



Sustainable **FOREST** Holdings Limited

2011 永保林業控股有限公司*

Interim Report 中期報告

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股份代號: 723

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**we can do no great
things, only small things
with great love**

Mother Teresa
1910-1997

Corporate Information

公司資料

Sustainable Forest Holdings Limited 永保林業控股有限公司 • Interim Report 2011 二零一一年中期報告

BOARD OF DIRECTORS

Executive Directors

Ms. Loh Jiah Yee, Katherine (*Chairman*)
Ms. Fletcher Yurk Nam, Sandy
Mr. Shih Chiu, David (appointed on 12 July 2011)
Mr. Li Zhixiong (appointed on 2 September 2011)
Mr. Leung Siu Hung, Joel (re-designated on 4 November 2011)

Non-Executive Director

Mr. Leung Chau Ping, Paul

Independent Non-Executive Directors

Mr. John Tewksbury Banigan
Mr. Keung Paul Hinsum
Mr. Donald Smith Worthley (appointed on 4 November 2011)

BOARD COMMITTEES

Executive Committee

Ms. Loh Jiah Yee, Katherine
Ms. Fletcher Yurk Nam, Sandy

Remuneration Committee

Ms. Loh Jiah Yee, Katherine (*Chairman*)
Mr. John Tewksbury Banigan
Mr. Keung Paul Hinsum
Mr. Donald Smith Worthley (appointed on 4 November 2011)

Audit Committee

Mr. John Tewksbury Banigan (*Chairman*)
Mr. Keung Paul Hinsum
Mr. Donald Smith Worthley (appointed on 4 November 2011)

COMPANY SECRETARY

Ms. Yeung Wing Yee, Solicitor (appointed on 18 November 2011)

AUTHORIZED REPRESENTATIVES

Ms. Loh Jiah Yee, Katherine
Ms. Yeung Wing Yee (appointed on 18 November 2011)

董事會

執行董事

樂家宜女士 (*主席*)
姜若男女士
施秋先生 (於二零一一年七月十二日獲委任)
李志雄先生 (於二零一一年九月二日獲委任)
梁紹雄先生
(於二零一一年十一月四日重新調任)

非執行董事

梁秋平先生

獨立非執行董事

John Tewksbury Banigan 先生
姜顯森先生
Donald Smith Worthley 先生
(於二零一一年十一月四日獲委任)

董事委員會

執行委員會

樂家宜女士
姜若男女士

薪酬委員會

樂家宜女士 (*主席*)
John Tewksbury Banigan 先生
姜顯森先生
Donald Smith Worthley 先生
(於二零一一年十一月四日獲委任)

審核委員會

John Tewksbury Banigan 先生 (*主席*)
姜顯森先生
Donald Smith Worthley 先生
(於二零一一年十一月四日獲委任)

公司秘書

楊穎怡女士 · 律師
(於二零一一年十一月十八日獲委任)

法定代表

樂家宜女士
楊穎怡女士
(於二零一一年十一月十八日獲委任)

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Shanghai Commercial Bank Ltd.

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Rooms 3001-02, Top Glory Tower
262 Gloucester Road
Causeway Bay
Hong Kong
Tel. No.: (852) 2857 7723
Fax. No.: (852) 2857 1723
E-mail: enquiry@susfor.com

SHARE REGISTRARS

Principal Share Registrar

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

Hong Kong Branch Share Registrar

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

AUDITORS

Crowe Horwath (HK) CPA Limited

WEBSITE ADDRESSES

<http://www.susfor.com>
<http://www.irasia.com/listco/hk/sustainableforest>

HONG KONG STOCK EXCHANGE CODE

723

主要往來銀行

香港上海滙豐銀行有限公司

上海商業銀行有限公司

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

**總辦事處及於香港之
主要營業地點**

香港
銅鑼灣
告士打道262號
鵬利中心3001-02室
電話：(852) 2857 7723
圖文傳真：(852) 2857 1723
電子郵件：enquiry@susfor.com

股份過戶登記處

主要股份過戶登記處

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

香港股份過戶登記分處

卓佳登捷時有限公司
香港
灣仔
皇后大道東28號
金鐘匯中心26樓

核數師

國富浩華(香港)會計師事務所有限公司

網址

<http://www.susfor.com>
<http://www.irasia.com/listco/hk/sustainableforest>

香港聯交所股份代號

723

Chairman's Statement

主席報告

Sustainable Forest Holdings Limited 永保林業控股有限公司 • Interim Report 2011 二零一一年中期報告

Dear Shareholders, Stakeholders and Employees,

The six-month period ended 30 September 2011 has been a very difficult period for Sustainable Forest Holdings Limited ("Company") and its subsidiaries (collectively "Group"). The Group incurred a net loss (HK\$244.5 million) for this reporting period, the first time since the acquisition of the forestry group. The losses were attributable directly to the Group's tree felling operations in Rondonia, Brazil. Continuous setbacks in its Rondonia operations in Brazil led to write off of HK\$360 million made on the inventory and accounts receivable, which were charged to profit and loss for the six months ended 30 September 2011. And as a result of the loss of inventory that would have been available for sale, revenue was significantly reduced during the half year under review when compared to the corresponding period of the fiscal year before.

RONDONIA OPERATIONS, BRAZIL

The Group began the tree felling services for the hydro power plants in Rondonia State at the end of 2009. The unit made positive progress and results until second half of financial year ended 31 March 2011 when massive industrial actions at the construction sites caused its operations to halt completely as reported in our Annual Report 10/11. Although operations resumed in around May 2011, there were no allocations of forest areas for clearing by the hydro power plants since the industrial actions ended. In the beginning of 2011, the Group began receiving threats and extortion blackmails from a working partner in connection with the tree felling project in Rondonia. The threats and blackmails eventually escalated to blocking of our access to the hydro power plants.

The Group explained in its Annual Report 10/11 that the board ("Board") of directors ("Director(s)") was studying the Rondonia operations and considering its options due to the inherent challenges of such project in terms of planning of resources allocation and operational forecasts. Notwithstanding the above, the abrupt end of its Rondonia operations was still unexpected and not without pain.

LOOKING FORWARD

Plagued by the unfortunate events in Rondonia, Brazil, the results of operations during the first six months of financial year ending 31 March 2012 were no doubt unsatisfactory. However, the Group believes that the worst of the Rondonia operations is behind us. Realignment of its business plan will be the focus of the second half of the current financial year. The Group will also continue its effort in extending its supply network and fostering new relationships or joint venture in its distribution channels.

STRATEGIC PARTNERSHIP

On 22 September 2011, the Group formed strategic partnership and entered into a warrant subscription agreement with CITIC Merchant Co., Limited ("CITIC") under which CITIC will be able to subscribe for up to 300 million shares in the Company. Also, a letter of intent was signed with CITIC in respect of the proposed acquisition of a wood-based biomass power plant in Inner Mongolia.

CONTINUED COMMITMENT

The continued loyalty and commitment of our shareholders and our employees at every level are of utmost importance to us at such trying of times. On behalf of the Board, we would like to thank you for your support.

Yours sincerely,

Loh Jiah Yee, Katherine
Chairman & Managing Director

Hong Kong, 28 November 2011

各位股東、權益持有人及僱員：

截至二零一一年九月三十日止六個月期間是永保林業控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)之非常艱難時期。自收購林業業務以來，本集團首次就本報告期間產生淨虧損(港幣244,500,000元)。虧損乃直接來自本集團之巴西朗多尼亞州伐木業務。巴西朗多尼亞州業務持續受挫，導致就存貨及應收賬款作出撇銷港幣360,000,000元，有關金額於截至二零一一年九月三十日止六個月之損益扣除。原定可供出售存貨之損失，導致回顧半年期間內之收益較上一個財政年度之相應期間顯著減少。

巴西朗多尼亞州業務

本集團於二零零九年底開始為朗多尼亞州水力發電廠提供伐木業務。誠如本集團二零一一年年報所報告，該業務單位一直進展順利並錄得正面業績，直至截至二零一一年三月三十一日止財政年度下半年在該建築場地發生大規模工業行動，導致有關業務完全停頓。儘管有關業務於二零一一年五月前後恢復營運，惟自工業行動結束以來，該水力發電廠並無向本集團分配林地以進行清理工作。本集團自二零一一年初開始接到一名與朗多尼亞州伐木業務有關之工作夥伴發出的威脅及勒索，其後威脅及勒索進一步惡化，以致本集團被阻擋進入水力發電廠。

本集團已於二零一一年年報中，闡釋董事(「董事」)會(「董事會」)正研究朗多尼亞州業務，並就有關項目於分配資源及預測業務前景方面所面對固有困難考慮其選擇。儘管如此，其朗多尼亞州業務突然中斷仍屬意料之外，並造成一定損害。

前景

受巴西朗多尼亞州的負面事件拖累，截至二零一二年三月三十一日止財政年度首六個月之經營業績無疑未如理想。然而，本集團相信，朗多尼亞州業務之最壞情況已經過去。本集團將於本財政年度下半年集中重訂業務計劃，以拓闊本集團之供應網絡及建立新關係。重整業務計劃將為本財政年度下半年之工作重點。本集團亦將繼續致力擴闊其供應網絡及在其分銷渠道中建立新關係或合營企業。

策略夥伴

於二零一一年九月二十二日，本集團與中信國通投資管理有限公司(「中信」)締結策略夥伴關係並與其簽訂認股權證認購協議。據此，中信將可認購本公司最多300,000,000股股份。另已就建議收購內蒙古木質生物質發電廠與中信簽訂意向書。

持續支持

在此艱難時刻，股東與員工繼續於各方面給予忠誠支持對本集團攸關重要。本人謹代表董事會就閣下鼎力支持由衷致謝。

此致

主席兼董事總經理
樂家宜

香港，二零一一年十一月二十八日

Financial Highlights

財務摘要

Sustainable Forest Holdings Limited 永保林業控股有限公司 • Interim Report 2011 二零一一年中期報告

For the six months ended 30 September

截至九月三十日止六個月

		2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	Changes 變化幅度
Operating results	經營業績			
Continuing operations	持續經營業務			
Revenue	收入	88,455	340,778	(74.0%)
Gross profit	毛利	10,129	238,845	(95.8%)
Discontinued operations	已終止業務			
Revenue	收入	—	—	—
Gross profit	毛利	—	—	—
(Loss)/profit attributable to the owners of the Company	本公司擁有人應佔 (虧損)/溢利	(244,492)	183,442	(233.3%)
Per share information	每股資料			
Basic (loss)/earnings per share (Hong Kong cents)	每股基本 (虧損)/盈利 (港幣仙)			
Continuing operations	持續經營業務	(4.59 cents 仙)	6.71 cents 仙	(168.4%)
Continuing and discontinued operations	持續經營業務及已終止業務	(4.70 cents 仙)	6.32 cents 仙	(174.4%)

		At 30 September 2011 於二零一一年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2011 於二零一一年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)	Changes 變化幅度
Financial position at period/ year end	於期/年終之財務狀況			
Property, plant and equipment	物業、廠房及設備	209,008	231,846	(9.9%)
Biological assets	生物資產	1,269,581	1,173,150	8.2%
Goodwill	商譽	1,860,450	1,686,883	10.3%
Cash and cash equivalents	現金及現金等價物	18,215	23,679	(23.1%)
Net current assets	流動資產淨值	373,154	726,848	(48.7%)
Total assets	總資產	4,298,624	4,186,991	2.7%
Total interest — bearing loans	總計息貸款	14,573	18,768	(22.4%)
Total liabilities	總負債	1,236,419	930,622	32.9%
Equity attributable to the Company's owners	本公司擁有人應佔之權益	3,062,129	3,256,293	(6.0%)
Per share information	每股資料			
Net asset value per share	每股資產淨值	51.5 cents 仙	72.1 cents 仙	(28.6%)

Management Discussion and Analysis

管理層討論及分析

Sustainable Forest Holdings Limited 永保林業控股有限公司 • Interim Report 2011 二零一一年中期報告

FINANCIAL PERFORMANCE

For the six months ended 30 September 2011, revenue totaled HK\$88.5 million and net losses was HK\$244.5 million, representing decreases of 74.0% and 233.3%, respectively when compared to 30 September 2010.

Total revenue consisted entirely of sales of forestry and timber products. No contributions were recorded from tree felling services segment.

BUSINESS REVIEW

Rondonia Operations

The Group has provided tree felling services to hydro power plants under construction in Rondonia, Brazil since the second half of the financial year ended 31 March 2010. On 20 October 2011 and 7 November 2011, the Group made public announcements that it had reported to Policia Civil, do Estado de Sao Paulo (Sao Paulo State Police Department) and to Hong Kong Police Force that it and its employees had been receiving extortion threats in Brazil from a working party. The working party also published and/or procured the publication on internet and other media serious accusations regarding the Group's integrity. The disputes with the working party escalated in denial of access to the sites of the hydro power plants in September 2011. The Group is taking legal advice on its options and rights.

The Group stored its own logs and residue inventory as well as logs purchased by its customers at various yards inside the hydro power plants. As a result of blocked access, the Board decided that it was prudent to write off HK\$246 million for the full carrying value of the logs and HK\$114 million of trade receivables relating to sales of logs stored in the hydropower plant for PRC customers during the interim period ended 30 September 2011. Please see Note 7 of the notes to the condensed consolidated financial statements for further details on these events.

The inventory stored at the hydro power plants represented inventories that would have been available for sale during the current financial year.

Acre Operations

Harvesting operations in our 45,000-hectare Acre forest in Brazil began as planned in July 2011. At the time of preparing the interim report, harvesting has stopped due to rainy season. Harvesting is expected to begin again in March–April 2012 when rainy season ends. Beginning financial year ending 31 March 2013, Acre forest is expected to contribute on average 60,000m³ of logs each year.

