

VXL CAPITAL LIMITED

卓越金融有限公司

(Stock Code 股份代號 : 727)

VXL

Interim Report 中期報告 2011/2012

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Corporate Information 公司資料

BOARD OF DIRECTORS

Executive Directors

Datuk LIM Chee Wah

(Chairman, Group President and Group Chief Executive Officer)

Mr. XIAO Huan Wei

Independent Non-executive Directors

Mr. Alan Howard SMITH, J.P.

Dr. Allen LEE Peng Fei, J.P.

Mr. David YU Hon To

EXECUTIVE COMMITTEE

Datuk LIM Chee Wah *(Chairman)*

Mr. XIAO Huan Wei

AUDIT COMMITTEE

Mr. David YU Hon To *(Chairman)*

Mr. Alan Howard SMITH, J.P.

Dr. Allen LEE Peng Fei, J.P.

REMUNERATION, QUALITY AND NOMINATION COMMITTEE

Dr. Allen LEE Peng Fei, J.P. *(Chairman)*

Datuk LIM Chee Wah

Mr. Alan Howard SMITH, J.P.

Mr. David YU Hon To

COMPANY SECRETARY

Ms. LIM Yi Ping

董事會

執行董事

拿督林致華

(主席·集團總裁及集團行政總裁)

肖煥偉先生

獨立非執行董事

史亞倫太平紳士

李鵬飛博士太平紳士

俞漢度先生

執行委員會

拿督林致華 *(主席)*

肖煥偉先生

審核委員會

俞漢度先生 *(主席)*

史亞倫太平紳士

李鵬飛博士太平紳士

薪酬、素質及提名委員會

李鵬飛博士太平紳士 *(主席)*

拿督林致華

史亞倫太平紳士

俞漢度先生

公司秘書

林憶萍小姐

Corporate Information (Continued) 公司資料 (續)

REGISTERED OFFICE

Room 603A, 6th Floor
Empire Centre
No. 68 Mody Road
Tsim Sha Tsui East
Kowloon, Hong Kong

註冊辦事處

香港九龍
尖沙咀東
麼地道六十八號
帝國中心
六樓六零三A室

SHARE REGISTRARS AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-16, 17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

股份過戶登記處

香港中央證券登記有限公司
香港
灣仔
皇后大道東一百八十三號
合和中心十七樓一七一二至一六室

AUDITOR

PricewaterhouseCoopers
22nd Floor, Prince's Building
Central
Hong Kong

核數師

羅兵咸永道會計師事務所
香港
中環
太子大廈二十二樓

PRINCIPAL BANKERS

Bank of China Limited
The Hongkong and Shanghai Banking Corporation Limited
China Merchants Bank Co., Limited

主要往來銀行

中國銀行股份有限公司
香港上海滙豐銀行有限公司
招商銀行股份有限公司

LISTING INFORMATION

The Stock Exchange of Hong Kong Limited
Ordinary Shares (Stock Code: 727)

上市資料

香港聯合交易所有限公司
普通股 (股份代號: 727)

WEBSITES

VXL Capital Limited
<http://www.vxlcapital.com>

U-Inn Hotels
<http://www.uinns.cn>

網址

卓越金融有限公司
<http://www.vxlcapital.com>

卓安酒店
<http://www.uinns.cn>

Directors' Commentaries

董事討論

FINANCIAL PERFORMANCE REVIEW

Interim Dividend

The Board has resolved not to declare an interim dividend for the six months ended 30 September 2011 (2010: Nil).

Turnover

The Group's turnover for this 6-months period ended 30 September 2011 ("1H-2012") of HK\$2.2 million (1H-2011: HK\$2.2 million) comprised mainly hotel rental, and food and beverage revenue, contributed by the Group's first operating hotel located in Xiangfan, Hubei Province.

Staff costs

Staff costs have decreased significantly during this period due to continued cost control measures undertaken by the management coupled with a decrease in operating activities in line with the Group's re-positioning of its strategies.

Other operating expenses

A majority of other operating expenses, such as rental and rates, depreciation and utilities, are fixed or semi-fixed. The management will, at appropriate time, implement measures to control and/or reduce these costs. During this period under review, these costs have decreased from HK\$19.6 million to HK\$16.3 million mainly due to reduced rental fee.

Finance costs

The Group has obtained further loan from its principal shareholder in 6 months period ended 30 September 2010. This has resulted in an increase in finance costs from HK\$19.9 million to HK\$24.8 million during this period.

Net loss after tax

The Group recorded a net loss after tax of HK\$39.0 million (2010: HK\$46.4 million), the component changes of which were discussed above.

財務表現回顧

中期股息

董事會決議不宣派截至二零一一年九月三十日止六個月之中期股息(二零一零年:無)。

營業額

本集團截至二零一一年九月三十日止六個月期間(「二零一二年上半年」)之營業額為2,200,000港元(二零一一年上半年:2,200,000港元),主要包括酒店租金及餐飲收益。該等收益源自本集團位於湖北省襄樊市首間開業之營運酒店。

僱員成本

僱員成本於本期間大幅減少,乃由於管理層持續實施成本控制措施及配合本集團重新部署其策略而減少經營活動所致。

其他經營開支

其他經營開支(如租金及差餉、折舊及公用開支)大部分屬固定或半固定性質。管理層將於適當時間推行措施以控制及/或減少該等成本。於本回顧期間,該等成本由19,600,000港元減少至16,300,000港元,主要由於租金費用減少所致。

融資成本

本集團於截至二零一零年九月三十日止六個月進一步取得其主要股東之貸款,導致融資成本於本期間由19,900,000港元增加至24,800,000港元。

除稅後虧損淨額

本集團錄得除稅後虧損淨額39,000,000港元(二零一零年:46,400,000港元),其變動情況已於上文論述。

Directors' Commentaries (Continued)

董事討論 (續)

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group maintained total bank and cash balances of HK\$79.4 million as of 30 September 2011. Cash deposits have been placed with major banks in Hong Kong and the People Republic of China ("PRC") in the form of United States dollar, Hong Kong dollar and Renminbi deposits.

As of 30 September 2011, the Group had amount due to ultimate holding company and other loans totaling HK\$437.5 million due within one year, and obligations under finance leases of HK\$0.9 million maturing within 2 years.

The Group's gearing ratio is measured on the basis of the Group's total interest-bearing debts net of cash reserves over the total equity (including non-controlling interest). As of 30 September 2011, the gearing ratio has increased to 508.1% (31 March 2011: 333.2%). The proceeds from the sale of a hotel property in Yilong and Langzhong, Sichuan Province, have been fully received. Moreover, as announced on 22 September 2011, the net proceeds from disposal of 5% equity holding of Moral High Limited are estimated to be approximately HK\$52.2 million. Together with the continuous financial support from the principal shareholder, the management is confident that the Group is able to meet its obligations.

As of 30 September 2011, the Group's recorded a total shareholders' deficit of HK\$52.7 million. The board of directors is considering various proposals with a view to improving the situation.

流動資金、財務資源及資本架構

本集團於二零一一年九月三十日之總銀行及現金結餘為79,400,000港元。現金存款以美元、港元及人民幣存款形式存放於香港及中華人民共和國（「中國」）多家大型銀行。

於二零一一年九月三十日，本集團應付最終控股公司之款項及其他貸款合共437,500,000港元（須於一年內償還），而融資租賃承擔為900,000港元（於兩年內到期）。

本集團之資產負債比率按本集團之計息債務總額減去現金儲備之差額除以權益總額（包括非控股權益）計算。於二零一一年九月三十日，資產負債比率增加至508.1%（二零一一年三月三十一日：333.2%）。出售四川省儀隴縣及閬中市酒店物業之所得款項已全數收訖。此外，如二零一一年九月二十二日所公告，出售德高有限公司5%股權之所得款項淨額估計約為52,200,000港元。加上得到主要股東持續提供財務支援，管理層深信本集團能應付其債務。

於二零一一年九月三十日，本集團錄得股東虧絀合共52,700,000港元。董事會現正考慮多項可改善現況之建議。

Directors' Commentaries (Continued)

董事討論 (續)

SUBSEQUENT EVENT

On 21 September 2011, Daily Right Limited, a wholly owned subsidiary of the Group entered into the Sale and Purchase Agreement with Skybird International Limited to sell 5% equity holding of Moral High Limited at a consideration of HK\$53.8 million. The gain of the disposal (before expenses) was approximately of HK\$22.4 million.

On 23 November 2011, "U" Inns & Hotel (Sichuan) Limited* (你的客棧酒店(四川)有限公司), a wholly owned subsidiary of the Group, entered into the Sales and Purchase agreement with Renshou Jingshengjing Property Development Co., Limited* (仁壽縣景聖景房地產開發有限責任公司) and Sichuan Xiangdongfang Investment Group Co., Limited* (四川省向東方投資集團有限公司) to sell Renshou and Suining property respectively at a total consideration of RMB33.37 million (equivalent to approximately HK\$40.94 million). The gain of the disposal was approximately of HK\$1.41 million and HK\$1.84 million for Renshou property and Suining property respectively.

LITIGATION

- (a) On 4 October 2011, the Company received notice that a claim (the "Former CEO Claim") has been filed in the Labour Tribunal against it by a former chief executive officer of the Company (the "Former CEO") for a total sum of HK\$30,000,000, which was the alleged discretionary bonus owed by the Company to the Former CEO. The Company intends to vigorously dispute allegations made in the Former CEO Claim. Further details relating to the Former CEO Claim were disclosed in the announcement of the Company dated 6 October 2011.
- (b) On 17 May 2011, VXL Management Services Limited ("VXLMSL"), a wholly-owned subsidiary of the Company, as plaintiff issued a writ of summons (the "Writ") in Hong Kong against Shanghai Huayang Saili Enterprise Development Co., Ltd.* (上海華揚賽利實業發展有限公司) ("Huayang") in respect of a claim (the "Huayang Claim") for an overdue loan in the amount of RMB10 million and the interest accrued thereon owed by Huayang to VXLMSL. The Writ was subsequently served on Huayang by the PRC Court on 10 August 2011. On 30 August 2011, the lawyers acting on behalf of Huayang indicated that it intends to contest the proceedings.

