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THE  
HONG KONG PARKVIEW  
GROUP LTD.

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僑福建設企業機構\*

INTERIM REPORT 2011-2012 二零一一年至二零一二年中期報告

Stock Code 股份代號: 207

# THE HONG KONG PARKVIEW GROUP LTD.

## Interim Report 2011-2012

### INTERIM RESULTS

The board of directors of The Hong Kong Parkview Group Limited (the "Company") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2011. The unaudited condensed consolidated interim results for the six months ended 30 September 2011 have not been audited by the Company's auditor, but were reviewed by the Company's audit committee.

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2011

		Six months ended 30 September (Unaudited)	
	Notes	2011 HK\$	2010 HK\$
Revenue	2	-	917,496
Cost of sales		-	(754,709)
Gross profit		-	162,787
Other income		165,428	1,635,971
Other gains and losses		390,548	557,154
Change in fair value of investment property		40,000,000	-
Net change in fair value of investments held for trading		(316,200)	(45,000)
Impairment loss recognised in respect of available-for-sale investments		(436,300)	-
Recovery from a fully impaired investment		-	4,896,892
Administrative expenses		(2,060,729)	(5,330,650)
Other operating expenses		(940,446)	(834,578)
Impairment loss recognised in respect of amounts due from associates		-	(16,979,769)
Share of loss of an associate		-	(4,524,848)
Gain on deregistration of a jointly controlled entity		-	1,028,950
Finance costs		(5,290,160)	(656,890)
Profit (loss) before taxation	3	31,512,141	(20,089,981)
Taxation	4	-	-
Profit (loss) for the period		31,512,141	(20,089,981)
Other comprehensive expense			
Exchange difference arising on translation of foreign operations		-	(256,349)
Total comprehensive income (expense) for the period attributable to the owners of the Company		31,512,141	(20,346,330)
Basic earnings (loss) per share	6	5.89 cents	(3.80 cents)

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## Interim Report 2011-2012

### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2011

		30 September 2011 (Unaudited) HK\$	31 March 2011 (Audited) HK\$
	<i>Notes</i>		
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		259,207	366,289
Investment property	7	400,000,000	360,000,000
Interests in associates		-	-
Available-for-sale investments	8	-	2,236,300
		400,259,207	362,602,589
<b>CURRENT ASSETS</b>			
Available-for-sale investments	8	1,800,000	-
Other receivables and prepayments		139,078	203,580
Held-for-trading investments		58,800	375,000
Rental guarantee		-	1,206,226
Pledged bank deposits		5,299,536	-
Bank balances and cash		53,397,286	1,715,280
		60,694,700	3,500,086
<b>CURRENT LIABILITIES</b>			
Other payables and accrued charges		753,246	1,118,649
Secured bank loan	9	59,500,000	-
Amounts due to related companies		59,538,534	-
Deferred consideration payable to a related company		145,304,627	-
		265,096,407	1,118,649
<b>NET CURRENT (LIABILITIES) ASSETS</b>		<b>(204,401,707)</b>	2,381,437
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>195,857,500</b>	364,984,026
<b>CAPITAL AND RESERVES</b>			
Share capital	10	53,535,926	53,535,926
Reserves		142,321,574	110,809,433
Equity attributable to the owners of the Company		195,857,500	164,345,359
<b>NON-CURRENT LIABILITIES</b>			
Amounts due to related companies		-	58,935,479
Deferred consideration payable to a related company		-	141,703,188
		-	200,638,667
		<b>195,857,500</b>	364,984,026

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### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2011