財務表現

截至二零一一年九月三十日止六個月，總收入及淨虧損分別為港幣88,500,000元及港幣244,500,000元，較二零一零年九月三十日下跌74.0%及233.3%。

總收入全數來自銷售木材及木料產品。伐木服務分部並無帶來貢獻。

業務回顧

巴西朗多尼亞州業務

本集團自截至二零一零年三月三十一日止財政年度下半年起為巴西朗多尼亞州一項在建水力發電廠提供伐木服務。於二零一一年十月二十日及二零一一年十一月七日，本集團刊發公告披露，本集團已就本集團及其員工接獲巴西一名工作方之威脅及勒索向巴西 Policia Civil do Estado de Sao Paulo (聖保羅警處) 及香港警務處報案。該名工作方亦曾於互聯網及其他媒體發表及/或促成發表對本集團誠信之嚴重指控。與工作方之糾紛其後惡化，以致本集團於二零一一年九月被拒進入水力發電廠場地。本集團正就其可採取之行動及權利尋求法律意見。

本集團將本身之原木及剩餘存貨以及其客戶所購入原木存放於水力發電廠內各場地。由於本集團被拒進入水力發電廠，董事會決定於截至二零一一年九月三十日止中期期間撇銷原木全部賬面值港幣246,000,000元及向中國客戶銷售存放於水力發電廠之原木所涉及之應收貿易款項港幣114,000,000元乃審慎做法。該等事件之進一步詳情請參閱簡明綜合財務報告附註7。

存置於水力發電廠之存貨指原定於本財政年度內可供出售之存貨。

亞克裏州業務

本集團如期於二零一一年七月在旗下佔地45,000公頃之巴西亞克裏州森林區展開伐木業務。於編製中期報告期間內，伐木工作因雨季而暫停。預料伐木工作將於雨季結束後在二零一二年三至四月再次展開。於截至二零一三年三月三十一日止財政年度開始，預期亞克裏州森林區可帶來每年平均60,000立方米原木。

Management Discussion and Analysis

管理層討論及分析

Sustainable Forest Holdings Limited 永保林業控股有限公司 • Interim Report 2011 二零一一年中期報告

China Operations

China continues to be the primary market for our forestry and timber products. During the interim period ended 30 September 2011, 91.1% of the total revenue were derived from sales to customers in China. The acquisition of Susfor-Oasis Timber (Zhongshan) Company Limited* was completed in August 2011. The Group is carrying out its post acquisition consolidation activities. The Group will report its contribution and results in its annual report for the financial year ending 31 March 2012.

Chita (Russia) Operations

We have signed a definitive agreement to dispose of our Chita operations on 6 October 2011. The buyer is currently conducting due diligence on the disposal group and we expect to complete the sale before the end of the current financial year.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2011, the Group had cash and cash equivalents amounted to 18.2 million (31 March 2011: HK\$23.7 million).

The Group gearing ratio expressed as a percentage of total interest bearing borrowings, excluding the interest bearing borrowings classified under liabilities held for sale, over equity attributable to the owners of the Company, decreased from 0.8% as at 31 March 2011 to 0.7% as at 30 September 2011.

As at 30 September 2011, the Group had HK\$21.0 million (31 March 2011: HK\$25.2 million) interest bearing borrowings, in which of HK\$14.2 million are repayable within one year and the remaining of HK\$6.8 million were repayable after one year. The total interest bearing borrowings consisted of HK\$14.2 million in bank and other loans, HK\$0.4 million in finance lease payable and HK\$6.4 million in promissory notes. As at 30 September 2011, the Group's working capital was approximately HK\$373.2 million (31 March 2011: HK\$726.8 million).

CHARGE ON ASSETS

As at 30 September 2011, general banking facilities granted to the Group were secured by property, plant and equipment with a carry value of HK\$0.4 million.

CONTINGENT LIABILITIES

The Group's contingent liabilities at 30 September 2011 are disclosed in Note 30 to the condensed consolidated financial statement.

* For identification purpose only

中國業務

中國繼續為本集團之木材及木料產品主要市場。截至二零一一年九月三十日止中期期間內，總收入之91.1%乃來自向中國客戶之銷售。收購中山市永保新綠洲木業有限公司已於二零一一年八月完成。本集團正進行收購後綜合業務工作，並將於截至二零一二年三月三十一日止財政年度之年報中報告其貢獻及業績。

赤塔(俄羅斯)業務

本集團已於二零一一年十月六日簽訂正式協議出售其赤塔業務。買方現在對出售集團進行盡職調查，預期將於本財政年度結束前完成出售。

流動資金及財務資源

於二零一一年九月三十日，本集團之現金及現金等價物為港幣18,200,000元(二零一一年三月三十一日：港幣23,700,000元)。

本集團之資本負債比率為計息借貸總額(不包括分類為持作出售負債項下之計息借貸)除本公司擁有人應佔權益之百分比，由二零一零年三月三十一日之0.8%降至二零一一年九月三十日之0.7%。

於二零一一年九月三十日，本集團之計息借貸為港幣21,000,000元(二零一一年三月三十一日：港幣25,200,000元)，其中港幣14,200,000元須於一年內償還，餘額港幣6,800,000元則須於一年後償還。計息借貸總額包括銀行及其他貸款港幣14,200,000元、融資租約應付款項港幣400,000元及承付票據港幣6,400,000元。於二零一一年九月三十日，本集團之營運資金約為港幣373,200,000元(二零一一年三月三十一日：港幣726,800,000元)。

資產抵押

於二零一一年九月三十日，本集團獲授之一般銀行融資乃以賬面值為港幣400,000元之物業、廠房及設備作抵押。

或然負債

本集團於二零一一年九月三十日之或然負債已於簡明綜合財務報告附註30披露。

* 僅供識別

Management Discussion and Analysis

管理層討論及分析

Sustainable Forest Holdings Limited 永保林業控股有限公司 • Interim Report 2011 二零一一年中期報告

FOREIGN EXCHANGE RISK

The Group's continuing operation mainly operates in Brazil, the PRC and Hong Kong.

During the six months ended 30 September 2011, the revenue from continuing operations was denominated mainly in Renminbi, United States dollars and the Euro while its costs and expenses were primarily in Renminbi, Hong Kong dollars and Brazilian Reals where the Group's continuing operations are based. The Group is exposed to potential foreign exchange risk as a result of fluctuations between those currencies.

In addition, the main operational assets of the Group are located and denominated in local currencies in Brazil and China while the Group's reporting currency is in Hong Kong dollars. This also exposes the Group to potential foreign exchange risk upon translation of those assets on each reporting date.

The Group did not enter into any arrangements for financial instruments for the purpose of hedging against the potential foreign exchange risks during the period under review. Management believes that the Group's exposure to foreign exchange risks can be mitigated by increasing local sales denominated in Reals to pay for the operating costs and expenses were those currencies to rise substantially against US dollars or the Euro. In addition, the Group's Renminbi operating expenses are offset by revenue denominated in Renminbi. Costs of sales are primarily denominated in US dollars and Euro. There may be favourable foreign exchange exposure as the Group's sales are mainly in Renminbi and the market generally expects Renminbi to appreciate against those currencies in the medium term. As for the operational assets of the Group, any foreign exchange gain or losses due to translation of the carrying value of the assets to the Group's reporting currency on reporting dates are unrealized and non-cash in nature. As such, active hedging activities are not considered warranted. Nonetheless, management will monitor closely its foreign currency exposure to ensure appropriate measures are taken promptly against any significant potential adverse impact.

HUMAN RESOURCES AND REMUNERATION POLICY

As at 30 September 2011, the Group has approximately 438 employees (30 September 2010: 203) mainly in Hong Kong, PRC, Brazil and Russia. The total remuneration paid by the Group to its employees (including Directors) for the period was approximately HK\$25.4 million (30 September 2010: HK\$36.8 million).

The Group rewards its employees according to prevailing market practices, individual experience and performance and requirements under applicable labor laws in the Group's operational locations. In addition to the provision of annual bonus, provident fund scheme and medical insurance coverage, discretionary bonuses and share options are also available to employees.

外匯風險

本集團之持續經營業務主要位於巴西、中國及香港。

截至二零一一年九月三十日止六個月，來自持續經營業務之收入主要以人民幣、美元及歐元列賬，其成本及開支主要基於本集團持續經營業務所在地以人民幣、港元及巴西之雷亞爾計值。本集團面對因該等貨幣匯率波動而產生之潛在外匯風險。

此外，本集團主要營運資產位於巴西及中國並以當地貨幣計值，而本集團之呈報貨幣為港幣，此亦導致本集團於每個報告日期換算該等資產時承受潛在外匯風險。

於回顧期間，本集團並無作出任何安排以任何財務工具對沖潛在外匯風險。管理層相信，本集團所承受外匯風險可於該等貨幣對美元或歐元大幅升值時透過增加以雷亞爾計值之當地銷售額以支付當地營運成本及開支而減輕。此外，本集團之人民幣經營開支由人民幣計值之收入抵銷。銷售成本一般以美元及歐元列值。由於本集團之銷售主要以人民幣計值及市場普遍預期人民幣對該等貨幣於中期內將升值，故可能出現有利之外匯變動。就本集團營運資產而言，任何因於報告日期換算資產賬面值為本集團呈報貨幣所產生外匯盈虧屬未變現及非現金性質。因此，認為毋須積極進行對沖活動。然而，管理層將密切監察其外匯風險，以確保已就任何重大潛在不利影響採取及時及恰當措施。

人力資源及薪酬政策

於二零一一年九月三十日，本集團有約438名僱員（二零一零年九月三十日：203名），主要駐於香港、中國、巴西及俄羅斯。本集團期內支付予僱員（包括董事）之薪酬總額約為港幣25,400,000元（二零一零年九月三十日：港幣36,800,000元）。

本集團根據當前市場慣例、僱員之個人經驗及表現以及本集團營運所在地之適用勞工法例規定酬謝僱員。除了發放年度花紅、設立公積金計劃及提供醫療保險外，本集團亦向僱員發放酌情花紅及授出購股權。

Independent Interim Review Report 獨立中期審閱報告

Sustainable Forest Holdings Limited 永保林業控股有限公司 • Interim Report 2011 二零一一年中期報告



國富浩華(香港)會計師事務所有限公司
Crowe Horwath (HK) CPA Limited
Member Crowe Horwath International

香港銅鑼灣希慎道33號利園34樓
34/F The Lee Gardens,
33 Hysan Avenue,
Causeway Bay, Hong Kong

REPORT ON REVIEW OF INTERIM FINANCIAL REPORT TO THE BOARD OF DIRECTORS OF SUSTAINABLE FOREST HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 10 to 62, which comprises the condensed consolidated statement of financial position of Sustainable Forest Holdings Limited (the "Company") and its subsidiaries (together the "Group") as at 30 September 2011 and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months period then ended, a summary of significant accounting policies and explanatory notes. The Main Board Listing Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited requires the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial report in accordance with International Accounting Standard 34. Our responsibility is to express a conclusion on this interim financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to another person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 September 2011 is not prepared, in all material respects, in accordance with International Accounting Standard 34.

Crowe Horwath (HK) CPA Limited
Certified Public Accountants
Hong Kong, 28 November 2011

Alvin Yeung Sik Hung
Practising Certificate Number P05206

中期財務報告審閱報告
致永保林業控股有限公司董事會

(於百慕達註冊成立之有限公司)

緒言

本核數師(以下簡稱「我們」)已審閱第10至62頁所載永保林業控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之中期財務報告,包括於二零一一年九月三十日之簡明綜合財務狀況表,以及截至該日止六個月期間之相關簡明綜合收益表、簡明綜合全面收益表、簡明綜合權益變動表及簡明綜合現金流轉表,以及主要會計政策概要及說明附註。根據香港聯合交易所有限公司主板證券上市規則,就中期財務資料編製之報告必須符合當中條文及國際會計準則委員會所頒佈國際會計準則第34號「中期財務報告」之規定。貴公司董事須負責根據國際會計準則第34號編製及呈列本中期財務報告。我們的責任是根據我們審閱工作的結果,對本中期財務資料作出結論,並按照雙方所協定應聘書條款,只向作為法人團體的董事會報告我們的結論,除此之外,本報告不可用作其他用途。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。

審閱範圍

我們按照香港會計師公會所頒佈香港審閱委聘準則第2410號「由實體獨立核數師對中期財務資料的審閱」進行審閱工作。審閱中期財務報告工作包括主要向負責財務及會計事務的人員作出查詢,以及進行分析程序及其他審閱程序。由於審閱工作的範圍遠較根據香港審核準則進行審核為小,故無法使我們取得憑證確保我們得知可能於審核中發現的所有重大事宜。因此,我們不會發表審核意見。

結論

根據我們的審閱工作,我們並無發現任何事項使我們認為於二零一一年九月三十日之中期財務報告在各重大方面並非根據國際會計準則第34號編製。

國富浩華(香港)會計師事務所有限公司
執業會計師
香港,二零一一年十一月二十八日

楊錫鴻
執業證書編號 P05206

Condensed Consolidated Income Statement

簡明綜合收益表

Sustainable Forest Holdings Limited 永保林業控股有限公司 • Interim Report 2011 二零一一年中期報告

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

For the six months ended
30 September
截至九月三十日止六個月

		Note 附註	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)
CONTINUING OPERATIONS	持續經營業務			
Revenue	收入	5	88,455	340,778
Cost of sales	銷售成本		(78,326)	(101,933)
Gross profit	毛利		10,129	238,845
Other income	其他收入	6	3,715	3,065
Other net loss	其他虧損淨額	6	(31,466)	—
Selling and distribution costs	銷售及分銷成本		(7,861)	(8,914)
Administrative expenses	行政支出		(47,753)	(48,563)
Loss on business disruption	業務干擾之虧損	7	(347,118)	—
Other operating expenses	其他營運開支		—	(105)
Change in fair value of biological assets less costs to sell	生物資產公平值變動減 銷售成本	15	244,192	71,049
(Loss)/Profit from operations	經營(虧損)/溢利		(176,162)	255,377
Finance income	融資收入		313	793
Finance costs	融資費用		(3,998)	(4,506)
Net finance costs	融資費用淨額	8(a)	(3,685)	(3,713)
(Loss)/Profit before taxation	除稅前(虧損)/溢利	8	(179,847)	251,664
Income tax	所得稅	9	(59,277)	(56,886)
(Loss)/Profit for the period from continuing operations	持續經營業務之期間 (虧損)/溢利		(239,124)	194,778
DISCONTINUED OPERATION	已終止業務			
Loss from discontinued operation	已終止業務之虧損	10	(5,368)	(11,319)
(LOSS)/PROFIT FOR THE PERIOD	期間(虧損)/溢利		(244,492)	183,459
Attributable to:	應佔:			
Owners of the Company	本公司擁有人		(244,492)	183,442
Non-controlling interests	非控制性權益		—	17
			(244,492)	183,459
(Loss)/Earnings per share	每股(虧損)/盈利			
From continuing and discontinued operations	持續經營業務及 已終止業務	12	(4.70 cents 仙)	6.32 cents 仙
— Basic	— 基本		(4.70 cents 仙)	2.90 cents 仙
— Diluted	— 攤薄			
From continuing operations	持續經營業務	12	(4.59 cents 仙)	6.71 cents 仙
— Basic	— 基本		(4.59 cents 仙)	3.08 cents 仙
— Diluted	— 攤薄			

The notes on pages 16 to 62 form part of these financial statements.