* For identification purpose only

報告期後事項

於二零一一年九月二十一日，本集團之全資附屬公司日正有限公司與天鵬國際有限公司訂立買賣協議，出售德高有限公司之5%股權，代價為53,800,000港元。出售盈利（扣除開支前）約為22,400,000港元。

於二零一一年十一月二十三日，本集團之全資附屬公司你的客棧酒店(四川)有限公司分別與仁壽縣景聖景房地產開發有限責任公司及四川省向東方投資集團有限公司訂立買賣協議，分別售出仁壽物業及遂寧物業，代價合共為人民幣33,370,000元（相等於約40,940,000港元）。出售仁壽物業及遂寧物業之盈利分別約為1,410,000港元及1,840,000港元。

訴訟

- (a) 於二零一一年十月四日，本公司接獲通知，內容為本公司前行政總裁（「前行政總裁」）入稟勞資審裁處向本公司提出涉款合共30,000,000港元之索償（「前行政總裁索償」）。其指稱本公司欠付前行政總裁酌情花紅。本公司擬就前行政總裁索償中作出之指稱提出強力抗辯。有關前行政總裁索償之進一步詳情已於本公司日期為二零一一年十月六日之公告內披露。
- (b) 於二零一一年五月十七日，本公司之全資附屬公司卓越管理服務有限公司（「卓越管理服務」，作為原告）於香港對上海華揚賽利實業發展有限公司（「華揚」）發出傳訊令狀（「令狀」），內容有關就華揚欠付卓越管理服務之逾期貸款人民幣10,000,000元及其應計利息提出之索償（「華揚索償」）。中國法院隨後於二零一一年八月十日向華揚發出令狀。於二零一一年八月三十日，華揚之代表律師表示，其擬就法律訴訟提出抗辯。

* 僅供識別

Directors' Commentaries (Continued) 董事討論 (續)

BUSINESS REVIEW AND CORPORATE DEVELOPMENT

The Group currently owns a total of 14 properties in its portfolio and maintains its strategies of developing them into budget hotels or commercial offices for leasing or sale, or, when appropriate, outright sale. The Group's operating hotel which is located in Xiangfan, Hubei Province contributed total revenue of HK\$4.4 million for the year ended 31 March 2011.

The renovation of the Group's property in Yingkou, Liaoning Province was completed in June 2011. Citic Bank, which is a lessee of several lower floors of the building, soft-opened on 1 July 2011. The remaining floors are being marketed for leasing and sale.

The management has identified another property for conversion into commercial usage and is in the course of finalising its execution plan.

PROSPECTS

The Group will continue to be engaged in property and hotel investments and the Directors believe that such strategies are rightly placed to avail the Group of the developing trend of tourism in the PRC. The Group will also continue its efforts to add value to its assets by seeking appropriate joint ventures or partnership with companies in the hospitality, tourism and property industries or companies with investment interest in these industries.

業務回顧及企業發展

本集團目前擁有之物業組合中共有14項物業，本集團秉承其一貫策略，將該等物業發展為經濟型酒店或商用辦公樓，供租賃或銷售或（在適當時機下）全面出售。本集團位於湖北省襄樊市之營運酒店於截至二零一一年三月三十一日止年度貢獻收益合共4,400,000港元。

本集團位於遼寧省營口市之物業之翻新工程已於二零一一年六月完成。該大樓若干低層樓層之承租人中信銀行已於二零一一年七月一日開幕試業。餘下樓層將推出作租賃及銷售用途。

管理層已識別出另一項物業改作商業用途，現正落實其執行計劃。

展望

本集團將繼續從事物業及酒店投資，董事相信，該等策略正好使其於中國旅遊業之發展勢頭中受惠。此外，本集團亦將繼續致力透過尋求與從事酒店、旅遊及物業行業或有意投資於該等行業之公司建立合適之合營公司或合作夥伴關係，為其資產增值。

Condensed Consolidated Statement of Comprehensive Income (Unaudited)

簡明綜合全面收益表 (未經審核)

For the six months ended 30 September 2011 截至二零一一年九月三十日止六個月

		Unaudited 未經審核	
		Six months ended 30 September 截至九月三十日止六個月	
		2011 二零一一年	2010 二零一零年
		HK\$'000 千港元	HK\$'000 千港元
	Note 附註		
Turnover	5	2,148	2,195
Other gain		6,911	–
Staff costs		(7,020)	(9,097)
Other operating expenses		(16,296)	(19,679)
Operating loss	6	(14,257)	(26,581)
Finance income		58	88
Finance costs		(24,835)	(19,958)
Loss before taxation		(39,034)	(46,451)
Taxation charge	7	(1)	(1)
Loss for the period		(39,035)	(46,452)
Other comprehensive income/(loss):			
Movement in financial assets			
– available-for-sales		(844)	–
Currency translation differences		14,129	8,075
Other comprehensive income for the period		13,285	8,075
Total comprehensive income/(loss) for the period		(25,750)	(38,377)
Loss attributable to equity holders of the Company		(39,035)	(46,452)
Total comprehensive income/(loss) attributable to equity holders of the Company		(25,750)	(38,377)
		HK\$ Cents 港仙	HK\$ Cents 港仙
Basic and diluted earnings/(loss) per ordinary share	8	(2.55)	(3.04)

The notes on pages 13 to 39 form an integral part of these unaudited condensed consolidated financial information.

第13頁至第39頁之附註屬本未經審核簡明綜合財務資料之一部分。

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 September 2011 於二零一一年九月三十日

		(Unaudited)	(Audited)
		(未經審核)	(經審核)
		30 September	31 March
		2011	2011
		二零一一年	二零一一年
		九月三十日	三月三十一日
	Note	HK\$'000	HK\$'000
	附註	千港元	千港元
Non-current assets			
Property, plant and equipment	9	253,929	255,302
Land use rights	9	79,388	82,762
Construction in progress		13,922	8,549
Available-for-sale financial assets		1,128	33,339
Receivables, prepayments and deposits	10	110,434	106,912
		458,801	486,864
Current assets			
Receivables, prepayments and deposits	10	27,496	28,805
Bank balances and cash		79,426	96,350
Amount due from related companies		–	21
		106,922	125,176
Assets held for sale	11	31,111	19,463
		138,033	144,639
Current liabilities			
Payables and accruals	12	62,556	93,115
Liability component of compound financial instrument	13	18,850	18,850
Borrowings	14	438,171	416,980
		519,577	528,945
Net current liabilities		(381,544)	(384,306)
Total assets less current liabilities		77,257	102,558

Condensed Consolidated Statement of Financial Position (Continued)

簡明綜合財務狀況表 (續)

As at 30 September 2011 於二零一一年九月三十日

			(Unaudited) (未經審核)	(Audited) (經審核)
			30 September 2011 二零一一年 九月三十日	31 March 2011 二零一一年 三月三十一日
	Note 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Non-current liabilities				
Liability component of compound financial instrument				
	13	6,334		5,569
Borrowings	14	270		586
		6,604		6,155
Net assets		70,653		96,403
EQUITY				
Share capital		15,296		15,296
Reserves		(68,007)		(42,257)
Total shareholders' deficit		(52,711)		(26,961)
Non-controlling interest		123,364		123,364
Total equity		70,653		96,403

The notes on pages 13 to 39 form an integral part of these unaudited condensed consolidated financial information.

第13頁至第39頁之附註屬本未經審核簡明綜合財務資料之一部分。

Condensed Consolidated Statement of Changes in Equity (Unaudited)

簡明綜合權益變動表 (未經審核)

For the six months ended 30 September 2011 截至二零一一年九月三十日止六個月

		Attributable to equity holders of the Company 本公司權益持有人應佔						Total	Non-controlling interest	Total equity
		Share capital	Share premium	Available-for-sale financial assets	Employee share-based compensation reserve	Exchange reserve	Accumulated losses			
		股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	可供出售金融資產 儲備 HK\$'000 千港元	以股份支付之雇員 補償儲備 HK\$'000 千港元	匯兌儲備 HK\$'000 千港元	累計虧損 HK\$'000 千港元	總額 HK\$'000 千港元	非控股權益 HK\$'000 千港元	權益總額 HK\$'000 千港元
As at 1 April 2010	於二零一零年四月一日	15,296	152,049	404	5,781	18,436	(169,857)	22,109	123,364	145,473
Loss for the period	期內虧損	-	-	-	-	-	(46,452)	(46,452)	-	(46,452)
Other comprehensive income/(loss):	其他全面收入/(虧損):									
Currency translation differences	外幣換算差額	-	-	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	期內全面收入/(虧損)總額	-	-	-	-	-	(46,452)	(46,452)	-	(46,452)
Employee share option benefits	僱員購股權福利	-	-	-	(258)	-	-	(258)	-	(258)
Transfer to accumulated losses upon lapse of share options	於購股權失效時轉撥至累計虧損	-	-	-	(1,184)	-	1,184	-	-	-
As at 30 September 2010	於二零一零年九月三十日	15,296	152,049	404	4,339	26,511	(215,125)	(16,526)	123,364	106,838
As at 1 April 2011	於二零一一年四月一日	15,296	152,049	521	3,431	35,924	(234,182)	(26,961)	123,364	96,403
Loss for the period	期內虧損	-	-	-	-	-	(39,035)	(39,035)	-	(39,035)
Other comprehensive income:	其他全面收入:									
Currency translation differences	外幣換算差額	-	-	-	-	-	-	-	-	-
Movement in available for sale financial assets reserve	可供出售金融資產儲備之變動	-	-	(844)	-	14,129	-	14,129	-	14,129
Total comprehensive income/(loss) for the period	期內全面收入/(虧損)總額	-	-	(844)	-	14,129	(39,035)	(25,750)	-	(25,750)
Employee share option benefits	僱員購股權福利	-	-	-	-	-	-	-	-	-
Transfer to accumulated losses upon lapse of share options	於購股權失效時轉撥至累計虧損	-	-	-	(844)	-	844	-	-	-
As at 30 September 2011	於二零一一年九月三十日	15,296	152,049	(823)	2,587	50,053	(272,373)	(52,711)	123,364	70,653

The notes on pages 13 to 39 form an integral part of these unaudited condensed consolidated financial information. 第13頁至第39頁之附註屬本未經審核簡明綜合財務資料之一部分。

Condensed Consolidated Cash Flow Statement (Unaudited)

簡明綜合現金流量表 (未經審核)

For the six months ended 30 September 2011 截至二零一一年九月三十日止六個月

		Six months ended 30 September 截至九月三十日止六個月	
		2011 二零一一年	2010 二零一零年
		HK\$'000 千港元	HK\$'000 千港元
	Note 附註		
Net cash used in operating activities	經營活動所用現金淨額	(46,743)	(10,145)
Net cash from/(used in) investing activities	投資活動所得／(所用) 現金淨額	33,518	(3,413)
Net cash (used in)/from financing activities	融資活動(所用)／所得 現金淨額	(3,441)	55,670
Net (decrease)/increase in cash and cash equivalents	現金及現金等值物 (減少)／增加淨額	(16,666)	42,112
Cash and cash equivalents at 1 April	於四月一日之現金及 現金等值物	96,350	35,659
Effect of foreign exchange rate changes	匯率變動之影響	(258)	675
Cash and cash equivalents at 30 September	於九月三十日之現金及 現金等值物	79,426	78,446
Analysis of balances of cash and cash equivalents	現金及現金等值物 結餘分析		
Bank balances and cash	銀行結餘及現金	79,426	78,446

The notes on pages 13 to 39 form an integral part of these unaudited condensed consolidated financial information.