	Share capital <i>HK\$</i>	Capital redemption reserve <i>HK\$</i>	Capital reduction reserve <i>HK\$</i>	Contributed surplus <i>HK\$</i>	Shareholder's Contribution reserve <i>HK\$</i>	Exchange reserve <i>HK\$</i>	Accumulated deficit <i>HK\$</i>	Total <i>HK\$</i>
At 1 April 2010	53,535,926	2,382,000	85,844,959	329,928,202	-	10,208,590	(412,699,852)	69,199,825
Loss for the period	-	-	-	-	-	-	(20,089,981)	(20,089,981)
Exchange difference arising on translation of foreign operation	-	-	-	-	-	(256,349)	-	(256,349)
Total comprehensive expense for the period	-	-	-	-	-	(256,349)	(20,089,981)	(20,346,330)
Reclassification of exchange reserve on a liquidated jointly controlled entity	-	-	-	-	-	(11,287,650)	11,287,650	-
At 30 September 2010	<u>53,535,926</u>	<u>2,382,000</u>	<u>85,844,959</u>	<u>329,928,202</u>	<u>-</u>	<u>(1,335,409)</u>	<u>(421,502,183)</u>	<u>48,853,495</u>
At 1 April 2011	53,535,926	2,382,000	85,844,959	329,928,202	63,579,244	-	(370,924,972)	164,345,359
Profit and total comprehensive income for the period	-	-	-	-	-	-	31,512,141	31,512,141
At 30 September 2011	<u>53,535,926</u>	<u>2,382,000</u>	<u>85,844,959</u>	<u>329,928,202</u>	<u>63,579,244</u>	<u>-</u>	<u>(339,412,831)</u>	<u>195,857,500</u>

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**Interim Report 2011-2012****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS***FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2011*

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>(Unaudited)</b>	
	<b>2011</b>	2010
	<b>HK\$</b>	<b>HK\$</b>
NET CASH (USED IN) GENERATED FROM OPERATING ACTIVITIES	<b>(3,055,889)</b>	874,152
INVESTING ACTIVITIES		
Interest received on bank deposits	<b>20</b>	5,673
Dividend income from available-for-sale investments	<b>123,077</b>	-
Increase in pledged bank deposits	<b>(5,299,536)</b>	-
Advances to an associate	-	(21,733,266)
Proceed from deregistration of a jointly controlled entity	-	5,830,717
NET CASH USED IN INVESTING ACTIVITIES	<b>(5,176,439)</b>	(15,896,876)
FINANCING ACTIVITIES		
Advances from related companies	<b>620,572</b>	15,765,606
Interest paid	<b>(206,238)</b>	(104,736)
New bank loan raised	<b>60,000,000</b>	-
Repayment of bank loan	<b>(500,000)</b>	-
Increase in bank overdrafts	-	109,544
NET CASH FROM FINANCING ACTIVITIES	<b>59,914,334</b>	15,770,414
NET INCREASE IN CASH AND CASH EQUIVALENTS	<b>51,682,006</b>	747,690
CASH AND CASH EQUIVALENTS AT 1 APRIL	<b>1,715,280</b>	6,361,727
EFFECT ON FOREIGN EXCHANGE RATE CHANGES	-	9,998
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER, Represented by bank balances and cash	<b>53,397,286</b>	7,119,415

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### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2011

#### 1. Basis of preparation and principal accounting policies

The unaudited 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 (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and with Hong Kong Accounting Standard ("HKAS") 34 *Interim Financial Reporting*.

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

The accounting policies, presentation and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2011 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2011 except as described below.

In the current interim period, the Group has applied, for the first time, the following new or revised standards and interpretations ("new or revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"):

- *Improvements to HKFRSs* issued in 2010
- HKAS 24 (as revised in 2009) *Related Party Disclosure*
- Amendments to HK(IFRIC)-Int 14 *Prepayments of a Minimum Funding Requirement*
- HK (IFRIC)-Int 19 *Extinguishing Financial Liabilities with Equity Instruments*

The application of the above new or revised HKFRSs in 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.

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 have been issued after the date the consolidated financial statements for the year ended 31 March 2011 were authorised for issuance and are not yet effective:

HKFRS 10	Consolidated Financial Statements <sup>1</sup>
HKFRS 11	Joint Arrangements <sup>1</sup>
HKFRS 12	Disclosure of Interests in Other Entities <sup>1</sup>
HKFRS 13	Fair Value Measurement <sup>1</sup>
HKAS 27 (as revised in 2011)	Separate Financial Statements <sup>1</sup>
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures <sup>1</sup>

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

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### 1. Basis of preparation and principal accounting policies *(Continued)*

Excluding HKFRS 13, if the Group chooses to apply any of the other five new or revised standards early, it must apply all five at the same time. The Directors of the Company are in the process of assessing the impact on the results and the financial position of the Group. However, it is not practicable to provide a reasonable estimate of the effect until a detailed review has been completed.