第16至62頁之附註構成此等財務報告之一部分。

Condensed Consolidated Statement of Comprehensive Income

簡明綜合全面收益表

Sustainable Forest Holdings Limited 永保林業控股有限公司 • Interim Report 2011 二零一一年中期報告

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

For the six months ended
30 September

截至九月三十日止六個月

		2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)
(Loss)/profit for the period	期間(虧損)/溢利	(244,492)	183,459
Other comprehensive (loss)/income	其他全面(虧損)/收益		
Exchange differences on translation of financial statement of overseas subsidiaries	換算海外附屬公司財務報告產生之滙兌差額	(81,424)	38,621
Other comprehensive (loss)/income for the period	期間其他全面(虧損)/收益	(81,424)	38,621
Total comprehensive (loss)/income for the period	期間全面(虧損)/收益總額	(325,916)	222,080
Total comprehensive (loss)/income attributable to:	以下人士應佔全面(虧損)/收益總額:		
Owners of the Company	本公司擁有人	(325,916)	222,059
Non-controlling interests	非控制性權益	-	21
		(325,916)	222,080

The notes on pages 16 to 62 form part of these financial statements.

第16至62頁之附註構成此等財務報告之一部分。

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

Sustainable Forest Holdings Limited 永保林業控股有限公司 • Interim Report 2011 二零一一年中期報告

As at 30 September 2011 於二零一一年九月三十日

		Note 附註	At 30 September 2011 於二零一一年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2011 於二零一一年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	209,008	231,846
Intangible assets	無形資產	14	199,967	—
Biological assets	生物資產	15	1,269,581	1,173,150
Goodwill	商譽	16	1,860,450	1,686,883
Deposit for purchase of property, plant and equipment	購買物業、廠房及設備 之訂金		27,312	30,336
			3,566,318	3,122,215
CURRENT ASSETS	流動資產			
Inventories	存貨	17	20,170	241,980
Trade and other receivables	應收貿易款項及其他 應收款項	18	407,998	519,289
Cash and cash equivalents	現金及現金等價物		18,215	23,679
Financial assets held for trading	持作買賣之財務資產		10,733	—
			457,116	784,948
Assets classified as held for sale	分類為持作待售資產	19	275,190	279,828
			732,306	1,064,776
CURRENT LIABILITIES	流動負債			
Trade and other payables	應付貿易款項及其他 應付款項	20	227,043	199,286
Loans and borrowings	貸款及借貸	21	14,094	18,230
Finance leases payable	應付融資租約		100	100
Provision for taxation	稅項撥備		49,456	49,456
			290,693	267,072
Liabilities associated with assets classified as held for sale	與分類為持作待售資產 有關之負債	19	68,459	70,856
			359,152	337,928
NET CURRENT ASSETS	流動資產淨值		373,154	726,848
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		3,939,472	3,849,063

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

Sustainable Forest Holdings Limited 永保林業控股有限公司 • Interim Report 2011 二零一一年中期報告

As at 30 September 2011 於二零一一年九月三十日

			At 30 September 2011 於二零一一年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2011 於二零一一年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
NON-CURRENT LIABILITIES				
Loans and borrowings	非流動負債		79	88
Amounts due to shareholders	貸款及借貸	21	196,149	131,527
Finance leases payable	應付股東款項		300	350
Consideration payables	應付融資租約		163,477	—
Promissory notes	應付代價	23	6,452	6,388
Deferred tax liabilities	承付票據	25	510,810	454,341
	遞延稅項負債		877,267	592,694
NET ASSETS	資產淨值		3,062,205	3,256,369
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	26	379,601	359,324
Reserves	儲備		2,682,528	2,896,969
Total equity attributable to the owners of the Company	本公司擁有人應佔總權益		3,062,129	3,256,293
Non-controlling interests	非控制性權益		76	76
TOTAL EQUITY	總權益		3,062,205	3,256,369

The notes on pages 16 to 62 form part of these financial statements.

第16至62頁之附註構成此等財務報告之一部分。

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

Sustainable Forest Holdings Limited 永保林業控股有限公司 • Interim Report 2011 二零一一年中期報告

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 the owners of the Company
本公司擁有人應佔

Note 附註	Share capital	Share premium	Contributed surplus	Distributable reserve	Capital redemption reserve	Exchange fluctuation reserve	Share option reserve	Retained profit	Sub-total	Non-controlling interest	Total equity	
	股本 HK\$'000 港幣千元	股份溢價 HK\$'000 港幣千元	實繳盈餘 HK\$'000 港幣千元	可供分派 儲備 HK\$'000 港幣千元	股本贖回 儲備 HK\$'000 港幣千元	匯兌波動 儲備 HK\$'000 港幣千元	購股權儲備 HK\$'000 港幣千元	保留溢利 HK\$'000 港幣千元	小計 HK\$'000 港幣千元	非控制性 權益 HK\$'000 港幣千元	總權益 HK\$'000 港幣千元	
At 1 April 2010 (audited)	於二零一零年 四月一日(經審核)	322,856	2,009,852	54,770	2,216	8,000	667	2,005	106,203	2,506,568	62	2,506,630
Profit for the period	期間溢利	-	-	-	-	-	-	-	183,442	183,442	17	183,459
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外 附屬公司財務報告 之匯兌差額	-	-	-	-	-	-	-	-	-	4	38,621
Total other comprehensive income	其他全面收入總額	-	-	-	-	-	38,617	-	-	38,617	4	38,621
Total comprehensive income for the period	期間全面收入總額	322,856	2,009,852	54,770	2,216	8,000	39,284	2,005	289,645	2,728,627	83	2,728,710
Placement of new shares	配售新股份	21,973	184,027	-	-	-	-	-	206,000	-	-	206,000
Shares issue expenses	股份發行開支	-	(15,981)	-	-	-	-	-	(15,981)	-	-	(15,981)
Deemed capital distribution	視作股本分派	-	-	(1,746)	-	-	-	-	(1,746)	-	-	(1,746)
Issuance of share options	發行購股權	-	-	-	-	-	27,670	-	27,670	-	-	27,670
Forfeiture of share options	沒收購股權	-	-	-	-	-	(754)	754	-	-	-	-
Total transactions with owners	與擁有人進行之 交易總額	21,973	168,046	(1,746)	-	-	26,916	754	215,943	-	-	215,943
At 30 September 2010 (unaudited)	於二零一零年 九月三十日 (未經審核)	344,828	2,177,898	53,024	2,216	8,000	39,284	28,921	290,399	2,944,570	83	2,944,653
At 1 April 2011 (audited)	於二零一一年 四月一日(經審核)	359,324	2,310,765	10,003	2,216	8,000	86,674	29,311	450,000	3,256,293	76	3,256,369
Loss for the period	期間虧損	-	-	-	-	-	-	-	(244,492)	(244,492)	-	(244,492)
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司 財務報告 之匯兌差額	-	-	-	-	-	-	-	-	-	-	(81,424)
Total other comprehensive income	其他全面收入總額	-	-	-	-	-	(81,424)	-	-	(81,424)	-	(81,424)
Total comprehensive loss for the period	期間全面虧損 總額	359,324	2,310,765	10,003	2,216	8,000	5,250	29,311	205,508	2,930,377	76	2,930,453
Shares issued upon exercise of share options	於行使購股權時 發行股份	10	84	-	-	-	-	(22)	-	72	-	72
Consideration shares issued for the acquisition of subsidiaries	就收購附屬公司 發行代價股份	20,267	139,333	-	-	-	-	-	159,600	-	-	159,600
Dividends declared in respect of the previous period	就過往期間 宣派股息	-	-	-	-	-	-	-	(31,996)	(31,996)	-	(31,996)
Issuance of share options	發行購股權	-	-	-	-	-	4,076	-	4,076	-	-	4,076
Forfeiture of share options	沒收購股權	-	-	-	-	-	(418)	418	-	-	-	-
Total transactions with owners	與擁有人進行之 交易總額	20,277	139,417	-	-	-	-	3,636	(31,578)	131,752	-	131,752
At 30 September 2011 (Unaudited)	於二零一一年 九月三十日 (未經審核)	379,601	2,450,182	10,003	2,216	8,000	5,250	32,947	173,930	3,062,129	76	3,062,205

The notes on pages 16 to 62 form part of these financial statements.

第16至62頁之附註構成此等財務報告之一部分。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流轉表

Sustainable Forest Holdings Limited 永保林業控股有限公司 • Interim Report 2011 二零一一年中期報告

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

**For the six months ended
30 September**
截至九月三十日止六個月

		2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Net cash used in operating activities	經營業務流出之現金淨額	(40,933)	(79,537)
Net cash generated from/(used in) investing activities	投資活動流入/(流出)之現金淨額	602	(19,179)
Net cash generated from financial activities	融資活動流入之現金淨額	35,035	87,593
Decrease in cash and cash equivalents	現金及現金等價物減少	(5,296)	(11,123)
Cash and cash equivalents at beginning of the period	於期初之現金及現金等價物	23,679	36,822
Effect of foreign exchange rate changes, net	匯率變動之影響淨額	(168)	43
Cash and cash equivalents at end of the period	於期終之現金及現金等價物	18,215	25,742
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalents	現金及現金等價物結存分析		
Cash and cash equivalents	現金及現金等價物	18,214	25,745
Cash and bank balances classified as held for sale	分類為持作待售之現金及銀行結餘	1	1
Bank overdrafts	銀行透支	—	(4)
		18,215	25,742

The notes on pages 16 to 62 form part of these financial statements.

第16至62頁之附註構成此等財務報告之一部分。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

Sustainable Forest Holdings Limited 永保林業控股有限公司 • Interim Report 2011 二零一一年中期報告

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

1. CORPORATE INFORMATION

Sustainable Forest Holdings Limited (the “Company”, together with its subsidiaries collectively referred to as the “Group”) was incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda and its ordinary shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The principal activity of the Company is investment holding. The principal activities of the subsidiaries comprised tree felling service, sustainable forest management and manufacturing and sale of timber products including but not limited to wooden door, furniture and wooden floor panels (“Zhongshan operation”).

2. BASIS OF PREPARATION

The condensed consolidated financial statements for the six months ended 30 September 2011 have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (“IASB”).

These condensed consolidated financial statements should be read in conjunction with the Group’s annual financial statements for the year ended 31 March 2011.

The condensed consolidated financial statements are denominated in Hong Kong Dollar (“HK\$”). Unless otherwise specifically stated, all amounts are presented in thousand.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These condensed consolidated financial statements have been prepared under the historical cost convention except that the biological assets and buildings held for own use are stated at fair values.

The accounting policies and basis of preparation adopted in preparation of these condensed consolidated financial statements are consistent with those used in 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 and revised standards, amendments and interpretations (“new and revised IFRSs”) issued by the IASB.

1. 公司資料

永保林業控股有限公司(「本公司」，連同其附屬公司統稱「本集團」)根據一九八一年百慕達公司法在百慕達註冊成立為獲豁免有限公司。本公司之普通股股份在香港聯合交易所有限公司(「聯交所」)上市。

本公司之主要業務為投資控股，其附屬公司之主要業務包括伐木服務、可持續森林管理及製造銷售木材產品，包括但不限於木門、傢俱及木地板(「中山業務」)。

2. 編製基準

截至二零一一年九月三十日止六個月之簡明綜合財務報告遵守聯交所證券上市規則(「上市規則」)附錄16之適用披露規定及國際會計準則委員會(「國際會計準則委員會」)頒佈之國際會計準則(「國際會計準則」)第34號「中期財務報告」編製。

此等簡明綜合財務報告應與本集團截至二零一一年三月三十一日止年度之年度財務報告一併閱覽。

簡明綜合財務報告以港元(「港元」)列值。除另有具體指明者外，所有金額均以千元列示。

3. 重大會計政策概要

此等簡明綜合財務報告乃按歷史成本慣例編製，惟生物資產及持作自用之樓宇則以公平值計量。

除下述者外，編製此等簡明綜合財務報告採納之會計政策及編製基準與本集團於截至二零一一年三月三十一日止年度之年度財務報告所用者一致。

於本中期期間，本集團首次應用下列由國際會計準則委員會頒佈之新訂及經修訂準則、修訂及詮釋(「新訂及經修訂國際財務報告準則」)。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

Sustainable Forest Holdings Limited 永保林業控股有限公司 • Interim Report 2011 二零一一年中期報告

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

IFRSs (Amendments)	Improvements to IFRSs 2010
IAS 24 (Revised)	Related Party Disclosures
IFRS 1 (Amendments)	Limited Exemption from Comparative IFRS 7 Disclosure for First-time Adopters
IFRIC 14 (Amendments)	Prepayments of a Minimum Funding Requirement
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

The amendments to IFRIC 14 have had no material impact on the Group's financial statements as they were consistent with policies already adopted by the Group. IFRIC 19 has not yet had a material impact on the Group's financial statements as these changes will first be effective as and when the Group enters a relevant transaction (for example, a debt for equity swap).

The impacts of other developments are discussed below:

- IAS 24 (Revised) revises the definition of a related party. As a result, the Group has re-assessed the identification of related parties and concluded that the revised definition does not have any material impact on the Group's related party disclosures in the current and previous periods. IAS 24 (Revised) also introduces modified disclosure requirements for government-related entities. This does not impact the Group because the Group is not a government-related entity.
- Improvements to IFRSs (2010) omnibus standard introduces a number of amendments to the disclosure requirements in IFRS 7, *Financial instruments: Disclosures*. These amendments do not have any material impact on the classification, recognition and measurements of the amounts recognised in the condensed consolidated financial statements in the current and previous periods.

The application of the other new and revised IFRSs had no material effect on the condensed consolidated financial statements of the Group for the current or prior accounting periods.