第13頁至第39頁之附註屬本未經審核簡明綜合財務資料之一部分。

Notes to the Unaudited Condensed Consolidated Financial Information

未經審核簡明綜合財務資料附註

1. GENERAL INFORMATION

The Group is engaged in hotel investment and operations and property investment.

The Directors consider the immediate and ultimate holding company to be VXL Capital Partners Corporation Limited (“VXLCPL”) which is incorporated in the British Virgin Islands.

The unaudited condensed consolidated financial information was approved for issue by the board of directors (the “Board”) of the Company on 30 November 2011.

2. BASIS OF PREPARATION

This unaudited condensed consolidated financial information for the six months ended 30 September 2011 are prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting”.

The unaudited condensed consolidated financial information should be read in conjunction with the financial statements for the year ended 31 March 2011, which had been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

The unaudited condensed consolidated financial information has been prepared under the historical cost convention, except as modified by the revaluation of the available-for-sale financial assets.

1. 一般資料

本集團之業務為酒店投資及營運以及物業投資。

董事認為於英屬處女群島註冊成立之VXL Capital Partners Corporation Limited (「VXLCPL」)為直接及最終控股公司。

本未經審核簡明綜合財務資料經本公司董事會(「董事會」)於二零一一年十一月三十日批准刊發。

2. 編製基準

此等截至二零一一年九月三十日止六個月之未經審核簡明綜合財務資料乃根據《香港會計準則》(「香港會計準則」)第34號「中期財務報告」編製。

此等未經審核簡明綜合財務資料應與根據《香港財務報告準則》(「香港財務報告準則」)編製之截至二零一一年三月三十一日止年度財務報表一併參閱。

此等未經審核簡明綜合財務資料乃根據歷史成本法編製，並就重估可供出售金融資產作出修訂。

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

2. BASIS OF PREPARATION (Continued)

For the 6-months period ended 30 September 2011, the Group had a loss of HK\$39,035,000 (2010: HK\$46,452,000). At 30 September 2011, the Group had net current liabilities of HK\$381,544,000 (31 March 2011: HK\$384,306,000) and shareholders' deficit of HK\$52,711,000 (31 March 2011: HK\$26,961,000). Its current liabilities mainly consist of short-term borrowings and the outstanding payments for acquisition of budget hotels. Subsequent to the period end, management has obtained agreements from lender to extend the repayment of certain short-term borrowings totaling HK\$386.0 million. Furthermore, the Group has been working for realizing certain assets that the Group considers appropriate and advantageous to dispose of. The management is confident that by executing its plans, the Group is able to meet its obligations. Moreover, the ultimate holding company of the Company, VXLCP, has confirmed its intention to provide sufficient financial support to the Group so as to enable the Group to meet all its liabilities and obligations as and when they fall due and to enable the Group to continue its business for the foreseeable future. Accordingly, the directors are of the opinion that it is appropriate to prepare the financial statements on a going concern basis.

3. ACCOUNTING POLICIES

The accounting policies used in this unaudited condensed consolidated financial information are consistent with those of the annual financial statements for the year ended 31 March 2011.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

2. 編製基準 (續)

於截至二零一一年九月三十日止六個月期間，本集團錄得虧損39,035,000港元（二零一零年：46,452,000港元）。於二零一一年九月三十日，本集團有流動負債淨額381,544,000港元（二零一一年三月三十一日：384,306,000港元）及股東虧絀52,711,000港元（二零一一年三月三十一日：26,961,000港元）。其流動負債主要包括短期借款及收購經濟型酒店之尚未償還款項。於本期間結算日後，管理層獲貸款人同意將總額386,000,000港元之若干短期借款還款期延長。此外，本集團一直著力變現本集團認為適合出售及有利可圖之若干資產。管理層有信心於推行其計劃後，本集團有能力應付債務。再者，本公司之最終控股公司VXLCP已確認其有意向本集團提供足夠財務支持，以令本集團足以應付到期之所有負債及債務，並令本集團於可預見將來繼續經營其業務。因此，董事認為按持續經營基準編製財務報表屬適當。

3. 會計政策

此等未經審核簡明綜合財務資料所採用之會計政策與截至二零一一年三月三十一日止年度之年度財務報表所採用者一致。

中期期間之所得稅乃以適用於預期全年溢利總額之稅率計算。

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

3. ACCOUNTING POLICIES (Continued)

The Group has adopted the following new/revised HKFRS effective 1 April 2011:

- HKFRSs (Amendment) Improvement to HKFRSs 2010
- HKAS 24 (Revised) Related Party Disclosures
- HK(IFRIC) – Int 14 Prepayments of a Minimum Funding Requirement
- HK(IFRIC) – Int 19 Extinguishing Financial Liabilities with Equity Instruments

The adoption of these new/revised HKFRS has no significant impact on the Group's financial statements.

3. 會計政策 (續)

本集團已採納下列於二零一一年四月一日生效之新訂／經修訂香港財務報告準則：

- 香港財務報告準則 (修訂本) 二零一零年對香港財務報告準則之改進
- 香港會計準則第24號 (經修訂) 關連人士披露
- 香港 (國際財務報告詮釋委員會) – 詮釋第14號最低資金規定之預付款項
- 香港 (國際財務報告詮釋委員會) – 詮釋第19號以股權工具抵銷金融負債

採納該等新訂／經修訂香港財務報告準則不會對本集團之財務報表造成重大影響。

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

4. FINANCIAL RISK MANAGEMENT

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: foreign exchange risk, price risk, credit risk, liquidity risk and interest rate risk.

The interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 March 2011.

There have been no changes in the risk management activities since year end or in any risk management policies.

(a) Foreign exchange risk

The Group's monetary assets, liabilities and transactions are principally denominated in Hong Kong dollars ("HK dollars"), United States dollars ("US dollars") and Renminbi ("RMB"). The Group is exposed to foreign exchange risk arising from its investments which are located in the PRC. Considering that the exchange rate between HK dollars and US dollars is pegged, and that RMB is appreciating, the Group believes its downside foreign exchange risk is minimal. The Group does not use any derivative financial instruments to hedge its foreign exchange risk.

4. 財務風險管理

4.1 財務風險因素

本集團經營活動面對各種財務風險：外匯風險、價格風險、信貸風險、流動資金風險以及利率風險。

中期簡明綜合財務報表並無載列年度財務報表中規定之所有財務風險管理資料及披露事項，並應與本集團於二零一一年三月三十一日之年度財務報表一併閱覽。

自年末以來，風險管理活動或任何風險管理政策概無任何變動。

(a) 外匯風險

本集團貨幣資產、負債及交易皆主要以港元（「港元」）、美元（「美元」）及人民幣（「人民幣」）計值。本集團承受位於中國之投資所產生之外匯風險。鑒於港元兌美元匯率掛鈎，而人民幣持續升值，本集團認為其所承受之外匯下跌風險不大。本集團並無使用任何衍生財務工具對沖其外匯風險。

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

4. FINANCIAL RISK MANAGEMENT (Continued)

4. 財務風險管理 (續)

4.1 Financial risk factors (Continued)

4.1 財務風險因素 (續)

(a) Foreign exchange risk (Continued)

(a) 外匯風險 (續)

As at 30 September 2011, if RMB had strengthened/weakened by 10% against HK dollars, with all other variables held constant, post-tax loss for the period would have been HK\$925,000 (period ended 30 September 2010: HK\$1,460,000) higher/lower respectively. The movement in the profit or loss relates mainly as a result of foreign exchange gain/losses on translation of RMB denominated trade and other receivables and trade and other payables, that affect revenues and other income and costs.

於二零一一年九月三十日，倘人民幣兌港元升值／貶值10%，而所有其他變數保持不變，期內除稅後虧損將分別增加／減少925,000港元（截至二零一零年九月三十日止期間：1,460,000港元）。損益之變動主要源於換算人民幣計值之貿易應收賬款及其他應收款項以及貿易應付賬款及其他應付款項所產生之匯兌盈利／虧損，對收益及其他收入及成本產生影響。

For the translation risk as at 30 September 2011, if RMB had strengthened/weakened by 10% against HK dollars, with all other variables held constant, total equity would have been HK\$41,517,000 (year ended 31 March 2011: HK\$38,364,000) higher/lower respectively.

就於二零一一年九月三十日之匯兌風險而言，倘人民幣兌港元升值／貶值10%，而所有其他變數保持不變，權益總額將分別增加／減少41,517,000港元（截至二零一一年三月三十一日止年度：38,364,000港元）。

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

4. FINANCIAL RISK MANAGEMENT (Continued)

4.1 Financial risk factors (Continued)

(b) Liquidity risk

The Group maintains liquidity by a number of sources including shareholder's loan, orderly realisation of short-term financial assets, receivables and certain other short term assets that the Group considers appropriate and advantageous to dispose of. Equity and other long term financing including strategic partnerships, or strategic joint ventures are also considered by the Group in its capital structuring. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of the Group's available cash and other interest-bearing loans. The ultimate holding company of the Company, VXL CPL, has confirmed its intention to provide sufficient financial support to the Group so as to enable the Group to meet all its liabilities and obligations as and when they fall due and to enable the Group to continue its business for the foreseeable future.