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.

### 2. Segment information

The CODM, being the Chairman of the Group, reviews the consolidated statement of comprehensive income of the Group as a whole and focuses the review on the Group's profit or loss for the period as well as share of results of associates for purposes of resource allocation and performance assessment. Further, the CODM does not review segment assets and liabilities. Accordingly, no segment analysis is presented other than entity-wide disclosures.

#### *Geographical information*

The Group's operations are located in Hong Kong and the People's Republic of China (the "PRC").

Revenue, which was also turnover of the Group, represented the amounts received or receivable of management fee income for the period. During the six months ended 30 September 2010, the Group's revenue was solely arisen from rendering management services to a customer, Nanjing Dingshan Garden Hotel Co., Ltd., which was located in the PRC.

At the end of the reporting period, the Group's non-current assets of HK\$400,259,207 (31 March 2011: HK\$360,366,289) are located in Hong Kong.

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### 3. Profit (loss) before taxation

Profit (loss) before taxation has been arrived at after charging (crediting):

	Six months ended 30 September (Unaudited)	
	2011 HK\$	2010 HK\$
Auditor's remuneration		
– Current year	200,000	250,000
– Overprovision in prior years	(54,785)	–
Depreciation for property, plant and equipment	107,082	110,000
Fair value adjustment of non-current interest-free amounts due to related companies	–	(557,154)
Gain from changes in fair value of rental guarantee	(390,548)	–
Interest income	(20)	(652,690)
Net exchange gain	–	(656,136)
Rental income on properties held for sales	–	(983,281)
Interest on bank borrowings	206,238	99,736
Imputed interest expenses on		
– Amounts due to related companies	1,482,483	557,154
– Deferred consideration payable to a related company	3,601,439	–
Staff Costs (included in cost of sales and administrative expenses)		
– Salaries and other benefits	885,587	2,423,445
– Retirement benefits scheme contributions	19,658	38,600
	<b>905,245</b>	<b>2,462,045</b>

### 4. Taxation

No provision for Hong Kong Profits Tax has been made in the condensed consolidated financial statements as the Group has no assessable profits for the period. Overseas taxes, if any, have been calculated at the rate of taxation prevailing in the respective jurisdictions in which the Group operates.

A deferred tax asset has not been recognised in the condensed consolidated financial statements of the Group in respect of tax losses available to offset future taxable profits as it is not certain that the losses will be utilized in the foreseeable future.



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## Interim Report 2011-2012

### 5. Dividends

No dividends were paid, declared or proposed during the reporting period. The Directors do not recommend the payment of an interim dividend.

### 6. Basic earnings (loss) per share

The calculation of basic earnings (loss) per share is based on the profit attributable to the owners of the Company for the period of HK\$31,512,141 (2010: loss of HK\$20,089,981) and on 535,359,258 (2010: 535,359,258) ordinary shares in issue during the period.

### 7. Investment property

**HK\$**

FAIR VALUE

At 1 April 2011

**360,000,000**

Change in fair value recognised in profit or loss

**40,000,000**

At 30 September 2011

**400,000,000**

The Group's investment property ("Property") as at 30 September 2011 were fair valued by Vigers Appraisal and Consulting Limited, an independent qualified professional valuer, not connected with the Company. Vigers Appraisal and Consulting Limited has appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The Property has been valued on market value basis, which conforms to Hong Kong Institute of Surveyors Valuation Standards on Properties. The valuation was arrived at by reference to comparable market transactions for similar properties. The resulting increase in fair value of the Property of HK\$40,000,000 has been recognised directly in profit or loss for the six months ended 30 September 2011 (2010: Nil).

The Group's Property is situated in Hong Kong and held on a medium-term lease to earn rentals or for capital appreciation.

### 8. Available-for-sale investments

An impairment loss of HK\$436,300 (2010: Nil) was recognised in respect of the available-for-sale investments during the six months ended 30 September 2011 after a review of the recoverable amount of these investments by management.