3. 重大會計政策概要(續)

國際財務報告準則 (修訂本)	二零一零年國際財務報告準則之改進
國際會計準則第24號(經修訂)	關連人士披露
國際財務報告準則第1號(修訂本)	比較國際財務報告準則第7號首次採納者之披露之有限豁免
國際財務報告詮釋委員會第14號(修訂本)	最低資金規定之預付款項
國際財務報告詮釋委員會第19號	以股本工具抵銷財務負債

本集團並無應用任何於本會計期間尚未生效之新訂準則或詮釋。

國際財務報告詮釋委員會第14號之修訂對本集團之財務報告並無重大影響，此乃由於該等修訂與本集團已經採納之會計政策一致。國際財務報告詮釋委員會第19號對本集團之財務報告尚未有重大影響，此乃由於該等變動將於本集團訂立相關交易(如股本掉期債務)時才首次生效。

其他變動之影響載列如下：

- 國際會計準則第24號(經修訂)對關連人士之定義作出修訂。因此，本集團已重新評估關連人士之識別方法，並認為該經修訂定義對本集團於本期間及過往期間之關連人士披露並無任何重大影響。此外，國際會計準則第24號(經修訂)亦對政府相關實體之披露規定作出修改。由於本集團並非政府相關實體，故此修訂對本集團並無影響。
- 國際財務報告準則之改進(二零一零年)綜合準則對國際財務報告準則第7號財務工具：披露之披露規定作出多項修訂。該等修訂對本期間及過往期間於簡明綜合財務報告內確認金額之分類、確認及計量並無任何重大影響。

應用其他新訂及經修訂國際財務報告準則對本集團於本期間或過往會計期間之簡明綜合財務報告並無構成任何重大影響。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

Sustainable Forest Holdings Limited 永保林業控股有限公司 • Interim Report 2011 二零一一年中期報告

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Group has not early applied the following new or revised standards, amendments or interpretations that have been issued but are not yet effective:

IFRS 7 (Amendments)	Financial instruments: Disclosures — Transfer of financial assets ¹
IAS 12 (Amendments)	Income taxes — Deferred tax: Recovery of underlying assets ²
IAS 1 (Amendments)	Presentation of financial statements — Presentation of items of other comprehensive income ³
IFRS 9	Financial instruments ⁴
IFRS 10	Consolidated financial statements ⁴
IFRS 11	Joint arrangements ⁴
IFRS 12	Disclosure of interests in other entities ⁴
IFRS 13	Fair value measurement ⁴
IAS 27	Separate financial statements (2011) ⁴
IAS 28	Investments in associates and joint ventures (2011) ⁴
IAS 19 (Revised)	Employee benefits ⁴

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

² Effective for accounting periods beginning on or after 1 January 2012

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

⁴ Effective for accounting periods beginning on or after 1 January 2013

The Group is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Group's results of operations and financial position.

4. SEGMENT REPORTING

Operating segments are identified on the basis of internal reports which provides information about components of the Group. This information is reported to and reviewed by the board ("Board") of directors ("Director(s)") of the Company for the purposes of resource allocation and performance assessment.

The Group manages its business by business lines and has presented the following reportable segments. These segments are managed separately.

3. 重大會計政策概要(續)

本集團並無提早應用以下已頒佈但尚未生效之新訂或經修訂準則、修訂或詮釋：

國際財務報告準則第7號(修訂本)	財務工具：披露 — 財務資產之轉讓 ¹
國際會計準則第12號(修訂本)	所得稅 — 遞延稅項：收回相關資產 ²
國際會計準則第1號(修訂本)	財務報告呈報 — 其他全面收入項目呈報 ³
國際財務報告準則第9號	財務工具 ⁴
國際財務報告準則第10號	綜合財務報告 ⁴
國際財務報告準則第11號	聯合安排 ⁴
國際財務報告準則第12號	其他實體權益之披露 ⁴
國際財務報告準則第13號	公平值計量 ⁴
國際會計準則第27號	獨立財務報告(二零一一年) ⁴
國際會計準則第28號	投資聯營公司及合營企業(二零一一年) ⁴
國際會計準則第19號(經修訂)	僱員福利 ⁴

¹ 於二零一一年七月一日或之後開始之會計期間生效

² 於二零一二年一月一日或之後開始之會計期間生效

³ 於二零一二年七月一日或之後開始之會計期間生效

⁴ 於二零一三年一月一日或之後開始之會計期間生效

本集團正評估此等修訂在首次應用期間預期產生之影響，至今結論為採納該等修訂不大可能對本集團之經營業績和財務狀況構成重大影響。

4. 分部報告

經營分部乃根據提供有關本集團各部分資料之內部報告而識別。此等資料乃向本公司董事(「董事」)會(「董事會」)報告，且由其審閱，以分配資源及評核表現。

本集團按業務分類管理其業務，並呈報下列可報告分部。此等分部乃獨立管理。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報告附註

Sustainable Forest Holdings Limited 永保林業控股有限公司 • Interim Report 2011 二零一一年中期報告

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

4. SEGMENT REPORTING (continued)

Continuing operations

Tree felling service: provision of tree felling and clearing services.

Sustainable forest management: sustainable management of and investment in natural forests, timber and wood processing, timber trading and timber sales and marketing.

Zhongshan operation: manufacturing and sale of timber products including but not limited to wooden door, furniture and wooden flooring.

Discontinued operation

Chita forests operation: logging, timber and wood processing, timber trading and timber sales and marketing.

In accordance with IFRS 8, segment information disclosed in this interim financial report has been prepared in a manner consistent with the information used by the Board of the Company for the purposes of assessing segment performance and allocating resources among segments. In this regard, the Board of the Company monitors the results and assets attributable to each reportable segment on the following bases:

Segment assets include non-current assets and current assets with the exception of certain unallocated corporate assets to an individual reportable segment.

All liabilities are allocated to reportable segments other than current, deferred tax liabilities and unallocated corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or, which otherwise arise from the depreciation or amortisation of assets attributable to these segments.

Sales between segments are carried out in the ordinary course of Group's business on terms determined by the management of the Group. The revenue from external parties reported to the Board of the Company is measured in a manner consistent with that in the condensed consolidated income statement.

The reportable segment profit represents the profit from each segment which excluded those items not specifically attributed to an individual reportable segment, such as corporate administrative expenses. To arrive at reportable segment profit, the management additionally provided the segment information concerning interest income, finance costs and major non-cash items such as depreciation, amortisation and impairment losses derived from reportable segments.

4. 分部報告(續)

持續經營業務

伐木服務：提供伐木及清理服務。

可持續森林管理：天然森林之可持續管理及投資、木材及木料加工、木材貿易及木材銷售與市場推廣。

中山業務：製造及銷售木材產品，包括但不限於木門、傢俱及木地板。

已終止業務

赤塔森林業務：伐木、木材及木料加工、木材貿易以及木材銷售與市場推廣。

根據國際財務報告準則第8號，於本中期財務報告披露之分部資料乃以與本公司董事會就評估分部表現及於分部間分配資源所用資料一致之方式編製。就此，本公司董事會按下列基準監察各可報告分部之業績及應佔資產：

分部資產包括非流動資產及流動資產，但不包括未獲分配至個別可報告分部之若干企業資產。

所有負債乃分配至可報告分部，惟即期稅項負債、遞延稅項負債及未分配企業負債則除外。

收入及開支乃參考來自該等分部之銷售及該等分部所產生開支或折舊或攤銷該等分部應佔資產所產生之開支而分配至可報告分部。

分部間銷售乃於本集團日常業務過程中按本集團管理人員釐定之條款進行。向本公司董事會報告來自外界人士收益之計量方法與簡明綜合收益表所用者一致。

可報告分部溢利乃各分部之溢利，不包括該等並非個別可報告分部特別應佔之項目，如企業行政開支。為得出可報告分部溢利，管理層額外提供有關來自可報告分部之分部資料包括利息收入、融資費用及主要非現金項目，如折舊、攤銷及減值虧損。

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簡明綜合財務報告附註

Sustainable Forest Holdings Limited 永保林業控股有限公司 • Interim Report 2011 二零一一年中期報告

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

4. SEGMENT REPORTING (continued)

(a) Segment results, assets and liabilities

An analysis of the Group's reportable segments is reported below:

4. 分部報告(續)

(a) 分部業績、資產及負債

本集團可報告分部之分析報告如下：

		For the six months ended 30 September 2011 (Unaudited) 截至二零一一年九月三十日止六個月(未經審核)				Discontinued operation 已終止業務	Total
		Continuing operations 持續經營業務			Sub-total	Chita forests operation 赤塔森林 業務	Total
		Sustainable forest management 可持續 森林管理 HK\$'000 港幣千元	Tree felling service 伐木服務 HK\$'000 港幣千元	Zhongshan operation 中山業務 HK\$'000 港幣千元	小計 HK\$'000 港幣千元	業 務 HK\$'000 港幣千元	總計 HK\$'000 港幣千元
Segment revenue	分部收入						
Revenue from external customers	來自外界客戶之收入	7,862	—	80,593	88,455	—	88,455
Inter-segment revenue	分部間收入	—	—	45,570	45,570	—	45,570
Reportable segment revenue	可報告分部收入	7,862	—	126,163	134,025	—	134,025
Reportable segment profit/(loss) before taxation	除稅前可報告分部 溢利/(虧損)	51,350	(232,846)	24,112	(157,384)	(5,368)	(162,752)
Change in fair value of biological assets less costs to sell	生物資產公平值變動減 銷售成本	244,192	—	—	244,192	—	244,192
Depreciation	折舊	(639)	(2)	(7)	(648)	—	(648)
Write off of trade receivables	撇銷應收貿易款項	(114,274)	—	—	(114,274)	—	(114,274)
Write down of inventories	撇減存貨	—	(245,682)	—	(245,682)	—	(245,682)
Reversal of service fee payables	撥回服務費應付款項	—	12,838	—	12,838	—	12,838
Interest expenses	利息開支	(633)	—	—	(633)	—	(633)
Interest income	利息收入	312	—	—	312	—	312
Reportable segment assets	可報告分部資產	3,544,557	41	468,813	4,013,411	275,190	4,288,601
Additions to non-current segment assets	非流動分部資產添置	480	—	127	607	—	607
Reportable segment liabilities	可報告分部負債	344,677	44,714	41,458	430,849	68,459	499,308

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

4. SEGMENT REPORTING (continued)

(a) Segment results, assets and liabilities (continued)

4. 分部報告 (續)

(a) 分部業績、資產及負債 (續)

For the six months ended 30 September 2010 (Unaudited)

截至二零一零年九月三十日止六個月 (未經審核)

		Continuing operations			Discontinued operation		Total
		持續經營業務			已終止業務		
		Sustainable forest management	Tree felling service	Zhongshan operation	Sub-total	Chita forests operation	
		可持續森林管理	伐木服務	中山業務	小計	赤塔森林業務	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Segment revenue	分部收入						
Revenue from external customers	來自外界客戶之收入	10,502	330,276	—	340,778	—	340,778
Reportable segment profit/(loss) before taxation	除稅前可報告分部溢利/(虧損)	39,655	244,235	—	283,890	(11,913)	271,977
Change in fair value of biological assets less costs to sell	生物資產公平值變動減銷售成本	71,049	—	—	71,049	—	71,049
Depreciation	折舊	(437)	—	—	(437)	—	(437)
Write off of intangible assets	撇銷無形資產	—	—	—	—	(9,887)	(9,887)
Interest expenses	利息開支	(3,986)	—	—	(3,986)	(113)	(4,099)
Interest income	利息收入	793	—	—	793	—	793

As at 31 March 2011 (Audited)

於二零一一年三月三十一日 (經審核)

		Continuing operations			Discontinued operation		Total
		持續經營業務			已終止業務		
		Sustainable forest management	Tree felling service	Zhongshan operation	Sub-total	Chita forests operation	
		可持續森林管理	伐木服務	中山業務	小計	赤塔森林業務	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Reportable segment assets	可報告分部資產	3,662,618	240,841	—	3,903,459	279,828	4,183,287
Additions to non-current segment assets	非流動分部資產添置	21,323	116	—	21,439	—	21,439
Reportable segment liabilities	可報告分部負債	297,106	50,546	—	347,652	70,856	418,508

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4. SEGMENT REPORTING (continued)

(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities:

4. 分部報告(續)

(b) 可報告分部收入、溢利或虧損、資產及負債之對賬：

For the six months ended 30 September

截至九月三十日止六個月

		2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)
(i) Revenue	(i) 收入		
Reportable segment revenue	可報告分部收入	134,025	340,778
Elimination of inter-segment revenue	對銷分部間收入	(45,570)	—
		88,455	340,778

For the six months ended 30 September

截至九月三十日止六個月

		2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)
(ii) (Loss)/Profit	(ii) (虧損)/溢利		
Reportable segment (loss)/profit before taxation	除稅前可報告分部(虧損)/溢利	(157,384)	283,890
Unallocated corporate income	未分配企業收入	—	—
Unallocated depreciation	未分配折舊	(139)	(166)
Unallocated interest income	未分配利息收入	1	—
Unallocated interest expense	未分配利息開支	(3,365)	(520)
Unallocated corporate expenses	未分配企業開支	(18,960)	(31,540)
(Loss)/Profit before taxation (continuing operations)	除稅前(虧損)/溢利(持續經營業務)	(179,847)	251,664

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4. SEGMENT REPORTING (continued)

(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities:

(continued)

4. 分部報告(續)

(b) 可報告分部收入、溢利或虧損、資產及負債之對賬：(續)

		At 30 September 2011 於二零一一年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2011 於二零一一年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
(iii) Assets	(iii) 資產		
Segment assets for reportable segments from continuing operations	持續經營業務可報告分部之分部資產	4,013,411	3,903,459
Segment assets for reportable segment from discontinued operation	已終止業務可報告分部之分部資產	275,190	279,828
Total segment assets	分部資產總值	4,288,601	4,183,287
Unallocated corporate assets	未分配企業資產	10,023	3,704
Total assets as per condensed consolidated statement of financial position	簡明綜合財務狀況表所呈列資產總值	4,298,624	4,186,991
Liabilities	負債		
Segment liabilities for reportable segments from continuing operations	持續經營業務可報告分部之分部負債	430,849	347,652
Segment liabilities for reportable segment from discontinued operation	已終止業務可報告分部之分部負債	68,459	70,856
Total segment liabilities	分部負債總額	499,308	418,508
Unallocated:	未分配：		
— Provision for taxation	— 稅項撥備	49,456	49,456
— Deferred tax liabilities	— 遞延稅項負債	510,810	454,341
— Corporate liabilities	— 企業負債	176,845	8,317
Total liabilities as per condensed consolidated statement of financial position	簡明綜合財務狀況表所呈列負債總額	1,236,419	930,622