The Group monitors rolling forecasts of its liquidity reserve which comprises borrowing facilities and cash and cash equivalents on the basis of expected cash flow.

4. 財務風險管理 (續)

4.1 財務風險因素 (續)

(b) 流動資金風險

本集團透過一系列方式(包括股東貸款、在本集團認為適合出售及有利可圖之情況下有序變現短期金融資產、應收款項及若干其他短期資產)維持流動資金。本集團亦會同時考慮將股權及其他長期融資(包括策略性夥伴關係或策略性合營公司)納入其資本架構內。本集團之目標為透過使用本集團之可動用現金及其他計息貸款,在資金延續性與靈活性之間維持平衡。本公司之最終控股公司VXL CPL已確認其有意向本集團提供足夠財務支持,以令本集團足以應付到期之所有負債及債務,並令本集團於可預見將來繼續經營其業務。

本集團根據預期現金流量,監控其流動資金儲備之滾存預測,流動資金儲備包括借款額度及現金及現金等值物。

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

4. FINANCIAL RISK MANAGEMENT (Continued)

4.2 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

4. 財務風險管理 (續)

4.2 公平值之估計

下表乃按公平值列賬之財務工具按估值方法進行之分析。不同層級界定如下：

- 相同資產或負債於活躍市場之報價 (未經調整) (第一級)；
- 除第一級所計及的報價外有關資產或負債之輸入變數可直接 (即作為價格) 或間接 (即衍生自價格) 觀測而得 (第二級)；及
- 有關資產或負債之輸入變數並非基於可觀測市場數據 (即不可觀測輸入變數) (第三級)。

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

4. FINANCIAL RISK MANAGEMENT (Continued)

4.2 Fair value estimation (Continued)

The following table presents the Group's assets and liabilities that are measured at fair value at 30 September 2011:

		Level 1	Level 2	Level 3	Total
		第一級	第二級	第三級	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Assets	資產				
Available-for-sale financial assets	可供出售金融資產				
– club debentures	– 會所債券	–	1,128	–	1,128
30 September 2011	二零一一年 九月三十日	–	1,128	–	1,128
Assets	資產				
Available-for-sale financial assets	可供出售金融資產				
– club debentures	– 會所債券	–	2,228	–	2,228
31 March 2011	二零一一年 三月三十一日	–	2,228	–	2,228

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

於活躍市場買賣之財務工具之公平值乃按於報告日之市場報價釐定。倘交易所、交易商、經紀、行業組織、報價公司或監管當局可隨時及定時報價，則有關市場被視為活躍，而有關價格反映按公平基準實際及經常進行之市場交易。

4. 財務風險管理 (續)

4.2 公平值之估計 (續)

下表載列於二零一一年九月三十日本集團按公平值計量之資產及負債：

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註(續)

4. FINANCIAL RISK MANAGEMENT (Continued)

4.2 Fair value estimation (Continued)

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- Other techniques, such as inputs from recent arm's length transaction or discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

There were no significant transfers of financial assets between level 1 and level 2 fair value hierarchy classifications.

There was no carrying value of the level 3 instruments for the period ended 30 September 2011 as the balance was measured at cost for the period.

The Group transferred an unlisted investment from financial assets though profit or loss to available for sale financial assets in 31 March 2011 financial year which was valued at cost due to fair value of such investment cannot be measured reliably. As at 30 September 2011, the above balance had been transferred to "Assets held for sale" since the sales agreement was signed on 21 September 2011. This transaction is expected to be completed at the end of November 2011.

4. 財務風險管理(續)

4.2 公平值之估計(續)

並無於活躍市場買賣之財務工具公平值乃使用估值方法釐定。該等估值方法儘量利用於可觀測市場取得之數據，並儘量減少依賴實體獨有估計。倘釐定工具公平值之重大輸入變數均可觀測，則該工具歸入第二級。

倘一項或多項重大輸入變數並非基於可觀測市場數據，則該工具歸入第三級。

為財務工具估值所使用之特定估值方法包括：

- 類似工具之市場報價或交易商報價；
- 使用其他方法(包括近期公平交易之輸入變數或現金流量貼現分析)釐定其餘財務工具之公平值。

第一級與第二級公平值分類層級之間並無重大金融資產轉撥。

由於截至二零一一年九月三十日止期間第三級工具之賬面值結餘乃按成本值計量，故期內並無第三級工具之賬面值。

於截至二零一一年三月三十一日止財政年度，本集團從透過損益列賬之金融資產中將一項非上市投資轉撥至可供出售金融資產。該項投資由於公平值無法可靠計量，故按成本值計值。由於在二零一一年九月二十一日簽署出售協議，故此已於二零一一年九月三十日將上述結餘轉撥至「持作出售之資產」。是項交易預期於二零一一年十一月底完成。

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

5. TURNOVER AND SEGMENT INFORMATION

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the chief operating decision maker, namely the executive directors, for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are principally engaged in (i) hotel investment and operations and (ii) property investment.

The Group's operating business are structured and managed separately, according to the nature of their operations and the services they provide. Each of the Group's business segments represents a strategic business unit which is subject to risks and returns that are different from those of other business segments. Summarized details of the business segments are as follows:

- a) the hotel investment and operations segment is engaged in hotel investment and hotel operations;
- b) the property investment segment is investment in properties; and
- c) the unallocated segment comprises operations other than those specified in (a) to (b) above and includes that of the corporate office.

Capital expenditures comprise additions to property, plant and equipment (Note 9) and construction in progress. Segment assets consist primarily of property, plant and equipment, land use rights, construction in progress, and receivables. Segment liabilities comprise borrowings and operating liabilities. Unallocated assets and liabilities mainly represent assets and liabilities used by the corporate office, which cannot be allocated on a reasonable basis to any segment. They include items such as corporate borrowings.

5. 營業額及分部資料

本集團基於定期向主要營運決策人(即執行董事)報告之內部財務資料識別營運分部及編製分部資料,而該等內部財務資料乃供執行董事就向本集團之業務組成部分分配資源作出決策及審閱該等組成部分之表現。向執行董事報告之內部財務資料內之業務組成部分主要為(i)酒店投資及營運及(ii)物業投資。

本集團之營運業務乃根據經營性質及所提供服務而分開籌劃及管理。本集團之業務分部各自為一個策略性業務單位,其所承受風險及所得回報有別於其他業務分部。業務分部之詳情概述如下:

- a) 酒店投資及營運分部為從事酒店投資及酒店營運;
- b) 物業投資分部為從事物業投資;及
- c) 未分配項目分部為上文(a)至(b)項所述以外之業務,包括本集團辦事處業務。

資本開支包括物業、機器及設備之添置(附註9)及在建工程。分部資產主要由物業、機器及設備、土地使用權、在建工程及應收款項組成。分部負債包括借款及經營負債。未分配資產及負債主要指由本集團辦事處使用且難以按合理基準分配到任何分部之資產及負債,包括企業借款等項目。

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

5. TURNOVER AND SEGMENT INFORMATION (Continued)

The segment results, depreciation and amortization, and capital expenditures for the 6-months period ended 30 September 2011 and 2010 are as follows:

5. 營業額及分部資料 (續)

截至二零一一年及二零一零年九月三十日止六個月期間之分部業績、折舊及攤銷以及資本開支如下：

		Property investment	Hotel investment & operations	Unallocated	The Group
		物業投資 HK\$'000 千港元	酒店投資 及營運 HK\$'000 千港元	未分配項目 HK\$'000 千港元	本集團 HK\$'000 千港元
Six months ended 30 September 2011	截至二零一一年九月 三十日止六個月				
Segment revenue	分部收益				
Sales to external customers	對外客戶銷售	-	2,148	-	2,148
Segment results	分部業績	(1,681)	(12,968)		(14,649)
Gain on disposal of subsidiary & properties	出售附屬公司及 物業之盈利	-	5,734	1,177	6,911
Finance income	財務收入	-	58	-	58
Unallocated income and expenses (net)	未分配收入及 開支(淨額)				(6,519)
Finance costs	融資成本	-	(12,931)	(11,904)	(24,835)
Loss before taxation	除稅前虧損				(39,034)
Taxation	稅項				(1)
Loss for the period	期內虧損				(39,035)
Other segment information	其他分部資料				
Depreciation and amortization	折舊及攤銷	-	3,510	392	3,902
Capital expenditures	資本開支				
- Property, plant and equipment	- 物業、機器及設備	-	359	-	359
- Construction in progress	- 在建工程	-	5,373	-	5,373

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

5. TURNOVER AND SEGMENT INFORMATION (Continued)

5. 營業額及分部資料 (續)

		Property investment 物業投資 HK\$'000 千港元	Hotel investment & operations 酒店投資及營運 HK\$'000 千港元	Unallocated 未分配項目 HK\$'000 千港元	The Group 本集團 HK\$'000 千港元
Six months ended 30 September 2010	截至二零一零年九月 三十日止六個月				
Segment revenue	分部收益				
Sales to external customers	對外客戶銷售	-	2,195	-	2,195
Segment results	分部業績	(1,821)	(10,929)		(12,750)
Financial income	財務收入	-	27	61	88
Unallocated income and expenses (net)	未分配收入及 開支 (淨額)				(13,831)
Finance costs	融資成本	(3,536)	(6,647)	(9,775)	(19,958)
Loss before taxation	除稅前虧損				(46,451)
Taxation	稅項				(1)
Loss for the period	期內虧損				(46,452)
Other segment information	其他分部資料				
Depreciation and amortization	折舊及攤銷	-	3,411	418	3,829
Capital expenditures	資本開支				
- Property, plant and equipment	- 物業、機器及設備	-	11,925	222	12,147
- Construction in progress	- 在建工程	-	353	-	353

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

5. TURNOVER AND SEGMENT INFORMATION (Continued)

5. 營業額及分部資料 (續)

The segment assets and liabilities as at 30 September 2011 and 31 March 2011 are as follows:

於二零一一年九月三十日及二零一一年三月三十一日，分部資產及負債載列如下：

		Property investment 物業投資 HK\$'000 千港元	Hotel investment & operations 酒店投資及 營運 HK\$'000 千港元	Total for reportable segments 可報告 分部總額 HK\$'000 千港元	Unallocated 未分配項目 HK\$'000 千港元	The Group 本集團 HK\$'000 千港元
As at 30 September 2011	於二零一一年 九月三十日					
Segment assets	分部資產	48,585	459,404	507,989	9,419	517,408
Bank balances and cash	銀行結餘及現金	10	60,640	60,650	18,776	79,426
Total assets	資產總值	48,595	520,044	568,639	28,195	596,834
Segment liabilities	分部負債	10,920	62,322	73,242	15,391	88,633
Other loans	其他貸款	-	51,520	51,520	-	51,520
Amount due to ultimate holding company	應付最終控股公司款項	4,009	137,855	141,864	244,164	386,028
Total liabilities	負債總額	14,929	251,697	266,626	259,555	526,181
As at 31 March 2011	於二零一一年 三月三十一日					
Segment assets	分部資產	48,547	473,867	522,414	12,739	535,153
Bank balances and cash	銀行結餘及現金	10	72,371	72,381	23,969	96,350
Total assets	資產總值	48,557	546,238	594,795	36,708	631,503
Segment liabilities	分部負債	9,243	93,405	102,648	16,079	118,727
Other loans	其他貸款	-	49,261	49,261	-	49,261
Amount due to ultimate holding company	應付最終控股公司款項	4,009	131,489	135,498	231,614	367,112
Total liabilities	負債總額	13,252	274,155	287,407	247,693	535,100

Note: Segment assets grouped in property investment segment including an available for sale financial assets and receivable from such unlisted investment.

附註：歸入物業投資分部之分部資產包括可供出售金融資產及有關此非上市投資之應收款項。

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

5. TURNOVER AND SEGMENT INFORMATION (Continued)

Additional disclosures on segment information by geographical location are shown below:

The Group's businesses operate in Hong Kong and the PRC. The segment revenue for the 6-months period ended 30 September 2011 and 2010 and non-current assets as at 30 September 2011 and 31 March 2011 based on geographical area are as follows:

		Six months ended 30 September 截至九月三十日止六個月	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Revenue	收益		
Hong Kong	香港	-	-
PRC	中國	2,148	2,195
		2,148	2,195
		30 September 2011 二零一一年 九月三十日 HK\$'000 千港元	31 March 2011 二零一一年 三月三十一日 HK\$'000 千港元
Non-current assets	非流動資產		
Hong Kong	香港	11,583	13,030
PRC	中國	447,218	473,834
		458,801	486,864

Revenue is categorized based on the jurisdiction in which the customers are located, non-current assets are categorized based on where the assets are located.

5. 營業額及分部資料 (續)

按地區劃分之附加分部披露資料載列如下：

本集團於香港及中國經營業務。本集團截至二零一一年及二零一零年九月三十日止六個月期間按地區劃分之分部收益以及於二零一一年九月三十日及二零一零年三月三十一日按地區劃分之非流動資產載列如下：

收益按客戶所在司法權區進行分類，非流動資產按資產所在地進行分類。

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

6. OPERATING LOSS

6. 經營虧損

		Six months ended 30 September 截至九月三十日止六個月	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Operating loss is arrived at after (crediting)/charging:	計算經營虧損時已(計入)/ 扣除:		
Depreciation and amortization	折舊及攤銷	3,902	3,829
Gain on disposal of property, plant and equipment and land use rights	出售物業、機器及設備以及 土地使用權之盈利	(6,911)	-
Exchange loss	匯兌虧損	1,198	481
Operating leases – land and building	經營租賃 – 土地及樓宇	1,984	6,338

7. TAXATION

No provision for Hong Kong profits tax (FY 2010: Nil) has been made for the year as the Group has no assessable profit for the year. Taxation on PRC profits has been calculated on the estimated assessable profit for the year at the rates of taxation in the PRC.

The amount of taxation charged to the consolidated statement of comprehensive income represents:

7. 稅項

由於本集團於本年度並無應課稅溢利，故於年內並無就香港利得稅計提撥備(二零一零年財政年度：無)。中國溢利之稅項已根據中國之稅率就估計之年內應課稅溢利計算。

綜合全面收益表內已扣除之稅項金額指：

		Six months ended 30 September 截至九月三十日止六個月	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Current tax	即期稅項	1	1

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

8. BASIC AND DILUTED EARNINGS/(LOSS) PER ORDINARY SHARE

Basic earnings/(loss) per ordinary share are calculated by dividing the Group's loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

8. 每股普通股基本及攤薄溢利／(虧損)

每股普通股基本溢利／(虧損)乃以期內本公司權益持有人應佔本集團虧損除以已發行普通股之加權平均數計算。

		Six months ended 30 September 截至九月三十日止六個月	
		2011 二零一一年	2010 二零一零年
Loss attributable to the equity holders of the Company, HK\$'000	本公司權益持有人應佔虧損， 千港元	(39,035)	(46,452)
Weighted average number of ordinary shares in issue	已發行普通股之加權平均數	1,529,600,200	1,529,600,200
Basic earnings/(loss) per share, HK cents	每股基本溢利／(虧損)，港仙	<u>(2.55)</u>	<u>(3.04)</u>

Diluted earnings/(loss) per ordinary share is calculated by adjusting the weighted average number of ordinary shares to assume conversion of all dilutive potential ordinary shares. The conversion of all potential ordinary shares arising from share options would have an anti-dilutive effect on the earnings/(loss) per ordinary share for the 6-months period ended 30 September 2011.

每股普通股攤薄溢利／(虧損)乃於假設所有具潛在攤薄影響之普通股獲兌換後，透過調整普通股之加權平均數計算。兌換因購股權而產生之所有潛在普通股會對截至二零一一年九月三十日止六個月期間之每股普通股溢利／(虧損)造成反攤薄影響。

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

9. PROPERTY, PLANT AND EQUIPMENT AND LAND USE RIGHTS

9. 物業、機器及設備以及土地 使用權

		Property, plant and equipment 物業、機器 及設備 HK\$'000 千港元	Land use rights 土地 使用權 HK\$'000 千港元
Six months ended 30 September 2011	截至二零一一年 九月三十日止六個月		
Opening net book value as at 1 April 2011	於二零一一年四月一日之 期初賬面淨值	255,302	82,762
Additions	添置	359	2,016
Disposals	出售	(7,168)	(6,727)
Depreciation and amortization	折舊及攤銷	(2,600)	(1,302)
Exchange difference	匯兌差額	8,036	2,639
Closing net book value as at 30 September 2011	於二零一一年九月三十日之 期終賬面淨值	253,929	79,388
Six months ended 30 September 2010	截至二零一零年 九月三十日止六個月		
Opening net book value as at 1 April 2010	於二零一零年四月一日之 期初賬面淨值	229,590	79,790
Additions	添置	12,147	–
Reclassified as assets held for sale	重新分類為持作出售之資產	(12,070)	(7,713)
Depreciation and amortization	折舊及攤銷	(2,709)	(1,120)
Exchange difference	匯兌差額	4,321	1,440
Closing net book value as at 30 September 2010	於二零一零年九月三十日之 期終賬面淨值	231,279	72,397

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

10. RECEIVABLES, PREPAYMENTS AND DEPOSITS

10. 應收款項、預付款項及按金

		30 September 2011 二零一一年 九月三十日 HK\$'000 千港元	31 March 2011 二零一一年 三月三十一日 HK\$'000 千港元
Non-current	非即期		
Deposits for acquisition of hotel properties	收購酒店物業之按金	110,434	106,912
		<u>110,434</u>	<u>106,912</u>
Current	即期		
Trade receivables	貿易應收賬款	134	215
Other receivables	其他應收款項	20,312	18,894
Other prepayments and deposits	其他預付款項及按金	7,050	9,696
		<u>27,496</u>	<u>28,805</u>
Less: provision for impairment	減：減值撥備	-	-
		<u>27,496</u>	<u>28,805</u>
		<u>137,930</u>	<u>135,717</u>

Note: The ageing analysis of the trade receivables is as follows:

附註：貿易應收賬款之賬齡分析如下：

		30 September 2011 二零一一年 九月三十日 HK\$'000 千港元	31 March 2011 二零一一年 三月三十一日 HK\$'000 千港元
Within 1 month	一個月內	118	103
Between 1 and 3 months	一至三個月	16	112
		<u>134</u>	<u>215</u>

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

11. ASSETS HELD FOR SALE

On 21 September 2011, Daily Right Limited, a wholly-owned subsidiary of the Company, entered into an agreement with a third party, agreed to dispose its 5% equity interest in Moral High Limited, at a consideration of approximately RMB43.8 million (equivalent approximately HK\$53.8 million). The said available for sales financial assets will realize on completion, a gain on disposal (before expense) of approximately HK\$22.4 million. The transaction was completed in November 2011.

Since the transactions was completed after the reporting date, the carrying amounts of the available for sales was reclassified as “Assets held for sale” in accordance with HKFRS 5 “Non-current Assets Held for Sale and Discontinued Operations”.

11. 持作出售之資產

於二零一一年九月二十一日，本公司之全資附屬公司日正有限公司與一名第三方訂立一項協議，同意出售德高有限公司股本權益之5%，代價約為人民幣43,800,000元（相等於約53,800,000港元）。上述可供出售金融資產將於完成時變現，產生出售盈利（扣除開支前）約22,400,000港元。該項交易已於二零一一年十一月完成。

由於有關交易已於報告日後完成，此可供出售項目之賬面值已根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」重新分類為「持作出售之資產」。

		As at 30 September 2011 於二零一一年 九月三十日 HK\$'000 千港元	As at 31 March 2011 於二零一一年 三月三十一日 HK\$'000 千港元
Property, plant and equipment	物業、機器及設備	–	13,566
Land use right	土地使用權	–	5,897
Available for sale financial assets	可供出售金融資產	31,111	–
		31,111	19,463

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

12. PAYABLES AND ACCRUALS

12. 應付款項及應計項目

		30 September 2011 二零一一年 九月三十日 HK\$'000 千港元	31 March 2011 二零一一年 三月三十一日 HK\$'000 千港元
Trade payables	貿易應付賬款	95	222
Property acquisition cost payable	應付物業收購成本	2,770	2,681
Provision for bonus (Note a)	花紅撥備 (附註a)	6,400	6,400
Accrued expenses for transaction of hotel properties	酒店物業交易之應計費用	29,200	37,315
Other payables and accruals	其他應付款項及應計項目	24,091	23,202
Temporary receipts for return of properties & sales of properties	退還物業及銷售物業之預收款	-	23,295
		62,556	93,115

Note a: As disclosed in Litigation (Note 19) below, the Group has made a bonus provision of HK\$6.4 million in respect of the case set out under Note 19(a).