As at 30 September 2011, the management expected to realise the available-for-sale investments within twelve months after the end of the reporting period, and hence, the investments are classified as current assets for reporting purpose.

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### 9. Secured bank loan

During the current interim period, the Group drew down new bank loan amounting to HK\$60,000,000. The loan carries interest at variable market rates of 1.94% per annum and is repayable in equal monthly instalments over a period of 20 years.

### 10. Share capital

	<b>Number of ordinary shares of HK\$0.10 each</b>	<b>Nominal value HK\$</b>
<i>Authorised:</i>	<u>8,500,000,000</u>	<u>850,000,000</u>
<i>Issued and fully paid:</i>		
At 1 April 2011 and 30 September 2011	<u>535,359,258</u>	<u>53,535,926</u>

### 11. Related party transactions

(a) Apart from the amounts due to related companies as disclosed on the condensed consolidated statement of financial position, during the reporting period, the Group entered into following significant transactions with related companies:

	<b>An associate</b>		<b>Related companies</b>	
	<b>Six months ended</b>		<b>Six months ended</b>	
	<b>30 September</b>		<b>30 September</b>	
	<b>(Unaudited)</b>		<b>(Unaudited)</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>	<b>HK\$</b>
Management fee income received from	<u>-</u>	<u>917,496</u>	<u>-</u>	<u>-</u>
Interest income received from	<u>-</u>	<u>647,014</u>	<u>-</u>	<u>-</u>
Guaranteed rental income from	<u>-</u>	<u>-</u>	<u>1,596,774</u>	<u>-</u>
Building management fee paid to	<u>-</u>	<u>-</u>	<u>66,390</u>	<u>66,390</u>
General expenses paid to	<u>-</u>	<u>-</u>	<u>264,182</u>	<u>225,987</u>

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### 11. Related party transactions *(Continued)*

#### *(a) (Continued)*

A related company whereby the directors of the Company are the family members of directors of that related company provided certain area for the Group to use as the Group's office premises at nil cost.

Certain directors of the related companies are also the Company's directors and two of the directors of a related company are children of one of the Company's directors.

#### *(b) Compensation of key management personnel of the Group*

	<b>Six months ended 30 September (Unaudited)</b>	
	<b>2011</b>	2010
	<b>HK\$</b>	HK\$
Salaries and other short-term benefits	<b>512,940</b>	498,000

### 12. Major non-cash transaction

During the current reporting period, the guaranteed rental of HK\$1,596,774 received from a related company was settled through the current account with this company.

### 13. Charges on assets

As at 30 September 2011, the Group's investment property and certain bank deposits were pledged to a bank to secure banking facilities granted to the Group.

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## Interim Report 2011-2012

### BUSINESS REVIEW & OUTLOOK

For the six months ended 30 September 2011, the Group's total comprehensive income amounted to HK\$31.5 million, which exhibited a favourable turnaround from the total comprehensive expense of HK\$20.3 million recorded for the same period prior year. The improvement was principally due to the increase in the fair value of the Group's investment property.

As at 30 September 2011, the investment property of the Group was valued at HK\$400 million (31 March 2011: HK\$360 million) by an independent professional valuator. A gain of HK\$40 million (2010: Nil) in fair value was recognised in the condensed consolidated statement of comprehensive income during the period.

The rental guarantee (the "Guarantee") was granted by related companies of the Group pursuant to the terms (the "Terms") of the acquisition carried out by the Group in January 2011, details of which were stated in the circular published by the Group on 14 December 2010. During the period, the Group has received rental guarantee amount of HK\$1.5 million (2010: Nil). The Guarantee was fully discharged in accordance with the Terms in July 2011. Upon expiration of the Guarantee, the Group recognised a gain from fair value change of the Guarantee of HK\$0.4 million (2010: Nil).

The Group's investment property is situated in a prime location in Hong Kong Central Business District. During the period under review, commercial property sector, particularly top-grade commercial properties, in Hong Kong continued to be robust and both the prices and rental rates remained strong. Although the Group's investment property remains vacant, the management believes that the Group can maximise returns to its shareholders by careful selection of quality tenants and leasing the property at fair market consideration. The Group has held a number of marketing activities to attract good quality tenants. The management may also explore alternatives that may better deploy the investment property. In the meantime, the management is also exploring other opportunities with a view to expanding the Group's investment activities.