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4. SEGMENT REPORTING (continued)

(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities:

(continued)

(iv) Other material items

4. 分部報告(續)

(b) 可報告分部收入、溢利或虧損、資產及負債之對賬：(續)

(iv) 其他重要項目

For the six months ended 30 September 2011 (Unaudited)

截至二零一一年九月三十日止六個月(未經審核)

	Continuing operations 持續經營業務					Discontinued operation 已終止業務			Total 總計
	Sustainable forest management 可持續森林管理	Tree felling service 伐木服務	Zhongshan operation 中山業務	Unallocated 未分配	Sub-total 小計	Chita forests operation 赤塔森林業務	Unallocated 未分配	Sub-total 小計	
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Depreciation 折舊	639	2	7	139	787	-	-	-	787
Interest expenses 利息開支	633	-	-	3,365	3,998	-	-	-	3,998
Interest income 利息收入	312	-	-	1	313	-	-	-	313

For the six months ended 30 September 2010 (Unaudited)

截至二零一零年九月三十日止六個月(未經審核)

	Continuing operations 持續經營業務					Discontinued operation 已終止業務			Total 總計
	Sustainable forest management 可持續森林管理	Tree felling service 伐木服務	Zhongshan operation 中山業務	Unallocated 未分配	Sub-total 小計	Chita forests operation 赤塔森林業務	Unallocated 未分配	Sub-total 小計	
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Depreciation 折舊	437	-	-	166	603	-	-	-	603
Interest expenses 利息開支	3,986	-	-	520	4,506	113	-	113	4,619
Interest income 利息收入	793	-	-	-	793	-	-	-	793

(c) Revenue from major products and services:

(c) 來自主要產品及服務之收入：

For the six months ended 30 September

截至九月三十日止六個月

	Continuing operations 持續經營業務		Discontinued operation 已終止業務		Consolidated 綜合	
	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Sales of forestry and timber products 出售木材及木料產品	88,455	10,502	-	-	88,455	10,502
Tree felling service income 伐木服務收入	-	330,276	-	-	-	330,276
	88,455	340,778	-	-	88,455	340,778

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5. REVENUE

Revenue represents the invoiced value of goods sold, net of allowances for returns and trade discounts and revenue.

An analysis of revenue is as follows:

5. 收入

收入指經扣除退貨及商業折扣備抵後出售貨品之發票淨值及收入。

收入分析如下：

For the six months ended 30 September

截至九月三十日止六個月

		Continuing operations		Discontinued operation		Consolidated	
		持續經營業務		已終止業務		綜合	
		2011	2010	2011	2010	2011	2010
		二零一一年	二零一零年	二零一一年	二零一零年	二零一一年	二零一零年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
Sales of forestry and timber products	出售木材及木料產品	88,455	10,502	-	-	88,455	10,502
Tree felling service income	伐木服務收入	-	330,276	-	-	-	330,276
		88,455	340,778	-	-	88,455	340,778

6. OTHER INCOME AND OTHER NET LOSS

6. 其他收入及其他虧損淨額

For the six months ended 30 September

截至九月三十日止六個月

		Continuing operations		Discontinued operation		Consolidated	
		持續經營業務		已終止業務		綜合	
		2011	2010	2011	2010	2011	2010
		二零一一年	二零一零年	二零一一年	二零一零年	二零一一年	二零一零年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
Other income	其他收入						
Rental income	租金收入	14	9	234	307	248	316
Others	其他	3,701	3,056	-	-	3,701	3,056
		3,715	3,065	234	307	3,949	3,372
Other net loss	其他虧損淨額						
Net exchange loss	匯兌虧損淨額	31,466	-	4,050	-	35,516	-

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7. LOSS ON BUSINESS DISRUPTION

7. 業務干擾之虧損

For the six months ended
30 September
截至九月三十日止六個月

		2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Write off of trade receivables	撇銷應收貿易款項	114,274	—
Write down of inventories	撇減存貨	245,682	—
Reversal of service fee payables	撥回服務費應付款項	(12,838)	—
		347,118	—

In November 2009, Universal Timber Resources Do Brasil Participacao LTDA (“UTRB”), a wholly-owned subsidiary of the Company and a main contractor being an independent third party of the Group (“Main Contractor”) entered into a service agreement, pursuant to which the Main Contractor engaged UTRB to provide tree felling services in the hydropower plant in Rondonia, Brazil. The main contract was signed between the operator of the hydropower plant and the Main Contractor.

In May 2010, the alleged agent (“Alleged Agent”) of the Main Contractor’s owner started negotiation with UTRB for the proposed sale of the equity interest of the Main Contractor to UTRB (the “Proposed Deal”). UTRB was not satisfied with the results of due diligence exercise on the Main Contractor and the Alleged Agent failed to provide proper authorization document from the equity-owner of the Main Contractor to proceed with the Proposed Deal. As such, the Proposed Deal did not materialize.

Since around February 2011, UTRB and some of the senior officers of the Company have been receiving threatening emails and phone calls from the Alleged Agent extorting money including that payable under the Proposed Deal. It is also believed that the Alleged Agent has published or procured the publication on internet and articles posing serious accusations against the Group on its integrity and manner of doing business.

於二零零九年十一月，本公司全資附屬公司 Universal Timber Resources Do Brasil Participacao LTDA (「UTRB」) 與主承包商 (「主承包商」，為本集團之獨立第三方) 訂立服務協議，據此，主承包商委聘 UTRB 在巴西朗多尼亞州之水力發電廠提供伐木服務。水力發電廠之經營者與主承包商簽訂主合約。

於二零一零年五月，主承包商擁有人之指稱代理 (「指稱代理」) 開始與 UTRB 就向 UTRB 建議銷售主承包商之股本權益 (「建議交易」) 進行磋商。UTRB 對主承包商之盡職審查結果並不滿意，而指稱代理無法提供由主承包商之權益擁有人發出之適當授權文件以進行建議交易。因此，建議交易無法實現。

大概自二零一一年二月以來，UTRB 及本公司若干高級職員直接獲指稱代理勒索金錢之恐嚇電郵及電話，包括建議交易項下之應付款項。本集團亦相信指稱代理曾於互聯網上發表或促成發表文章，對本集團之誠信及營商手法提出嚴重指控。

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7. LOSS ON BUSINESS DISRUPTION (continued)

As a result of the above events ("Events"), UTRB made a police report with the Sao Paulo State Police Department on 10 October 2011. The alleged accusations against the Group and its business have adversely affected the reputation, business and operation of the Group in Rondonia. Further, since the occurrence of the above Events, the relationship between the Group and the Main Contractor deteriorated. In August 2011, unrelated to the Events and the operation of the Group in the power plant, hydropower plant operator terminated the main contract with the Main Contractor. Thereafter, UTRB were rejected access to the hydropower plant. As at 30 September 2011, inventories amounting to HK\$246 million kept inside the hydropower plant.

In March 2011, the Group sold logs located inside the hydropower plant at total sale prices of approximately HK\$114 million to some PRC customers. The abovementioned sold logs at the hydropower plant were part of the goods sold under these sales contracts which also included other timber products from Africa and USA. The sold logs remained inside the hydropower plant up to the time when UTRB was denied access to the hydropower plant in September 2011. For goodwill with these PRC customers, the Group negotiated and agreed with PRC customers that it will not demand for payment of the outstanding trade receivables in the sum of HK\$114 million relating to the logs kept at the hydropower plant.

The Group is consulting legal counsels for the possible civil legal actions against the Alleged Agent and/or the Main Contractor in relations to the above Events and the blockage on the Group to operate in the hydropower plant. In light of the above matters which may adversely affect the Group's operations and prospects in Rondonia, the Group decided to write off HK\$246 million for the full carrying value of the logs and the trade receivables with PRC customers of HK\$114 million during the interim period ended 30 September 2011.

7. 業務干擾之虧損(續)

鑑於上述事件(「事件」)，UTRB於二零一一年十月十日向聖保羅警處報案。該等對本集團及其業務作出之聲稱指控已對本集團於朗多尼亞州之聲譽、業務及營運構成不利影響。此外，自從發生上述事件，本集團與主承包商之關係惡化。於二零一一年八月，在與事件及本集團經營發電廠無關之情況下，水力發電廠之經營者終止與主承包商訂立之主合約。其後，UTRB被拒絕進入水力發電廠。於二零一一年九月三十日，合共港幣246,000,000元之存貨存放於水力發電廠內。

於二零一一年三月，本集團以總售價約港幣114,000,000元向若干中國客戶出售存放於水力發電廠內之原木。上述所出售存放於水力發電廠之原木為該等銷售合約項下之部分出售貨品，另外亦包括非洲及美國之其他木材產品。所出售之原木一直存放於水力發電廠內，直至UTRB於二零一一年九月被拒絕進入水力發電廠。基於與此等中國客戶關係良好，本集團與中國客戶協商及同意本集團將不會要求客戶支付存放於水力發電廠之原木合共港幣114,000,000元之應收貿易賬款。

本集團現正諮詢法律顧問之意見，可能就該等事件及本集團被阻撓於水力發電廠營運向指稱代理及／或主承包商提出民事法律訴訟。考慮到上述事宜可能對本集團於朗多尼亞州之業務及前景構成不利影響，本集團決定於截至二零一一年九月三十日止中期期間撇銷原木全部賬面值港幣246,000,000元及中國客戶應收貿易款項港幣114,000,000元。

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8. (LOSS)/PROFIT BEFORE TAXATION

The Group's (loss)/profit before taxation is arrived at after charging/(crediting):

8. 除稅前(虧損)/溢利

本集團除稅前(虧損)/溢利乃經扣除/(計入)下列各項後得出：

For the six months ended 30 September

截至九月三十日止六個月

	Continuing operations		Discontinued operation		Consolidated	
	持續經營業務		已終止業務		綜合	
	2011	2010	2011	2010	2011	2010
	二零一一年	二零一零年	二零一一年	二零一零年	二零一一年	二零一零年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
(a) Net finance costs	(a) 融資費用淨額					
Finance income	(313)	(793)	-	-	(313)	(793)
Finance costs						
Interest on bank and other borrowings wholly repayable within five years						
Interest on promissory notes	627	1,120	-	113	627	1,233
Interest on amounts due to shareholders	64	520	-	-	64	520
Interest on amounts due to related parties	3,301	2,176	-	-	3,301	2,176
Finance charges on obligations under finance leases	-	690	-	-	-	690
Total interest expenses on financial liabilities not at fair value through profit or loss	6	-	-	-	6	-
	3,998	4,506	-	113	3,998	4,619
	3,685	3,713	-	113	3,685	3,826
(b) Staff costs (including Directors' remuneration)	(b) 員工成本(包括董事薪酬)					
Salaries, wages and other benefits	21,114	16,054	-	-	21,114	16,054
Pension scheme contributions	233	159	-	-	233	159
Equity-settled share-based payment expenses	4,076	20,588	-	-	4,076	20,588
	25,423	36,801	-	-	25,423	36,801

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8. (LOSS)/PROFIT BEFORE TAXATION (continued)

8. 除稅前(虧損)/溢利(續)

		For the six months ended 30 September 截至九月三十日止六個月					
		Continuing operations 持續經營業務		Discontinued operation 已終止業務		Consolidated 綜合	
		2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)
(c) Other items	(c) 其他項目						
Cost of inventories sold*	已售出之存貨成本*	71,718	18,065	-	-	71,718	18,065
Depreciation	折舊	787	603	-	-	787	603
Write off of intangible assets	撇銷無形資產	-	-	-	9,887	-	9,887
Minimum lease payments under operating leases for land and buildings (including Directors' quarters)	土地及樓宇(包括董事宿舍)經營租約之最低租金	2,108	1,510	-	-	2,108	1,510
Auditor's remuneration	核數師酬金						
— audit services	— 審核服務	5	-	-	-	5	-
— other services	— 其他服務	550	407	-	-	550	407

Cost of inventories sold includes depreciation of HK\$212,000 (2010: HK\$116,000) and staff costs of HK\$2,188,000 (2010: HK\$3,505,000), the amount of which is also included in the respective total amounts disclosed separately above.

已售出之存貨成本包括折舊港幣212,000元(二零一零年:港幣116,000元)及員工成本港幣2,188,000元(二零一零年:港幣3,505,000元),有關款項亦已包括在上文分別披露之相關總額當中。

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9. INCOME TAX

Income tax in the condensed consolidated income statement represents:

9. 所得稅

簡明綜合收益表之所得稅代表：

For the six months ended 30 September

截至九月三十日止六個月

	Continuing operations		Discontinued operation		Consolidated	
	持續經營業務		已終止業務		綜合	
	2011	2010	2011	2010	2011	2010
	二零一一年	二零一零年	二零一一年	二零一零年	二零一一年	二零一零年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
Current tax						
— Hong Kong Profits Tax	—	32,518	—	—	—	32,518
Deferred tax						
— Origination and (reversal) of temporary differences	59,277	24,368	—	(594)	59,277	23,774
	59,277	56,886	—	(594)	59,277	56,292

Hong Kong Profits Tax is calculated at 16.5% (2010: 16.5%) of the estimated assessable profits arising in Hong Kong. Brazil income tax has been provided at the rate of 34% of the estimated assessable profits arising in Brazil. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

香港利得稅根據於香港產生之估計應課稅溢利按稅率16.5%(二零一零年:16.5%)計算。巴西所得稅根據於巴西產生之估計應課稅溢利按稅率34%計提撥備。於其他司法權區產生之稅項按相關司法權區之適用稅率計算。

10. DISCONTINUED OPERATION

For the six months ended 30 September 2010 and 2011

(i) In February 2010, the Group has commenced negotiations to dispose of the Chita forests operation in Russia. In October 2010, the Group set up Ally Rise Limited, a wholly-owned subsidiary of the Company incorporated in British Virgin Islands, as an immediate holding company of the Russian subsidiary, namely OOO "Zabaikalskaya lesnaya kompaniya" ("ZLK") which held 99.95% equity interest in OOO "Novoles" ("Novoles") (collectively "ZLK Group"). ZLK Group was principally engaged in the forestry business in Russia.