附註a：如下文訴訟(附註19)所披露，本集團已就附註19(a)所載之案件作出6,400,000港元之花紅撥備。

13. ISSUE OF PREFERRED SHARES BY A SUBSIDIARY

On 28 October 2009, "U" Inns & Hotels Holding Limited ("UIHHL") has entered into a subscription agreement where UIHHL agreed to issue and the subscriber, an independent third party, agreed to subscribe for 2,590 Series A preferred shares ("Preferred Shares") at a total subscription price of HK\$145.0 million based on a subscription price of HK\$55,984.55 per preferred share. The subscription price was partially set off against the loans by the subscriber to the Group of HK\$70.0 million, and the remaining HK\$75.0 million was settled in cash. Subscription was completed on 1 November 2009.

13. 附屬公司發行優先股

於二零零九年十月二十八日，你的客棧酒店控股有限公司(「你的客棧控股」)訂立一項認購協議，據此，你的客棧控股同意發行及認購人(獨立第三方)同意認購2,590股A系列優先股(「優先股」)，根據認購價每股優先股55,984.55港元計算，總認購價為145,000,000港元。認購價部分以認購人借予本集團之貸款70,000,000港元抵銷，而餘額75,000,000港元則以現金清付。認購事項已於二零零九年十一月一日完成。

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

13. ISSUE OF PREFERRED SHARES BY A SUBSIDIARY (Continued)

The Preferred Shares are convertible into 2,590 common shares ("Common Shares"), representing 25.9% of the issued Common Shares of UIHHL upon conversion of the Preferred Shares. Holders of the Preferred Shares are entitled to a preferred return of 6% per annum prior to the conversion of the Preferred Shares. Holders of the Preferred Shares shall convert the Preferred Shares into Common Shares at the ratio of one Preferred Share to one Common Share at the latest three years from the date of issue of the Preferred Shares.

Details of the issuance of Preferred Shares can be referred to the Company's announcements dated 27 October 2009 and 29 October 2009. No conversion has been made during the period.

The Preferred Shares are compound financial instrument which is separated into two components: a liability component and an equity component. The liability component was recognized as the discounted value of the preferred return payable during the three years period from the issuance of Preferred Shares until the last date of conversion into Common Shares. Interest expense was calculated using the effective interest method by applying the effective interest rate of 10% to the liability component. The equity component was residual value of the proceeds from the issuance of Preferred Shares less the liability component.

13. 附屬公司發行優先股 (續)

優先股可轉換為2,590股普通股(「普通股」),相當於優先股獲轉換時你的客棧控股已發行普通股之25.9%。優先股持有人有權於優先股獲轉換前享有每年6%之優先回報。優先股持有人最遲須於優先股發行當日起計三年內,按一股優先股換為一股普通股之比例,將優先股轉換為普通股。

發行優先股之詳情可參閱本公司於二零零九年十月二十七日及二零零九年十月二十九日刊發之公告。期內並無進行轉換。

優先股為複合財務工具,分為兩部分:負債部分及權益部分。負債部分按優先股發行至轉換為普通股之最後日期三年期間應付之優先回報之折現值確認。利息支出按實際利率法對負債部分採用實際利率10%計算。權益部分為優先股發行所得款項減負債部分之餘值。

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

13. ISSUE OF PREFERRED SHARES BY A SUBSIDIARY (Continued)

The liability component is presented as “Liability components of compound financial instrument” in the consolidated statement of financial position. The equity component is presented as “Non-controlling interest” in the statement of changes in equity.

13. 附屬公司發行優先股 (續)

負債部分列作綜合財務狀況表內之「複合財務工具之負債部分」。權益部分列作權益變動表內之「非控股權益」。

		2011 二零一一年 HK\$'000 千港元
Proceeds of issue	發行所得款項	145,000
Liability component	負債部分	(21,636)
Equity component	權益部分	123,364
Liability component at date of issue	於發行當日之負債部分	22,525
Interest expenses for the year ended 31 March 2011	截至二零一一年三月三十一日止年度之 利息支出	1,894
Liability component at 31 March 2011	於二零一一年三月三十一日之負債部分	24,419
Interest expenses for the six months period ended 30 September 2011	截至二零一一年九月三十日止六個月 期間之利息支出	765
Liability component at 30 September 2011	於二零一一年九月三十日之負債部分	25,184

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

13. ISSUE OF PREFERRED SHARES BY A SUBSIDIARY (Continued)

The Group's liability components of compound financial instruments were repayable as follows:

		30 September 2011 二零一一年 九月三十日 HK\$'000 千港元	31 March 2011 二零一一年 三月三十一日 HK\$'000 千港元
Within 1 year – current portion	一年內 – 即期部分	18,850	18,850
Between 1 and 5 years – non-current portion	一至五年內 – 非即期部分	6,334	5,569
		25,184	24,419

13. 附屬公司發行優先股 (續)

本集團複合財務工具之負債部分須償還如下：

14. BORROWINGS

		30 September 2011 二零一一年 九月三十日 HK\$'000 千港元	31 March 2011 二零一一年 三月三十一日 HK\$'000 千港元
Non-current	非即期		
Obligations under finance leases	融資租賃承擔	270	586
		270	586
Current	即期		
Other loans	其他貸款	51,520	49,261
Obligations under finance leases	融資租賃承擔	623	607
Amount due to ultimate holding company	應付最終控股公司款項	386,028	367,112
		438,171	416,980
		438,441	417,566

14. 借款

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

14. BORROWINGS (Continued)

The other loans and amount due to ultimate holding company with effective interest rates ranging from 10% to 15% are repayable within one year at reporting date.

Pursuant to the written agreement with the lender entered into subsequent to 30 September 2011, the repayment period of amounts due to the ultimate holding company of HK\$386.0 million have been deferred for more than one year.

14. 借款 (續)

於報告日，其他貸款及應付最終控股公司款項之實際利率介乎10%至15%，並須於一年內償還。

根據於二零一一年九月三十日後與放款人訂立之書面協議，應付最終控股公司款項386,000,000港元之還款期已延長超過一年。

15. SHARE CAPITAL

15. 股本

		30 September 2011 二零一一年 九月三十日 HK\$'000 千港元	31 March 2011 二零一一年 三月三十一日 HK\$'000 千港元
Authorized:	法定：		
4,000,000,000 ordinary shares of HK\$0.01 each	4,000,000,000股普通股， 每股面值0.01港元	40,000	40,000
Issued and fully paid:	已發行及繳足：		
1,529,600,200 ordinary shares of HK\$0.01 each	1,529,600,200股普通股， 每股面值0.01港元	15,296	15,296

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註(續)

16. OPERATING LEASE COMMITMENT

As at 30 September 2011, the Group had commitments under non-cancelable operating leases in respect of rented premises, which fall due as follows:

		30 September 2011 二零一一年 九月三十日 HK\$'000 千港元	31 March 2011 二零一一年 三月三十一日 HK\$'000 千港元
No later than 1 year	不超逾一年	1,705	2,626
Later than 1 year and not later than 5 years	一年以上但不超逾五年	421	1,223
		2,126	3,849

17. CAPITAL COMMITMENTS

As at 30 September 2011, the Group has commitment in relations to acquisition of hotels to China Post Group, and the outstanding commitment amounted to RMB6.2 million (equivalent to approximately HK\$7.6 million) (31 March 2011: HK\$7.4 million).

Other than those mentioned above, the Group has commitments in respect of refurbishment costs contracted but not provided for HK\$6.7 million and HK\$11.0 million as at 30 September 2011 and 31 March 2011 respectively.

16. 經營租賃承擔

於二零一一年九月三十日，本集團根據不可撤銷經營租賃須按以下年期支付之租賃物業之承擔如下：

		30 September 2011 二零一一年 九月三十日 HK\$'000 千港元	31 March 2011 二零一一年 三月三十一日 HK\$'000 千港元
No later than 1 year	不超逾一年	1,705	2,626
Later than 1 year and not later than 5 years	一年以上但不超逾五年	421	1,223
		2,126	3,849

17. 資本承擔

於二零一一年九月三十日，本集團有關於向中國郵政集團收購酒店之承擔，該應付承擔為人民幣6,200,000元（相等於約7,600,000港元）（二零一一年三月三十一日：7,400,000港元）。

除上述者外，於二零一一年九月三十日及二零一一年三月三十一日，本集團有關翻新成本之已訂約但未撥備之承擔分別為6,700,000港元及11,000,000港元。

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

18. RELATED PARTY TRANSACTIONS

In addition to that as disclosed in Note 14, the following transactions were carried out with related parties during the period:

(a) Interest payments

During the period, the Group has interest expense paid and payable to VXLCP, the ultimate holding company, amounting to HK\$20,330,000 for the loan as disclosed in Note 14 (six months ended 30 September 2010: HK\$15,484,000).

(b) Key management compensation

18. 關聯方交易

除附註14所披露者外，期內與關聯方進行之交易載列如下：

(a) 利息付款

期內，本集團就附註14所披露之貸款已付及應付予最終控股公司VXLCP之利息開支為20,330,000港元（截至二零一零年九月三十日止六個月：15,484,000港元）。

(b) 主要管理層酬金

		Six months ended 30 September 截至九月三十日止六個月	
		2011 二零一一年	2010 二零一零年
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	953	3,311
Employee share option benefits	僱員購股權福利	–	(254)
Pension costs – defined contribution plan	退休金成本 – 定額供款計劃	6	6
		959	3,063

19. LITIGATION

(a) On 4 October 2011, the Company received notice that a claim (the “Former CEO Claim”) has been filed in the Labour Tribunal against it by a former chief executive officer of the Company (the “Former CEO”) for a total sum of HK\$30,000,000, which was the alleged discretionary bonus owed by the Company to the Former CEO. The Company intends to vigorously dispute allegations made in the Former CEO Claim. Further details relating to the Former CEO Claim were disclosed in the announcement of the Company dated 6 October 2011.

