the directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was deemed or taken to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required pursuant to the Model Code, to be notified to the Company and the Stock Exchange; nor had there been any grant or exercise of rights of such interests during the six months ended 30 September 2011.

## **DIRECTORS’ RIGHTS TO ACQUIRE SHARES OR DEBENTURES**

Apart from as disclosed under the heading “Directors’ interests and short positions in shares, underlying shares and debentures “above and “Share option scheme” below, at no time during the period or up to the date of this report were there any rights to acquire benefits by means of the acquisition of shares in or debentures in the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

## **SHARE OPTION SCHEME**

The Share Option Scheme (the “Scheme”) adopted on 9 October 1997 was terminated at the annual general meeting of the Company held on 30 July 2004. A new share option scheme which complied with the amended Chapter 17 of the Listing Rules was adopted at the same annual general meeting held on 30 July 2004. No share option has been granted by the Company under the new share option scheme.

## DIRECTORS' SERVICE CONTRACTS

There is service contract between the Company and Mr. Lam Kwan Sing disclosed in the announcement dated 3 August 2010 and 4 August 2010 of the Company. He has entered a service contract with the Company on 1 August 2010 for a fixed term of 2 years commencing from 1 August 2010. He will be subject to retirement by rotation and the re-election at least once every three years by shareholders at the annual general meeting. Save as disclosed above, there is no service contract between the Company and other Director.

## DIRECTORS' INTERESTS IN CONTRACTS

No director had a significant beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, its holding company or any of its subsidiaries was a party during the period.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 September 2011, according to the register of interest required to be kept by the Company pursuant to Section 336 of the SFO, the Company has been notified that the following parties, other than the director of the Company disclosed above, had interests of 5% or more of the issued share capital of the Company:

### (a) Long position in the ordinary shares of HK\$0.01 each of the Company

Name of substantial shareholder	Capacity	Number of shares interested	Percentage of the Company's issued share capital
Lai Leong	Corporate interests	811,532,600 (Note 1)	58.54%
Oriental Day International Limited	Beneficial owner	811,532,600 (Note 2)	58.54%

#### Notes:

- These shares owned by Oriental Day International Limited, which was 100% beneficially owned by Mr. Lai Leong. Such interest was also disclosed as the interest of Mr. Lai Leong in the above section headed "Directors' and chief executive's interests and short positions in shares, underlying shares and debentures".
- Out of 811,532,600 shares, 810,757,600 shares have been issued and are beneficially owned by Oriental Day International Limited which represented approximately 58.49% of the issued share capital of the Company. Up to 30 September 2011, a total of 775,000 shares are underlying shares held by Oriental Day International Limited pursuant to the conversion of the convertible notes held by Oriental Day International Limited.

Save as disclosed above, as at 30 September 2011, no person, other than the director of the Company whose interest has been set out in the section headed "Directors' interests and short positions in shares, underlying shares and debentures" above, had registered an interest and a short position in the shares or underlying shares of the Company as recorded in the register of the Company required to be kept pursuant to Section 336 of the SFO.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY**

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 September 2011.

## **CODE ON CORPORATE GOVERNANCE PRACTICES**

The Company has applied the principles of all the applicable code provisions of the Code on Corporate Governance Practices (the "Code on CGP") as set out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange as its own code on corporate governance practices. During the period, the Company complied with all the Code on CGP, except the following deviation:

- (1) Code Provision A.2.1 of the Code on CGP stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual.

Dr. Lee Yuk Lun was appointed as an Executive Director on 31 August 2007 and was elected Chairman on 15 March 2010. Upon his appointment as the Chairman, he also takes up the role of the Chief Executive Officer of the Company. The Board believes that vesting the roles of both chairman and Chief Executive Officer in the same person provides the Company with strong and consistent leadership and allows for more effective and efficient business planning and decisions as well as the execution of long-term business strategies. The Board considers that such an arrangement will not impair the balance of power and authority between the Board and the management of the Company.

- (2) Mr. Lam Kwan Sing has entered a service contract with the Company on 1 August 2010 for a fixed term of 2 years commencing from 1 August 2010.

Save as disclosed above, none of the Company's existing directors has entered into any service contract with the Company for, among other matters, fixing their term of service. Accordingly, the Company has not complied with the code provision A.4.1 of the Code on CGP, which stipulates that non-executive directors should be appointed for a specific term. Although the directors do not have a specific term of appointment, the Board considers that the Company meets the objective of the code provision A.4.1 since, as set out above, all directors, including non-executive directors, of the Company are subject to retirement by rotation and re-election at the Company's annual general meeting at least once every three years in accordance with the Company's Bye-laws.

## CHANGE IN INFORMATION OF DIRECTORS

During the period, pursuant to Rule 13.51B(1) of the Listing Rule, the changes in information of the Directors subsequent are set out below:

Mr. Wong Nga Leung was appointed as executive Director with effect from 26 October 2011.

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

## CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as its code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following a specific enquiry by the Company that they have fully complied with the required standard as set out in the Model Code throughout the period under review.

## REMUNERATION COMMITTEE

The Remuneration Committee has been established by the Company in accordance with the requirements of the Code on CGP.

The primary duties of the Remuneration Committee are to make recommendations to the Board on the Group's policy and structure for the overall remuneration of directors and management, including the policy of granting of share options to employees under the Company's share option scheme. No director or any of his/her associates may be involved in any decisions as to his/her own remuneration.

The Remuneration Committee currently comprises three independent non-executive directors.

## AUDIT COMMITTEE

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the unaudited condensed interim consolidated financial statements for the six months ended 30 September 2011.

The main duties of the Audit Committee include review of the effectiveness of financial reporting system, internal control systems and risk management system of the Group, review of the Group's financial information and compliance, making recommendation to the Board on the appointment and removal of external auditors and assessing their independence and performance.

The audit committee comprises three independent non-executive directors of the Company.

## **INTERIM DIVIDEND**

The Board does not recommend the payment of an interim dividend in respect of the six months ended 30 September 2011 (six months ended 30 September 2010: Nil). No dividend was paid during the period under review.

## **PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT**

The interim results announcement and interim report are published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website at [www.hkrising.com](http://www.hkrising.com). Printed copies in both languages are posted to shareholders.

## **BOARD OF DIRECTORS**

As at the date of this report, the Board of the Company comprises four executive Directors, namely Dr. Lee Yuk Lun, Mr. Kong Shan, David, Mr. Lam Kwan Sing and Mr. Wong Nga Leung; three independent non-executive Directors, namely, Mr. Fok Ho Yin, Thomas, Mr. Tsui Ching Hung and Mr. Tso Hon Sai, Bosco.

ON BEHALF OF THE BOARD

**Dr. Lee Yuk Lun**

*Chairman*

Hong Kong, 25 November 2011