Regarding the Group's other principal business of provision of management service. No revenue was derived during the period (2010: HK\$0.9 million) since the management agreement with the Group's sole customer was not renewed after its expiration in January 2011.

Administrative expenses for the period amounted to HK\$2.1 million, representing a 60% year-on-year decrease (2010: HK\$5.3 million). The drop is mainly due to the non-recurring legal and professional fees incurred for the group reorganisation exercises carried out in 2010 whilst no such expenses were charged for current period. In addition, the Group had implemented measures for tightening costs and reducing expenditure, which has also contributed to the lower administrative expenses.

Finance costs for the period totalled HK\$5.3 million (2010: HK\$0.7 million). This was due to the imputed interest expenses on amounts due to related companies and on the deferred consideration payable to a related company based on an effective interest rate of 5% per annum.

In order to preserve financial resources for future expansion and operation of the Group, the Board did not recommend the payment of an interim dividend for the period (2010: Nil).

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### LIQUIDITY AND FINANCIAL POSITION

The Group's daily operation activities were financed by internal resources. The Group's equity as at 30 September 2011 was approximately HK\$195.9 million as compared to approximately HK\$164.3 million as at 31 March 2011.

In order to meet repayment of commitments falling due in 2012, the Group secured banking facilities in the period in the amount of HK\$190 million. Part of these facilities had been drawn down and as a result, the Group's bank borrowings at 30 September 2011 stood at HK\$59.5 million (31 March 2011: Nil). The Group's bank balances (including pledged deposits) and cash also grew to HK\$58.7 million (31 March 2011: HK\$1.7 million).

In order to maintain sufficient liquidity for the Group's operations, undrawn banking facilities of HK\$130 million were maintained as at 30 September 2011 (31 March 2011: Nil). As these facilities are on short term uncommitted basis, the Group has commenced negotiation with relevant lenders for arrangement of long-term committed banking facilities.

The financial position of the Group remained healthy. The gearing ratio, represented by the ratio of total bank borrowings to total assets, was 13% (31 March 2011: Nil).

All borrowings of the Group and the majority of its income and expenditure are dominated in Hong Kong Dollars. Hence the Group's exposure to fluctuations in the exchange rate is considered to be minimal and there is seldom the need to make use of financial instruments for hedging purposes.

As at 30 September 2011, the Group had net current liabilities of HK\$204.4 million (31 March 2011: net current assets of HK\$2.4 million). With a view to further strengthening the Group's financial position, the Company intends to proceed with some future funding plans, including but not limited to arranging new long-term debt finance, when the market circumstances are considered appropriate. In the opinion of the directors of the Company, the Group should be able to continue as a going concern in the coming year.

### CHARGES ON ASSETS

The Group has pledged its investment property and certain bank deposits to secure banking facilities granted to the Group as at 30 September 2011 (31 March 2011: Nil).

### CONTINGENT LIABILITIES

At the end of the reporting period, the Group did not have any significant contingent liabilities (31 March 2011: Nil).

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### EMPLOYEES

As at 30 September 2011, the total number of employees in the Group was 4 (31 March 2011: 4).

The Group reviews remuneration packages from time to time and adjustments are made when necessary. In addition to monthly salary, other staff benefits include contributions to retirement benefit scheme and medical insurance scheme.