19. 訴訟

(a) 於二零一一年十月四日，本公司接獲通知，內容為本公司前行政總裁（「前行政總裁」）入稟勞資審裁處向本公司提出涉款合共30,000,000港元之索償（「前行政總裁索償」）。其指稱本公司欠付前行政總裁酌情花紅。本公司擬就前行政總裁索償中作出之指稱提出強力抗辯。有關前行政總裁索償之進一步詳情已於本公司日期為二零一一年十月六日之公告內披露。

Notes to the Unaudited Condensed Consolidated Financial Information (Continued)

未經審核簡明綜合財務資料附註 (續)

19. LITIGATION (Continued)

(b) On 17 May 2011, VXL Management Services Limited (“VXLMSL”), a wholly-owned subsidiary of the Company, as plaintiff issued a writ of summons (the “Writ”) in Hong Kong against Shanghai Huayang Saili Enterprise Development Co., Ltd.* (上海華揚賽利實業發展有限公司) (“Huayang”) in respect of a claim (the “Huayang Claim”) for an overdue loan in the amount of RMB10 million and the interest accrued thereon owed by Huayang to VXLMSL. The Writ was subsequently served on Huayang by the PRC Court on 10 August 2011. On 30 August 2011, the lawyers acting on behalf of Huayang indicated that it intends to contest the proceedings.

20. SUBSEQUENT EVENT

On 21 September 2011, Daily Right Limited, a wholly owned subsidiary of the Group entered into the Sale and Purchase Agreement with Skybird International Limited to sell 5% equity holding of Moral High Limited at a consideration of HK\$53.8 million. The gain of the disposal (before expenses) was approximately of HK\$22.4 million.

On 23 November 2011, “U” Inns & Hotel (Sichuan) Limited* (你的客棧酒店(四川)有限公司), a wholly owned subsidiary of the Group, entered into the Sales and Purchase agreement with Renshou Jingshengjing Property Development Co., Limited* (仁壽縣景聖景房地產開發有限責任公司) and Sichuan Xiangdongfang Investment Group Co., Limited* (四川省向東方投資集團有限公司) to sell Renshou and Suining property respectively at a total consideration of RMB33.37 million (equivalent to approximately HK\$40.94 million). The gain of the disposal was approximately of HK\$1.41 million and HK\$1.84 million for Renshou property and Suining property respectively.

* For identification purpose only

19. 訴訟 (續)

(b) 於二零一一年五月十七日，本公司之全資附屬公司卓越管理服務有限公司(「卓越管理服務」，作為原告)於香港對上海華揚賽利實業發展有限公司(「華揚」)發出傳訊令狀(「令狀」)，內容有關就華揚欠付卓越管理服務之逾期貸款人民幣10,000,000元及其應計利息提出之索償(「華揚索償」)。中國法院隨後於二零一一年八月十日向華揚發出令狀。於二零一一年八月三十日，華揚之代表律師表示，其擬就法律訴訟提出抗辯。

20. 報告期後事項

於二零一一年九月二十一日，本集團之全資附屬公司日正有限公司與天鵬國際有限公司訂立買賣協議，出售德高有限公司之5%股權，代價為53,800,000港元。出售盈利(扣除開支前)約為22,400,000港元。

於二零一一年十一月二十三日，本集團之全資附屬公司你的客棧酒店(四川)有限公司分別與仁壽縣景聖景房地產開發有限責任公司及四川省向東方投資集團有限公司訂立買賣協議，分別售出仁壽物業及遂寧物業，代價合共為人民幣33,370,000元(相等於約40,940,000港元)。出售仁壽物業及遂寧物業之盈利分別約為1,410,000港元及1,840,000港元。

* 僅供識別

Other Information

其他資料

DISCLOSURE OF INTERESTS

(A) Directors' and Chief Executive's interests in securities

As at 30 September 2011, the interests and short positions of each Director and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which have been 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 in which they have taken or deemed to have taken under such provisions of the SFO), or are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules, to be notified to the Company and the Stock Exchange are as follows:

Long Position in Shares and underlying Shares

Name of Directors	Nature of Interests	Note	Shares/ underlying Shares	Approximate % of issued Shares 佔已發行股份的 概約百分比
董事姓名	權益性質	附註	股份／相關股份	
Datuk LIM Chee Wah ("Datuk LIM") 拿督林致華 (「林拿督」)	Interests in Shares – Corporate Interests 於股份之權益 – 公司權益	1	1,069,308,000	69.9%
	Interests in Share Options – Personal Interests 於購股權之權益 – 個人權益	2	4,400,000	–
			<u>1,073,708,000</u>	

Notes:

- The corporate interests of 1,069,308,000 Shares are held by VXLCP, a company wholly and beneficially owned by Datuk LIM. The interests in 1,069,308,000 Shares comprises 769,308,000 Shares and 300,000,000 Shares which are beneficially owned by VXLCP and Huge More Limited ("Huge More") respectively. Huge More is a wholly-owned subsidiary of VXLCP since 7 May 2010. Datuk LIM is also a director of VXLCP.

權益披露

(A) 董事及行政總裁之證券權益

於二零一一年九月三十日，本公司各董事及行政總裁於本公司及其相聯法團（具有《證券及期貨條例》（「《證券及期貨條例》」）第XV部所賦予之涵義）之股份、相關股份及債權證中擁有須根據《證券及期貨條例》第XV部第七及第八分部知會本公司及聯交所之權益及淡倉（包括根據《證券及期貨條例》有關條文之規定被當作或視為擁有之權益及淡倉），或根據《證券及期貨條例》第三百五十二條規定須記錄於該等條文所述之登記冊之權益及淡倉，或根據《上市規則》所載《上市發行人董事進行證券交易的標準守則》須知會本公司及聯交所之權益及淡倉如下：

股份及相關股份之好倉

Name of Directors	Nature of Interests	Note	Shares/ underlying Shares	Approximate % of issued Shares 佔已發行股份的 概約百分比
董事姓名	權益性質	附註	股份／相關股份	
Datuk LIM Chee Wah ("Datuk LIM") 拿督林致華 (「林拿督」)	Interests in Shares – Corporate Interests 於股份之權益 – 公司權益	1	1,069,308,000	69.9%
	Interests in Share Options – Personal Interests 於購股權之權益 – 個人權益	2	4,400,000	–
			<u>1,073,708,000</u>	

附註：

- 1,069,308,000股股份之公司權益由VXLCP（由林拿督全資實益擁有之公司）持有。該1,069,308,000股股份之權益包括分別由VXLCP及Huge More Limited（「Huge More」）實益擁有之769,308,000股股份及300,000,000股股份。自二零一零年五月七日起，Huge More為VXLCP之全資附屬公司。林拿督亦為VXLCP之董事。

Other Information (Continued) 其他資料 (續)

DISCLOSURE OF INTERESTS (Continued)

(A) Directors' and Chief Executive's interests in securities (Continued)

Long Position in Shares and underlying Shares (Continued)

Notes: (Continued)

- Details of the interests in Share Options are set out separately in the paragraph headed "Interests in Share Options" below.
- All the interests disclosed above represent long position in the shares and underlying shares.

(B) Interests in Share Options of the Company

As at 30 September 2011, details of share options granted to Directors and employees under the Share Option Scheme adopted by the Company at annual general meeting held on 3 June 2005 and outstanding are:-

權益披露 (續)

(A) 董事及行政總裁之證券權益 (續)

股份及相關股份之好倉 (續)

附註: (續)

- 購股權權益之詳情於下文「購股權之權益」一段另行載列。
- 上文披露之所有權益均指股份及相關股份之好倉。

(B) 於本公司之購股權之權益

於二零一一年九月三十日，按本公司於二零零五年六月三日舉行之股東周年大會上採納之購股權計劃授予董事及僱員之尚未行使購股權詳情為：

Grantees	Date of Grant	Exercise Period	Exercise Price per Share (HK\$)	No. of Share Options 購股權數目				
				Share options as at 1/4/2011	Granted during the period	Exercise during the period	Cancelled/Lapsed during the period	Share options as at 30/9/2011
獲授人	授出日期	行使期	每股股份行使價 (港元)	於二零一一年四月一日之購股權	本期間授出	本期間行使	本期間註銷/失效	於二零一一年九月三十日之購股權
Directors:								
董事:								
Datuk LIM Chee Wah 拿督林致華	23/8/2007	23/8/2007 – 22/08/2012	0.77	4,400,000	-	-	-	4,400,000
Employees:								
僱員:								
Aggregate total of employees 僱員合共	23/8/2007	23/8/2007 – 22/08/2012	0.77	7,800,000	-	-	(3,000,000)	4,800,000
				12,200,000	-	-	(3,000,000)	9,200,000

Other Information (Continued)

其他資料 (續)

DISCLOSURE OF INTERESTS (Continued)

(B) Interests in Share Options of the Company (Continued)

Note:

1. The share options to subscribe for shares are exercisable as to:
 - (i) For Directors or employees who have been employed for not less than two years immediately before date of grant:
 - (a) up to 20% immediately after date of grant;
 - (b) up to 46.7% immediately after 12 months from date of grant;
 - (c) up to 73.3% immediately after 24 months from date of grant;
and
 - (d) up to 100% immediately after 36 months from date of grant.
 - (ii) For Directors or employees who have been employed for less than two years immediately before date of grant:
 - (a) up to 33.3% immediately after 12 months from date of grant;
 - (b) up to 66.7% immediately after 24 months from date of grant;
and
 - (c) up to 100% immediately after 36 months from date of grant.