10. 已終止業務

截至二零一零年及二零一一年九月三十日止六個月

(i) 於二零一零年二月，本集團開始商討出售俄羅斯之赤塔森林業務。於二零一零年十月，本集團成立合昇有限公司(於英屬處女群島註冊成立之本公司全資附屬公司)，作為俄羅斯附屬公司OOO "Zabaikalskaya lesnaya kompaniya" ("ZLK") (其持有OOO "Novoles" ("Novoles") 99.95%股本權益，統稱「ZLK集團」)的直接控股公司。ZLK集團主要在俄羅斯從事林業業務。

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10. DISCONTINUED OPERATION (continued)

For the six months ended 30 September 2010 and 2011 (continued)

(i) (continued)

On 6 October 2011, Amplewell Holdings Limited ("Amplewell"), a wholly-owned subsidiary of the Company, entered into a disposal agreement with Source Bright Limited, an independent third party, to dispose of the Group's entire equity interest in issued share capital of Ally Rise Limited which held 100% equity interest in ZLK (collectively "Ally Rise Group"). The expected completion date for disposal is before 31 March 2012.

(ii) The operations of Ally Rise Group were classified as discontinued operation and the losses arising from discontinued operation are analysed as follows:

10. 已終止業務 (續)

截至二零一零年及二零一一年九月三十日止六個月 (續)

(i) (續)

於二零一一年十月六日，本公司全資附屬公司沛源控股有限公司（「沛源」）與獨立第三方燁源有限公司訂立出售協議，以出售本集團於合昇有限公司之已發行股本全部股本權益。合昇有限公司持有ZLK之100%股本權益（統稱「合昇集團」）。出售之預計完成日期為二零一二年三月三十一日之前。

(ii) 合昇集團之業務分類為已終止業務，而已終止業務產生之虧損分析如下：

For the six months ended 30 September

截至九月三十日止六個月

Chita forests operation

赤塔森林業務

		Note	2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Revenue	收入	5	—	—
Cost of sales	銷售成本		—	—
Gross profit	毛利		—	—
Other income	其他收入	6	234	307
Other net loss	其他虧損淨額	6	(4,050)	—
Administrative expenses	行政支出		(1,552)	(12,107)
Loss from operations	經營虧損		(5,368)	(11,800)
Finance costs	融資費用		—	(113)
Loss before taxation	除稅前虧損	8	(5,368)	(11,913)
Income tax	所得稅	9	—	594
Loss from discontinued operation	已終止業務之虧損		(5,368)	(11,319)
Attributable to:	應佔：			
Owners of the Company	本公司擁有人		(5,368)	(11,309)
Non-controlling interests	非控制性權益		—	(10)
			(5,368)	(11,319)

11. DIVIDENDS

The Directors do not recommend the payment or declaration of any dividend for both six months ended 30 September 2010 and 30 September 2011 respectively.

11. 股息

董事於兩個分別截至二零一零年九月三十日及二零一一年九月三十日止六個月建議不派發或宣派任何股息。

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12. (LOSS)/EARNINGS PER SHARE

(a) From continuing and discontinued operations

The calculation of the basic and diluted (loss)/earnings per share is based on the following data:

12. 每股(虧損)/盈利

(a) 持續經營業務及已終止業務

每股基本及攤薄(虧損)/盈利乃根據以下數據計算：

		For the six months ended 30 September 截至九月三十日止六個月	
		2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)
(Loss)/Earnings	(虧損)/盈利		
(Loss)/earnings for the purpose of basic and diluted (loss)/earnings per share	用以計算每股基本及攤薄(虧損)/盈利之(虧損)/盈利		
— (Loss)/profits attributable to the owners of the Company	— 本公司擁有人應佔(虧損)/溢利	(244,492)	183,442
		'000 千股	'000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purposes of basic (loss)/earnings per share	用以計算每股基本(虧損)/盈利之普通股加權平均數	5,204,640	2,901,729
Effect of dilutive potential ordinary shares arising from conversion of convertible preference shares	兌換可換股優先股份產生之潛在攤薄普通股之影響	1,657,430	3,424,211
Effect of dilutive potential ordinary shares arising from exercise of share options	行使購股權產生之潛在攤薄普通股之影響	7,691	—
Weighted average number of ordinary shares for the purposes of diluted (loss)/earnings per share	用以計算每股攤薄(虧損)/盈利之普通股加權平均數	6,869,761	6,325,940

The share options had no dilutive effect on the basic earnings per share for the six months ended 30 September 2010.

購股權對截至二零一零年九月三十日止六個月之每股基本盈利並無攤薄影響。

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12. (LOSS)/EARNINGS PER SHARE (continued)

(b) For continuing operations

The calculation of basic and diluted (loss)/earnings per share from continuing operations attributable to the owners of the Company is based on the following data:

(Loss)/Earnings	(虧損)/盈利
(Loss)/Profits attributable to the owners of the Company	本公司擁有人應佔 (虧損)/溢利

The denominators used are the same as those detailed above for basic and diluted (loss)/earnings per share from continuing and discontinued operations.

(c) For discontinued operation

Basic and diluted loss per share for the discontinued operation is HK\$0.11 cents per share (2010: HK\$0.39 cents per share) which is based on the loss from the discontinued operation of HK\$5,368,000 (2010: HK\$11,309,000) and the denominators used are the same as those detailed above for basic and diluted (loss)/earnings per share from continuing and discontinued operations.

(d) Diluted loss per share

Diluted loss per share is equal to the basic loss per share for the six months ended 30 September 2010 and 2011 because the outstanding convertible preference shares and the share options had an anti-dilutive effect on the basic loss per share.

12. 每股(虧損)/盈利(續)

(b) 持續經營業務

本公司擁有人應佔來自持續經營業務之每股基本及攤薄(虧損)/盈利乃根據以下數據計算:

For the six months ended 30 September

截至九月三十日止六個月

2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)
(239,124)	194,778

所用分母與上文詳述來自持續經營業務及已終止業務之每股基本及攤薄(虧損)/盈利所使用者相同。

(c) 已終止業務

已終止業務之每股基本及攤薄虧損為每股港幣0.11仙(二零一零年:每股港幣0.39仙),乃根據已終止業務之虧損港幣5,368,000元(二零一零年:港幣11,309,000元)計算,而所用分母與上文所詳述來自持續經營業務及已終止業務之每股基本及攤薄(虧損)/盈利所使用者相同。

(d) 每股攤薄虧損

截至二零一零年及二零一一年九月三十日止六個月之每股攤薄虧損相等於每股基本虧損,此乃由於尚未行使可換股優先股份及購股權對每股基本虧損具反攤薄作用。

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13. PROPERTY, PLANT AND EQUIPMENT

(a) Acquisitions and disposals

During the six months ended 30 September 2011, the Group acquired property, plant and equipment of HK\$607,000 (2010: HK\$930,000) including property, plant and equipment of HK\$127,000 acquired through subsidiaries (2010: Nil).

During the six months ended 30 September 2010, motor vehicles with carrying amount of HK\$195,000 was disposed of, resulting in a loss on disposal of HK\$105,000.

- (b) Certain motor vehicles are pledged to banks for certain banking facilities granted to the Group as disclosed in note 21.

14. INTANGIBLE ASSETS

Cost

At 1 April 2010 and 31 March 2011 (Audited)

Acquisition of subsidiaries (Note 28)

At 30 September 2011 (Unaudited)

Accumulated amortisation

At 1 April 2010 and 31 March 2011 (Audited)

Charge for the period

At 30 September 2011 (Unaudited)

Carrying amount

At 30 September 2011 (Unaudited)

At 31 March 2011 (Audited)

The Group acquired the patent for the “curved floor panels”, outstanding sales contracts, favourable leasing contracts and the registered trademark “新綠洲” through the acquisition of Originate Tech Global Investments Limited (“Originate Tech”), and its subsidiaries (collectively the “Originate Tech Group”) on 2 August 2011 as disclosed in Note 28.

13. 物業、廠房及設備

(a) 收購及出售

截至二零一一年九月三十日止六個月，本集團購入港幣607,000元(二零一零年：港幣930,000元)之物業、廠房及設備，包括透過附屬公司所收購港幣127,000元(二零一零年：無)之物業、廠房及設備。

截至二零一零年九月三十日止六個月，出售賬面值港幣195,000元之汽車導致出售虧損港幣105,000元。

- (b) 若干汽車已就附註21所披露授予本集團之若干銀行融資抵押予銀行。

14. 無形資產

HK\$'000
港幣千元

成本

於二零一零年四月一日及
二零一一年三月三十一日(經審核)

收購附屬公司(附註28)

於二零一一年九月三十日(未經審核)

累計攤銷

於二零一零年四月一日及
二零一一年三月三十一日(經審核)

期內攤銷

於二零一一年九月三十日(未經審核)

賬面值

於二零一一年九月三十日(未經審核)

於二零一一年三月三十一日(經審核)

誠如附註28所披露，於二零一一年八月二日，本集團透過收購創科環球投資有限公司(「創科」)及其附屬公司(統稱「創科集團」)取得「曲線地板」之專利權、未完成銷售合約、有利租賃合約及註冊商標「新綠洲」。

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15. BIOLOGICAL ASSETS

15. 生物資產

		HK\$'000 港幣千元
At 1 April 2010 (Audited)	於二零一零年四月一日(經審核)	833,323
Changes in fair value less costs to sell	公平值變動減銷售成本	250,243
Exchange movement	匯兌變動	89,584
At 31 March 2011 (Audited)	於二零一一年三月三十一日(經審核)	1,173,150
Changes in fair value less costs to sell	公平值變動減銷售成本	244,192
Harvested timber logs transferred to inventories	已砍伐木材轉入存貨	(4,568)
Exchange movement	匯兌變動	(143,193)
At 30 September 2011 (Unaudited)	於二零一一年九月三十日(未經審核)	1,269,581

The Group's forest assets, acquired through the business combination of Amplewell and its subsidiaries, are located in the Northwest of Brazil, the State of Acre, Amazon Region (the "Brazil Forest"). As at 30 September 2011, the biological assets represented natural tropical forests. The total area of the Brazil Forest is approximately 44,500 hectares. Under the environmental laws in Brazil, 15% or 6,675 hectares of the Brazil Forest area is the permanent preservation area and therefore is restricted from logging. At least 80% of the remaining area is designated as the sustainable forest management area and the balance is the permissible clear cut area that has no restriction on felling under the environmental laws of Brazil. In the sustainable forest management area, minimum impact logging techniques are used and forests are managed in a sustainable manner which means that the harvesting rate is below the overall natural growth of the forest. The main objective in sustainable forest management program is to ensure the substance of the forests be preserved. The maximum logging rate allowed under relevant regulations governing sustainable forest management is 30m³ per hectare, on average, over a 25 to 30-year harvesting cycle.

本集團透過沛源及其附屬公司之業務合併收購之森林資產位於巴西西北部之亞克裏州亞馬遜叢林區(「巴西森林」)。於二零一一年九月三十日，生物資產指天然熱帶森林。巴西森林之總面積約44,500公頃。根據巴西之環保法律，巴西森林面積之15%或6,675公頃為永久保護區，故此嚴禁砍伐。餘下範圍最少80%指定作為可持續森林管理區，根據巴西環保法，餘下範圍屬並無砍伐限制之砍伐區。在可持續森林管理範圍內，已採用構成最低影響之砍伐技術；而森林乃以可持續之方式管理，保持砍伐比率低於森林整體天然增長。可持續森林管理計劃之主要目的為確保森林之主要物質得以保留。根據可持續森林管理之相關監管規例，最高砍伐率為二十五至三十年之砍伐周期內平均每公頃30立方米。

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15. BIOLOGICAL ASSETS (continued)

The Brazil Forest was independently valued by Greater China Appraisal Limited ("GCA"). GCA has experience in valuating similar forestry assets. GCA has adopted a discounted cash flow methodology in valuating the Brazil Forest. The following are the major assumptions used in the valuation:

- (i) a logging volume of 21.5m³ per hectare in the sustainable forest management program area.
- (ii) a discount rate of 14.2% based on the data and factors relevant to the economy of Brazil, the industry of forest business and the harvestable resources in the Brazil Forest, and the weighted average cost of capital.
- (iii) for the first 30-year cycle, harvesting activities has begun in the second half of 2011 and expected to be completed in 8 years. Revenue or costs from subsequent harvesting cycles are not taken into account.
- (iv) average log price growth at 3% per annum in the next 7 years. The expected long term growth rate was estimated by reference to the Consumer Price Index in USA.
- (v) the Group will obtain Forest Stewardship Council ("FSC") certification in 2012. FSC certification demonstrates fulfillment of social and ecological criteria, while increasing the prices achievable for timber products. Based on current market practices, the Directors estimate that the Group can enjoy a price premium of 15% over non FSC timber products from 2012 when the Group obtains the FSC certification.

The Group is exposed to a number of risks related to its natural forest.

(i) Regulatory and environmental risks

The Group is subject to laws and regulations in Brazil in which it operates. The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage those risks. The Directors are not aware of any environmental liabilities as at 30 September 2011.

(ii) Supply and demand risk

The Group is exposed to risks arising from fluctuations in the price and sales volume of logs. When possible the Group manages this risk by controlling its harvesting volume, according to market conditions. Management performs regular industry trend analysis to ensure the Group's pricing policy is comparable to the market and the projected harvesting volumes are consistent with the expected demand.