### DIRECTORS' INTERESTS IN SHARES

As at 30 September 2011, the interests of the directors and their associates in the shares, underlying shares and convertible loan notes of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

#### Long Positions – Ordinary shares of HK\$0.10 each of the Company

Name of director	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
Mr. Wong Kin Wah, George	Beneficial owner	2,000,000	0.4%
	Held by controlled corporation (Notes 1 & 2)	391,674,138	73.2%
Mr. Hwang Yiou Hwa, Victor	Held by controlled corporation (Note 2)	393,674,138	73.6%
		293,674,138	54.9%
Mr. Hwang Yiu Hwa, Richard	Held by controlled corporation (Note 2)	293,674,138	54.9%
		293,674,138	54.9%
Mr. Hwang Teh Hwa, Tony	Held by controlled corporation (Note 2)	293,674,138	54.9%
		6,000	0.001%
Mr. Lam Kin Ming, Lawrence	Beneficial owner		

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### DIRECTORS' INTERESTS IN SHARES *(Continued)*

#### Long Positions – Ordinary shares of HK\$0.10 each of the Company *(Continued)*

Notes:

1. 98,000,000 shares were held by High Return Trading Limited and in which Mr. Wong Kin Wah, George was deemed to have interests since he was entitled to exercise more than one-third of the voting power at the general meetings of High Return Trading Limited. This interest has also been disclosed under the section headed "SUBSTANTIAL SHAREHOLDERS".
2. Messrs. Wong Kin Wah, George, Hwang Yiu Hwa, Victor, Hwang Yiu Hwa, Richard and Hwang Teh Hwa, Tony are directors and shareholders of Kompass International Limited which owned 293,674,138 shares in the Company. This interest has also been disclosed under the section headed "SUBSTANTIAL SHAREHOLDERS".

Other than as disclosed above, none of the directors, chief executives nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as at 30 September 2011.

At no time during the six months ended 30 September 2011 was the Company, its subsidiaries, its ultimate holding company or any subsidiaries of its ultimate holding company a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### SUBSTANTIAL SHAREHOLDERS

As at 30 September 2011, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the Securities and Future Ordinance shows that other than the interests disclosed above in respect of certain directors, the following shareholders had notified the Company of relevant interests in the issued share capital of the Company.

#### Long Positions – Ordinary shares of HK\$0.10 each of the Company

Name of shareholder	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
Kompass International Limited	Beneficial owner	293,674,138 <i>(Note)</i>	54.9%
High Return Trading Limited	Beneficial owner	98,000,000 <i>(Note)</i>	18.3%
Multi-Power International Limited	Beneficial owner	40,000,000	7.47%
Mr. Huang Jianquan	Beneficial owner	40,000,000	7.47%

*Note:* These shares represented the same parcel of shares as disclosed above under "DIRECTORS' INTERESTS IN SHARES".

Other than as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 30 September 2011.

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# **THE HONG KONG PARKVIEW GROUP LTD.**

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## **Interim Report 2011-2012**

### **AUDIT COMMITTEE**

The Audit Committee, comprising of three Independent Non-executive Directors, has reviewed with management the accounting principles and standard practices adopted by the Group and discussed auditing, internal control and financial reporting matters including review of the unaudited interim results for the six months ended 30 September 2011.

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

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

### **COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES**

The Company is committed to maintaining a high standard of corporate governance within a sensible framework with an emphasis on the principles of transparency, accountability and independence. The Board of Directors of the Company (the "Board") considers that the Company has complied with the code provisions as set out in the Code of Corporate Governance Practices (the "Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 30 September 2011.

The Board will review the corporate governance structure and practices from time to time and shall make necessary arrangements when the Board considers appropriate.



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# THE HONG KONG PARKVIEW GROUP LTD.

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## Interim Report 2011-2012

### COMPLIANCE WITH THE MODEL CODE SET OUT IN APPENDIX 10 OF THE LISTING RULES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its code of conduct regarding directors' securities transactions. Having made specific enquiry of all Directors, all Directors have complied with the required standard set out in the Model Code and its code of conduct regarding directors' securities transactions throughout the six months ended 30 September 2011.

On behalf of the Board  
**Wong Kin Wah, George**  
*Chairman*

Hong Kong, 21 November 2011

*As at the date of this report, the Board comprises Mr. Wong Kin Wah, George, Mr. Hwang Yiu Hwa, Victor, Mr. Hwang Yiu Hwa, Richard and Mr. Hwang Teh Hwa, Tony as Executive Directors and Mr. Lau Hon Chuen, Ambrose, G.B.S., J.P., Mr. Lam Kin Ming, Lawrence and Mr. Wu Kwok Cheung, MH as Independent Non-executive Directors.*

僑福建設企業機構

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