權益披露 (續)

(B) 於本公司之購股權之權益 (續)

附註：

1. 購股權可於下列時間行使以認購股份：
 - (i) 就緊接授出日期前已受僱不少於兩年之董事或僱員而言：
 - (a) 緊隨授出日期後最多達20%；
 - (b) 緊隨授出日期起計12個月後最多達46.7%；
 - (c) 緊隨授出日期起計24個月後最多達73.3%；及
 - (d) 緊隨授出日期起計36個月後最多達100%。
 - (ii) 就緊接授出日期前已受僱少於兩年之董事或僱員而言：
 - (a) 緊隨授出日期起計12個月後最多達33.3%；
 - (b) 緊隨授出日期起計24個月後最多達66.7%；及
 - (c) 緊隨授出日期起計36個月後最多達100%。

Other Information (Continued) 其他資料 (續)

DISCLOSURE OF INTERESTS (Continued)

(B) Interests in Share Options of the Company (Continued)

Save as disclosed above, as at 30 September 2011, none of the Directors or chief executive of the Company has any interests or short positions in the shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which are 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 they have taken or deemed to have taken under such provisions of the SFO), or are required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules, to be notified to the Company and the Stock Exchange.

權益披露 (續)

(B) 於本公司之購股權之權益 (續)

除上文所披露者外，於二零一一年九月三十日，本公司董事或行政總裁概無於本公司或任何相聯法團（具有《證券及期貨條例》第XV部所賦予之涵義）之股份、相關股份及債權證中擁有任何須根據《證券及期貨條例》第XV部第七及第八分部知會本公司及聯交所之任何權益或淡倉（包括根據《證券及期貨條例》有關條文之規定被當作或視為擁有之權益及淡倉），或根據《證券及期貨條例》第三百五十二條規定須記錄於該等條文所述由本公司存備之登記冊之任何權益或淡倉，或根據《上市規則》所載《上市發行人董事進行證券交易的標準守則》須知會本公司及聯交所之任何權益或淡倉。

Other Information (Continued)

其他資料 (續)

DISCLOSURE OF INTERESTS (Continued)

(C) Substantial shareholders' interests in securities

As at 30 September 2011, so far as is known to the Directors and chief executive of the Company, the following persons (not being a Director or chief executive of the Company) have an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange:

Name of Shareholders	Nature of Interests	Note	Shares/ underlying Shares	Approximate % of issued Shares 估已發行股份的 概約百分比
股東名稱	權益性質	附註	股份／相關股份	
VXLCPL	Interests in Shares – Beneficial Interests 於股份之權益 – 實益權益	1	1,069,308,000	69.9%
Huge More	Interests in Shares – Beneficial Interests 於股份之權益 – 實益權益	1	300,000,000	19.6%

權益披露 (續)

(C) 主要股東之證券權益

於二零一一年九月三十日，就本公司董事及行政總裁所知，下列人士（並非本公司董事或行政總裁）於股份及相關股份中擁有須根據《證券及期貨條例》第XV部第二及第三分部條文之規定向本公司披露之權益或淡倉，或根據《證券及期貨條例》第三百三十六條規定須由本公司存備之登記冊所載之權益或淡倉，或須以其他方式知會本公司及聯交所之權益或淡倉：

Other Information (Continued) 其他資料 (續)

DISCLOSURE OF INTEREST (Continued)

(C) Substantial shareholders' interests in securities (Continued)

Notes:

1. The interest in 1,069,308,000 Shares comprise 769,308,000 Shares and 300,000,000 Shares which are beneficially owned by VXLCP and Huge More, respectively. Huge More is wholly-owned by VXLCP since 7 May 2010. Datuk LIM is also a director and the beneficial owner of VXLCP.
2. All the interests disclosed above represent long position in the shares and underlying shares.

Save as disclosed above, as at 30 September 2011, so far as is known to the Directors or the chief executive of the Company, no other persons (not being a Director or the chief executive of the Company) has an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

權益披露 (續)

(C) 主要股東之證券權益 (續)

附註：

1. 該1,069,308,000股股份之權益包括分別由VXLCP及Huge More實益擁有之769,308,000股股份及300,000,000股股份。自二零一零年五月七日起，Huge More由VXLCP全資擁有。林拿督亦為VXLCP之董事及實益擁有人。
2. 上文披露之所有權益均指股份及相關股份之好倉。

除上文所披露者外，於二零一一年九月三十日，就本公司董事或行政總裁所知，概無其他人士（並非本公司董事或行政總裁）於股份及相關股份中擁有須根據《證券及期貨條例》第XV部第二及第三分部條文之規定向本公司披露之權益或淡倉，或根據《證券及期貨條例》第三百三十六條規定須由本公司存備之登記冊所載之權益或淡倉，或須以其他方式知會本公司及聯交所之權益或淡倉。

Other Information (Continued)

其他資料 (續)

INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the six months ended 30 September 2011 (2010 : NIL).

EMPLOYMENT AND REMUNERATION POLICY

As at 30 September 2011, the Group had a total of 103 employees (31 March 2011: 120 employees) including Executive Directors. The Group's policy has remained unchanged since the 2010/2011 annual report.

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

During the 6-months period ended 30 September 2011, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE

Compliance with the Code on Corporate Governance Practices

The Group is committed to maintaining high standards of corporate governance and the Board considers that effective corporate governance is an essential factor to the corporate success and to enhance shareholders' value.

The Group has applied the principles and complied with the code provisions of the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities of the Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the accounting period covered by the six months ended 30 September 2011, with the following deviations as stated below.

中期股息

董事會決議不宜派截至二零一一年九月三十日止六個月之中期股息 (二零一零年: 無)。

僱員及薪酬政策

於二零一一年九月三十日, 本集團合共有一百零三名 (二零一一年三月三十一日: 一百二十名) 僱員, 包括執行董事。本集團之政策自二零一零/二零一一年度之年報刊發以來維持不變。

購買、出售或贖回本公司之已上市證券

於截至二零一一年九月三十日止六個月期間內, 本公司或其任何附屬公司概無購回、出售或贖回本公司任何已上市證券。

企業管治

遵守《企業管治常規守則》

本集團致力維持高水平企業管治, 董事會認為有效之企業管治乃企業賴以成功及提升股東價值之要素。

本集團於截至二零一一年九月三十日止六個月涵蓋之會計期間內, 一直應用香港聯合交易所有限公司證券上市規則 (「《上市規則》」) 附錄十四所載《企業管治常規守則》 (「《企業管治守則》」) 之原則並遵從守則條文, 惟有以下偏離。

Other Information (Continued) 其他資料 (續)

CORPORATE GOVERNANCE (Continued)

Compliance with the Code on Corporate Governance Practices (Continued)

Pursuant to Code A.4.1 of the CG Code, non-executive directors shall be appointed for a specific term, subject to re-election. All the Non-executive Directors of the Company, other than Mr. Alan Howard SMITH, J.P., are appointed for specific term. Pursuant to Code A.4.2 of the CG Code, each director shall retire by rotation at least once every three years. In accordance with the Company's Articles of Association, one-third of the directors are subject to retirement by rotation and subject to re-election at each annual general meeting. The Board therefore considers that as the Board consists of five directors and each of them retires in every three years, this effectively achieves the same objective as set out in the CG Code.

Pursuant to Code A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. After the resignation of Mr. Percy ARCHAMBAUD-CHAO as Group Chief Executive Officer effective from 7 August 2010, the Company has not appointed a CEO. The role of the CEO is also performed by Datuk LIM Chee Wah, Chairman of the Board. The Board believes that vesting the roles of both chairman and CEO in the same person provides the Company with strong and consistent leadership, and allows for effective and efficient planning and implementation of business decisions and strategies. The Board shall nevertheless review the structure from time to time to ensure appropriate move is being taken should suitable circumstances arise.

Model Code For Securities Transactions by Directors

The Board has adopted its own code of conduct regarding securities transactions by Directors (the "Model Code") on terms no less exacting than the required standard set out in the "Model Code for Securities Transactions by Directors of Listed Issuers" of the Listing Rules. Having made specific enquiries with all Directors, the Directors have complied with the Model Code in their securities transactions during the six months ended 30 September 2011.

企業管治 (續)

遵守《企業管治常規守則》(續)

根據《企業管治守則》第A.4.1條，非執行董事之委任應有指定任期，並須接受重選。本公司之所有非執行董事（史亞倫太平紳士除外）均有指定任期。根據《企業管治守則》第A.4.2條，每名董事須最少每三年輪值退任一次。按照本公司之《組織章程細則》，三分之一的董事須於各股東周年大會上輪值退任及接受重選。因此，董事會認為鑑於董事會由五名董事組成，且彼等各人均每三年退任一次，此舉有效達成《企業管治守則》所載之相同目標。

根據《企業管治守則》第A.2.1條，主席與行政總裁的角色應有區分，並不應由一人同時兼任。趙世雄先生由二零一零年八月七日起辭任集團行政總裁一職後，本公司並無委任行政總裁。行政總裁一職由董事會主席拿督林致華兼任。董事會相信由同一人士兼任主席及行政總裁職務，可讓本公司之領導維持堅穩一致，並於策劃及落實業務決定及策略時更具效率及效益。然而，董事會將不時檢討架構，確保在適當情況採取合適行動。

董事進行證券交易之標準守則

董事會已就董事進行證券交易採納自身之行為守則（「標準守則」），其條款不遜於《上市規則》之《上市發行人董事進行證券交易的標準守則》規定之標準。經向所有董事作出特定查詢，董事在截至二零一一年九月三十日止六個月內進行證券交易時已遵守標準守則。

Other Information (Continued)

其他資料 (續)

CORPORATE GOVERNANCE (Continued)

Audit Committee

The Audit Committee comprises all the Independent Non-executive Directors of the Company who possess appropriate business, legal, engineering and financial experience and skills to undertake review of financial statements in accordance with good practice of financial reporting. The Audit Committee is chaired by Mr. David YU Hon To and the other two members are Mr. Alan Howard SMITH, J.P. and Dr. Allen LEE Peng Fei, J.P. The unaudited interim results for the six months ended 30 September 2011 have been reviewed by the Audit Committee.

By order of the Board
VXL Capital Limited
Datuk LIM Chee Wah
Chairman

Hong Kong, 30 November 2011

企業管治 (續)

審核委員會

審核委員會包括所有本公司獨立非執行董事，全部董事均具備合適的商業、法律、工程及財務經驗與技能，以根據財務匯報良規審閱財務報表。審核委員會由俞漢度先生擔任主席，其餘兩名成員為史亞倫太平紳士及李鵬飛博士太平紳士。截至二零一一年九月三十日止六個月之未經審核中期業績已由審核委員會審閱。

承董事會命
卓越金融有限公司
主席
拿督林致華

香港，二零一一年十一月三十日