15. 生物資產(續)

巴西森林由漢華評估有限公司(「漢華評估」)獨立評估。漢華評估具有評估類似森林資產之經驗。漢華評估於評估巴西森林時已採用貼現現金流量法。以下為評估所用主要假設：

- (i) 可持續森林管理計劃範圍之砍伐量為每公頃21.5立方米。
- (ii) 折現率14.2%乃按照與巴西經濟、林業業務行業概況、於巴西森林之砍伐資源有關之數據及因素以及資本加權平均成本釐定。
- (iii) 首三十年周期砍伐活動已自二零一一年下半年開始，預期於八年內結束。並無計及往後砍伐周期之收入或成本。
- (iv) 未來七年之平均原木價格增幅為每年3%。預期長期增長率乃參考美國消費物價指數所作出估計得出。
- (v) 本集團將於二零一二年取得森林管理委員會(「FSC」)認證，FSC認證反映符合社會及生態標準，同時可提升木材產品售價。按現時市場慣例，董事估計本集團於二零一二年取得FSC認證後可享有較非FSC木材產品高出15%之溢價。

本集團就其天然森林面對多項風險。

(i) 監管及環境風險

本集團受其業務所在之巴西法例及規例規管。本集團已制定環境政策及程序，旨在遵守地方環保及其他法例。管理層定期進行檢討，以識別環境風險及確保現行制度足以管理有關風險。於二零一一年九月三十日，董事並不知悉有任何環境負債。

(ii) 供求風險

本集團面對木材價格及銷量波動產生之風險。在可行情況下，本集團根據市況控制其砍伐量以管理此項風險。管理層定期進行行業趨勢分析，以確保本集團定價政策可與市場水平比較及預計砍伐量與預期需求一致。

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16. GOODWILL

16. 商譽

		HK\$'000 港幣千元
Cost	成本	
At 1 April 2010, 31 March 2011 and 1 April 2011 (Audited)	於二零一零年四月一日、 二零一一年三月三十一日及 二零一一年四月一日(經審核)	1,686,883
Arising from acquisition of subsidiaries (Note 28)	收購附屬公司所產生(附註28)	173,567
At 30 September 2011 (Unaudited)	於二零一一年九月三十日(未經審核)	1,860,450

Goodwill was allocated to the Group's cash-generating unit identified according to the operating segments as follows:

商譽分配至根據經營分部識別之本集團現金產生單位如下：

		At 30 September 2011 於二零一一年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2011 於二零一一年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Sustainable forest management	可持續森林管理業務	1,686,883	1,686,883
Zhongshan operation	中山業務	173,567	—
		1,860,450	1,686,883

Sustainable forest management

The recoverable amount of the sustainable forest management segment was determined to be higher than its carrying amount, therefore, there was no impairment loss.

The recoverable amount of the sustainable forest management segment cash-generating unit was based on value in use and was determined with the assistance of independent valuer.

可持續森林管理

可持續森林管理分部之可收回金額乃釐定為高於其賬面價，因此，並無減值虧損。

可持續森林管理分部現金產生單位之可收回金額以使用價值為基礎，並在獨立估值師協助下釐定。

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16. GOODWILL (continued)

Sustainable forest management (continued)

Value-in-use was determined by discounting the future cash flows generated from the continuing use of the unit. The calculation of the value in use was based on the following key assumptions:

- Cash flows for sustainable forest management segment were projected based on past experience and financial budget approved by management. Management estimated that the cash flows after 8 years are immaterial to the overall recoverable amount of the unit because the management planned to complete the harvesting and selling activities for the first 30-year cycle of the Brazil Forest within 8 years. Therefore, cash flows after 8 years are not included in the value in use calculations. Cash flows from year 5 to year 8 are extrapolated using an estimated weighted average growth rate of 3%, which is consistent with the expected long term growth rate of Consumer Price Index in USA. Management estimated that there would be a negative growth of 59% in year 9 as a result of the completion of harvesting and selling activities for the first 30-year cycle of the Brazil Forest.
- Revenue for sustainable forest management segment was projected based on management's past experience and their expectations for market development and the harvesting plan.
- Timber product average price growth at 3% per annum. The expected long term growth rate was estimated by reference to the Consumer Price Index in USA.
- A pre-tax discount rate of 19.5% (31 March 2011: 21.2%) based on the data and factors relevant to the economy of Brazil, the forest industry, the timber products in the Brazil Forest, and the weighted average cost of capital.
- The Group will obtain FSC certification in 2012. FSC certification demonstrates fulfillment of social and ecological criteria, while increasing the prices achievable for timber products. Based on current market practices, the Directors estimate that the Group can enjoy a price premium of 15% over non FSC timber products from 2012 when the Group obtains the FSC certification.

16. 商譽(續)

可持續森林管理(續)

使用價值乃按貼現來自持續使用該單位之未來現金流轉釐定。使用價值乃按以下主要假設計算：

- 可持續森林管理分部之現金流轉乃按過往經驗及管理層批准之財務預算預測。由於管理層計劃於八年內完成巴西森林之首三十年周期之砍伐及銷售活動，管理層估計八年後之現金流轉相對單位之整體可收回金額並不重大，因此，於計算使用價值時並無計入八年後之現金流轉。第五年至第八年之現金流轉使用估計加權平均增長率3%，其與美國消費物價指數之預期長期增長率一致。管理層估計待巴西森林首三十年周期之砍伐及銷售活動完成後，於第九年將出現59%負增長。
- 可持續森林管理分部之收入乃按管理層之過往經驗及彼等對市場發展及砍伐計劃之預期作出預測。
- 木材產品之平均價格增幅為每年3%。預計長期增長率乃參考美國消費物價指數估計得出。
- 除稅前貼現率19.5%(二零一一年三月三十一日：21.2%)乃根據與巴西經濟、林業行業以及巴西森林木材產品相關之數據及因素以及加權平均資本成本計算。
- 本集團將於二零一二年取得FSC認證，FSC認證顯示符合社會及生態標準，同時可提升木材產品售價。按現時市場慣例，董事估計本集團自二零一二年取得FSC認證後，產品價格可較非FSC木材產品高出15%。

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16. GOODWILL (continued)

Zhongshan operation

The recoverable amount of Zhongshan operation segment was determined to be higher than its carrying amount, therefore, there was no impairment loss.

The recoverable amount of Zhongshan operation segment cash-generating unit was based on value in use and was determined with the assistance of independent valuer.

Value-in-use was determined by discounting the future cash flows generated from the continuing use of the unit. The calculation of the value in use was based on the following key assumptions:

- Cash flows for Zhongshan operation segment were projected based on past experience and financial budget approved by management. Management estimated that the cash flows after 5 years are immaterial to the overall recoverable amount of the unit.
- Revenue for Zhongshan operation segment was projected based on management's expectation for market development and the existing agreement with customers.
- Timber product average price growth at 3% per annum. The expected long term growth rate was estimated by reference to the Consumer Price Index in USA.
- A pre-tax discount rate of 21.95% (31 March 2011: NIL) based on the data and factors relevant to the economy of China, and the weighted average cost of capital.

16. 商譽(續)

中山業務

中山業務分部之可收回金額乃釐定為高於其賬面值，因此，並無減值虧損。

中山業務分部現金產生單位之可收回金額以使用價值為基礎，並在獨立估值師協助下釐定。

使用價值乃按貼現來自持續使用該單位之未來現金流轉釐定。使用價值乃按以下主要假設計算：

- 中山業務分部之現金流轉乃根據過往經驗及管理層批准之財務預算預測。管理層估計，五年後之現金流轉相對單位之整體可收回金額並不重大。
- 中山業務分部之收入乃按管理層對市場發展之預期及與客戶之現有協議預測得出。
- 木材產品之平均價格增幅為每年3%。預計長期增長率乃參考美國消費物價指數估計得出。
- 除稅前貼現率21.95% (二零一一年三月三十一日：無)乃根據與中國經濟相關之數據及因素以及加權平均資本成本計算。

17. INVENTORIES

Timber logs
Raw materials
Work in progress
Finished goods

木材原木
原材料
在製品
製成品

17. 存貨

	At 30 September 2011 於二零一一年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2011 於二零一一年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
	14,202	240,383
	4,568	865
	1,327	490
	73	242
	20,170	241,980

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18. TRADE AND OTHER RECEIVABLES

Customers are generally not given any credit terms. Letter of credit or advance deposits are required from customers, except for some where sales terms are based on cash on delivery.

The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management.

The ageing analysis of the trade receivables as at the reporting date, based on invoice date, was as follows:

18. 應收貿易款項及其他應收款項

一般不會給予客戶任何信貸期。客戶須出示信用證或預先支付訂金，惟部分客戶的銷售條款按貨到付現金訂立。

本集團對未收回之應收款項實施嚴格控制，並已設立信貸控制部進行管理，以求盡量降低信貸風險。高級管理層定期審閱逾期結餘。

於報告日期，按發票日期計算之應收貿易款項之賬齡分析如下：

		At 30 September 2011 於二零一一年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2011 於二零一一年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
0 to 30 days	0至30日	52,824	512,845
31 to 60 days	31至60日	25,176	—
61 to 90 days	61至90日	14	827
Over 90 days	90日以上	307,148	21
Trade receivables, net	應收貿易款項淨額	385,162	513,693
Other receivables	其他應收款項	6,031	1,480
Prepayment and deposits	預付款項及按金	16,805	4,116
		407,998	519,289

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19. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE

In February 2010, the Group commenced negotiations to dispose of the Chita forests operation in Russia as part of its ongoing strategy to seek forest assets or operations with better return on investments, hence improving the value they bring to shareholders. The assets and liabilities attributable to the forestry operation in Russia which are expected to be sold within twelve months, have been classified as assets held for sale and are presented separately in the condensed consolidated statement of financial position.

On 6 October 2011, the Group entered into a disposal agreement with Source Bright Limited to dispose of the Group's entire equity interest in issued share capital of Ally Rise Limited, which held 100% equity interest in ZLK. The expected completion date for disposal is before March 2012. Under the negotiation between the parties, the selling price of the disposal shall be greater than the book value, as such, the Directors expected that no impairment is necessary.

The major classes of assets and liabilities of Chita forests operation in Russia, which have been classified as held for sale at the end of the respective reporting period, are as follows:

19. 分類為持作待售之資產及負債

於二零一零年二月，本集團開始就出售俄羅斯赤塔森林業務進行磋商，作為尋求更具佳投資回報之森林資產或業務之持續策略之一部分，從而提升為股東帶來之價值。預期將於十二個月內出售之俄羅斯林業業務應佔資產及負債已分類為持作待售資產，並於簡明綜合財務狀況表內分別呈列。

於二零一一年十月六日，本集團與焯源有限公司訂立出售協議，以出售本集團於合昇有限公司已發行股本全部股本權益。合昇有限公司持有ZLK之100%股本權益。有關出售之預計完成日期為於二零一二年三月前。根據協議方之磋商，出售事項之售價將高於賬面值，故董事預期毋須作出減值撥備。

於各報告期間結算日，已分類為持作待售之俄羅斯赤塔森林業務之資產及負債主要類別如下：

		At 30 September 2011 於二零一一年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2011 於二零一一年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Property, plant and equipment	物業、廠房及設備	66,236	74,019
Intangible assets	無形資產	152,588	152,506
Trade and other receivables	應收貿易款項及 其他應收款項	696	505
Amount due from a non-controlling shareholder	應收一名非控股股東款項	55,669	52,797
Cash and bank balances	現金及銀行結餘	1	1
Assets classified as held for sale	分類為持作待售資產	275,190	279,828
Trade and other payables	應付貿易款項及 其他應付款項	24,935	26,639
Other loans, secured	有抵押之其他貸款	3,686	4,131
Other loans, unsecured	無抵押之其他貸款	2,246	2,517
Deferred tax liabilities	遞延稅項負債	37,592	37,569
Liabilities associated with assets classified as held for sale	與分類為持作待售資產 相關之負債	68,459	70,856

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19. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE (continued)

(a) Amount due from a non-controlling shareholder

The amount is unsecured and interest-free. In the opinion of the Directors, the amount is expected to be realised within twelve months from the end of the reporting period.

The amount is guaranteed by a substantial shareholder of the Company, Assure Gain International Limited ("Assure Gain"). Under the guarantee agreement, Assure Gain agrees to dispose sufficient shares in the Company to repay the outstanding amount in the event of default by the non-controlling shareholder.

(b) Other loans, secured

The loans were secured by the subsidiary's building with carrying amount of HK\$2,836,000 (31 March 2011: HK\$3,139,000) and the personal assets given by a non-controlling shareholder. The loans are bearing fixed interest rate at 3% to 5% per annum and repayable within one year.

(c) Other loans, unsecured

Out of the amount of HK\$2,246,000 (31 March 2011: HK\$2,517,000), HK\$1,220,000 (31 March 2011: HK\$1,368,000) is bearing fixed interest rate at 5% per annum, HK\$147,000 (31 March 2011: HK\$164,000) is interest free and the remaining HK\$879,000 (31 March 2011: HK\$985,000) is bearing fixed interest rate at 16% per annum.

19. 分類為持作待售資產及負債(續)

(a) 應收一名非控股股東款項

有關款項為無抵押及免息。董事認為，有關款項預期將自報告期間結算日起計十二個月內變現。

該款項由本公司主要股東 Assure Gain International Limited ("Assure Gain") 擔保。根據擔保協議，於非控股股東拖欠款項之情況下，Assure Gain 同意出售足夠之本公司股份以償還尚欠金額。

(b) 有抵押之其他貸款

該等貸款以賬面值為港幣2,836,000元(二零一一年三月三十一日：港幣3,139,000元)之附屬公司樓宇及一名非控股股東提供之個人資產作抵押。貸款按固定年利率3厘至5厘計息，並須於一年內償還。

(c) 無抵押之其他貸款

港幣2,246,000元(二零一一年三月三十一日：港幣2,517,000元)之款項當中，港幣1,220,000元(二零一一年三月三十一日：港幣1,368,000元)按固定年利率5厘計息，港幣147,000元(二零一一年三月三十一日：港幣164,000元)為免息，而餘額港幣879,000元(二零一一年三月三十一日：港幣985,000元)則按固定年利率16厘計息。

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20. TRADE AND OTHER PAYABLES

20. 應付貿易款項及其他應付款項

		Note 附註	At 30 September 2011 於二零一一年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2011 於二零一一年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Trade payables	應付貿易款項	(a)	207,510	180,231
Other payables and accruals	其他應付款項及應計費用		19,533	19,055
			227,043	199,286

(a) Trade payables

An ageing analysis of the Group's trade payables as at the end of the reporting date, based on invoiced date, was as follows:

(a) 應付貿易款項

於報告日期結算日，按發票日期計算之本集團應付貿易款項之賬齡分析如下：

		Note 附註	At 30 September 2011 於二零一一年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2011 於二零一一年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
0 to 30 days	0至30日		16,818	130,566
31 to 60 days	31至60日		19,565	—
61 to 90 days	61至90日		—	—
Over 90 days	90日以上		171,127	49,665
Total trade payables	應付貿易款項總額		207,510	180,231

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21. LOANS AND BORROWINGS

21. 貸款及借貸

		At 30 September 2011 於二零一一年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2011 於二零一一年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Bank loans, secured	有抵押之銀行貸款	145	304
Unsecured interest-bearing loan	無抵押之計息貸款	14,028	18,014
		14,173	18,318
Carrying amount repayable:	於以下期間須償還之賬面值：		
On demand or within one year	應要求或一年內	14,094	18,230
More than one year but not exceeding two years	超過一年但不超過兩年	—	—
More than two years but not more than five years	超過兩年但不超過五年	79	88
		14,173	18,318
Less: Amounts due within one year shown under current liabilities	減：流動負債項下列為於一年內到期之款項	(14,094)	(18,230)
Non-current liabilities	非流動負債	79	88

The bank loan of HK\$145,000 (31 March 2011: HK\$304,000) were secured by the Group's motor vehicles with a carrying amount of HK\$412,000 (31 March 2011: HK\$533,000) (Note 13) and is bearing interest at a fixed rate of 20.27% to 23.87% (31 March 2011: 21.27% to 23.87%) per annum.

At 30 September 2011, the Group had total banking facilities of HK\$145,000 (31 March 2011: HK\$304,000) which had been fully utilised.

銀行貸款港幣145,000元(二零一一年三月三十一日：港幣304,000元)乃以賬面值為港幣412,000元(二零一一年三月三十一日：港幣533,000元)之本集團汽車(附註13)作抵押，並按固定年利率20.27厘至23.87厘(二零一一年三月三十一日：21.27厘至23.87厘)計息。

於二零一一年九月三十日，本集團有銀行融資總額港幣145,000元(二零一一年三月三十一日：港幣304,000元)已悉數動用。

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22. SEASONALITY OF OPERATIONS

The Group's forest operations in Brazil is located in the Amazon and is subject to weather conditions during the rainy season ranging roughly from December to April each year. Forest logging activities in the Amazon are substantially scaled down or stopped completely in some areas. Log prices usually increase during the rainy season due to diminished supplies. This affects many sawmill operators that have to stock up logs and tie up significant working capital, but benefits forest owners who can plan ahead to reserve stock pile prior to the start of the rainy season. The Group incorporates this seasonality in its forest management plan to avoid supply shortage as well as to take advantage of seasonal price differentials in logs.

23. CONSIDERATION PAYABLE

Long-term portion

- Payable by issuance of the third tranche ordinary consideration shares

- (i) The third tranche ordinary consideration shares to be issued is subject to the fulfillment of the profit guarantee. Pursuant to the acquisition agreement dated 21 March 2011 and entered into between Amplewell as the purchaser and Mr. Li Zhixiong as the vendor ("Vendor") regarding the acquisition of Originate Tech, the Vendor warranted and guaranteed to the Group that the aggregated audited consolidated net profits after taxation of Originate Tech for the three years ending 31 March 2012, 31 March 2013 and 31 March 2014 ("Guarantee Period") as reflected in the audited consolidated financial statements of the Originate Tech prepared in accordance with International Financial Reporting Standards shall not be less than HK\$300,000,000 and that the consolidated results of Originate Tech as reflected in the audited consolidated financial statement for any of the financial years during the Guarantee Period will not be a net loss after taxation.

The fair value of ordinary consideration shares are based on the published share price of HK\$0.42 revised per share as at 2 August 2011.

24. AMOUNTS DUE TO SHAREHOLDERS

The amounts are unsecured, bearing interest at 5% per annum and not repayable within twelve months.

22. 業務之季節性因素

本集團於巴西之林業業務位於亞馬遜，於雨季受天氣狀況所限制，而雨季一般為每年十二月至四月，期間亞馬遜森林砍伐活動規模大幅減少，於若干地區更加完全停頓。木材價格一般於雨季上升，乃由於供應減少所致。此影響多家鋸木廠經營者，令該等經營者須儲起木材及凍結大量營運資金，但此情況將為森林擁有者帶來好處，彼等可計劃於雨季前儲備充足木材。本集團將此季節性因素加入森林管理計劃，以避免供應短缺，並可受惠於木材季節性價格變動。

23. 應付代價

Note	HK\$'000
附註	港幣千元
	(Unaudited)
	(未經審核)

長期部分

- 透過發行第三批普通代價股份之方式支付

(i) 163,477

- (i) 將予發行第三批普通代價股份須達成溢利保證。根據沛源(作為買方)及李志雄先生(作為賣方(「賣方」))就收購創科所訂立日期為二零一一年三月二十一日之收購協議，賣方向本集團保證及擔保，截至二零一二年三月三十一日、二零一三年三月三十一日及二零一四年三月三十一日止三個年度(「保證期間」)，於創科根據國際財務報告準則編製之經審核綜合財務報告所反映之經審核除稅後綜合純利總額將不少於港幣300,000,000元，而於保證期間內任何財政年度，經審核綜合財務報告所反映創科之綜合業績將不會錄得除稅後淨虧損。

普通代價股份之公平值乃根據於二零一一年八月二日已公佈經修訂股價每股港幣0.42元計算。

24. 應付股東款項

該等款項為無抵押、按年利率5厘計息及毋須於十二個月內償還。

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25. PROMISSORY NOTES

25. 承付票據

		At 30 September 2011 於二零一一年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2011 於二零一一年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
At beginning of the period/year	於期／年初	6,388	24,617
Accrued effective interests	應計實際利息	64	847
Less: Repayment	減：償還	—	(19,076)
At end of the period/year	於期／年終	6,452	6,388

On 31 July 2009, the Company issued promissory notes in an aggregate principal amount of HK\$232,000,000 as part of the consideration for the acquisition of Amplewell. The promissory notes bear interest at 2% per annum. The interest shall be repaid together with principal in one lump sum upon maturity on 31 January 2011. On 1 September 2010, the Company entered into a letter with the holder of the promissory notes to extend the maturity date of the promissory note to 31 July 2012. On 1 September 2011, further extension to 31 July 2013 was granted from the holder. The promissory notes may be assigned or transferred (in integral multiple of HK\$1,000,000) to any third party (other than a connected person as defined in the Listing Rules) subject to the Listing Rules and the applicable laws. The Company may repay all or part of the principle amount and interest at any time prior to the maturity date (i.e. 31 July 2013) by giving the holder not less than seven days' prior written notice specifying the amount and date of repayment provided that the amount shall be at least HK\$1,000,000. Otherwise, the payment of principal and interest payment of promissory notes shall be made in full upon the maturity date.

The fair value of the promissory note at the date of issuance was HK\$191,911,000, which was determined by GCA. Valuations were made on the basis of effective interest method which is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate used in the calculation of the fair value is 15.74%.

於二零零九年七月三十一日，本公司發行本金總額為港幣232,000,000元之承付票據，作為收購沛源之部分代價。承付票據按年利率2厘計息。利息連同本金於二零一一年一月三十一日到期，屆時一次過償還。於二零一零年九月一日，本公司與承付票據持有人訂立一份函件，將承付票據之到期日延期至二零一二年七月三十一日。於二零一一年九月一日，獲持有人給予進一步延期至二零一三年七月三十一日。在符合上市規則及適用法律之情況下，承付票據將可以港幣1,000,000元之完整倍數出讓或轉讓予任何第三方，惟上市規則所界定關連人士除外。本公司可於到期日（即二零一三年七月三十一日）之前任何時間償還全部或部分本金額及利息，方式為向持有人發出不少於七日的事先書面通知，列明所償還金額及還款日期，惟償還金額須最少為港幣1,000,000元。否則，承付票據之本金及利息須於到期日清償。

承付票據於發行日期之公平值為港幣191,911,000元，乃由漢華評值釐定。估值乃按實際利率法作出，其為計算財務資產或財務負債攤銷成本及於相關期間分配利息收入或利息開支之方法。計算公平值所用實際利率為15.74厘。

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25. PROMISSORY NOTES (continued)

The promissory notes are held by a substantial shareholder. On 12 April 2010, the Company made repayment of promissory notes with carrying amount of HK\$19,076,000 at par value of HK\$20,822,000. The excess of the repayment amount over the carrying amount of HK\$1,746,000 for the year ended 31 March 2011 was accounted for as a distribution to the shareholder.

Given that the Company has the legal obligation to settle the full face value of the promissory notes for the aforesaid acquisition, the Directors considered that it is a transaction with shareholder in the capacity as owner. The excess shall be accounted for as a deemed capital distribution to the shareholder and charged to the contributed surplus account.

26. SHARE CAPITAL

		Number of ordinary shares of HK\$0.0533 per share 每股面值港幣 0.0533元之 普通股數目	HK\$'000 港幣千元	Number of convertible preference shares of HK\$0.01 per share 每股 面值港幣 0.01元之 可換股優 先股份數目	HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
	Note 附註	'000 千股		'000 千股		
Authorised						
At 1 April 2010, 31 March 2011, 1 April 2011 and 30 September 2011						
	法定					
		8,437,500	450,000	27,534,000	275,340	725,340
Issued and fully paid						
At 1 April 2010		2,326,454	124,078	19,877,708	198,777	322,855
Placing of new shares	(a)	412,000	21,973	—	—	21,973
Convertible preference shares issued for settlement of consideration payables	(b)	—	—	1,402,000	14,020	14,020
Conversion of convertible preference shares	(c)	1,771,712	94,491	(9,449,130)	(94,491)	—
Shares issued upon exercise of share options	(d)	8,908	476	—	—	476
At 31 March 2011 and 1 April 2011						
Conversion of convertible preference shares	(e)	4,519,074	241,018	11,830,578	118,306	359,324
Shares issued upon exercise of share options	(f)	1,049,933	55,997	(5,599,645)	(55,997)	—
Consideration shares issued for the acquisition of subsidiaries	(g)	190	10	—	—	10
		380,000	20,267	—	—	20,267
At 30 September 2011		5,949,197	317,292	6,230,933	62,309	379,601

25. 承付票據(續)

承付票據由一名主要股東持有。於二零一零年四月十二日，本公司按面值港幣20,822,000元償還賬面值港幣19,076,000元之承付票據。截至二零一一年三月三十一日止年度，償還金額超出賬面值之金額港幣1,746,000元入賬列作股東分派。

基於本公司有法律責任就上述收購全數償付承付票據之面值，董事認為此乃以擁有人身份與股東進行之交易。超出金額應入賬列作視作股東資本分派，並於實繳盈餘賬扣除。

26. 股本

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26. SHARE CAPITAL (continued)

- (a) On 26 May 2010, the Company entered into a subscription agreement with NWS Financial Management Services Limited (the "Subscriber"), a subsidiary of NWS Holdings Limited who is an independent third party to the Group, pursuant to which the Company has agreed to allot and issue to the Subscriber, the subscription shares of 412,000,000 at HK\$0.50 per subscription share (the net price per subscription share amounted to HK\$0.46). The aggregate nominal amount of the subscription share amounted to HK\$21,973,000. The Company completed the subscription of 412,000,000 shares on 2 June 2010. The net proceeds raised from the subscription were approximately HK\$190.6 million. The said subscription shares rank pari passu in all respects with the issued ordinary shares of the Company, including the right to receive all dividends and distributions. The closing price per share of the Company as quoted on the Stock Exchange on 26 May 2010 (being the date on which the terms of the subscription agreement were fixed) was HK\$0.53. The Directors believed that the said subscription provided not only capital to assist the Group in achieving its corporate objectives and goals, but also allowed the Group to gain a strategic partnership with the Subscriber. The net proceeds from the subscription were used for business development and as general working capital.
- (b) On 31 January 2011, the Company allotted and issued 1,402,000,000 second tranche of the convertible preference shares to Winner Global Holdings Limited for the settlement of part of the consideration payable under an acquisition agreement.
- (c) During the year ended 31 March 2011, an aggregate of 1,771,711,913 new ordinary shares of HK\$0.0533 each were issued upon the conversion of 9,449,130,212 convertible preference shares of HK\$0.01 each.
- (d) During the year ended 31 March 2011, 8,907,500 options were exercised to subscribe for 8,907,500 new ordinary shares of the Company at a consideration of HK\$3,341,000 of which HK\$476,000 was credited to share capital and the balance of HK\$2,865,000 was credited to share premium account. HK\$1,537,000 has been transferred from share option reserve to the share premium account.

26. 股本(續)

- (a) 於二零一零年五月二十六日，本公司與為本集團獨立第三方之新創建集團有限公司旗下附屬公司NWS Financial Management Services Limited(「認購人」)訂立認購協議，據此，本公司同意按每股認購股份港幣0.50元向認購人配發及發行412,000,000股認購股份(每股認購股份之價格淨值為港幣0.46元)。認購股份之面值總額達港幣21,973,000元。本公司已於二零一零年六月二日完成認購412,000,000股股份。認購事項之所得款項淨額約為港幣190,600,000元。上述認購股份於各方面與本公司已發行普通股享有同等地位，包括收取所有股息及分派之權利。於二零一零年五月二十六日(即釐定認購協議條款當日)本公司股份於聯交所報之收市價為每股港幣0.53元。董事相信，上述認購不僅為本集團帶來資金以協助其達成其企業目標，亦令本集團得以與認購人建立策略夥伴關係。認購所得款項淨額用於業務發展及作為一般營運資金。
- (b) 於二零一一年一月三十一日，本公司向Winner Global Holdings Limited配發及發行1,402,000,000股第二批可換股優先股份以償還收購協議項下之應付代價。
- (c) 截至二零一一年三月三十一日止年度內，於兌換9,449,130,212股每股面值港幣0.01元之可換股優先股份後，發行合共1,771,711,913股每股面值港幣0.0533元之新普通股。
- (d) 截至二零一一年三月三十一日止年度內，8,907,500份購股權已獲行使，以認購8,907,500股本公司新普通股，代價為港幣3,341,000元，當中港幣476,000元已計入股本，餘額港幣2,865,000元則計入股份溢價賬。港幣1,537,000元已由購股權儲備轉撥至股份溢價賬。

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26. SHARE CAPITAL (continued)

- (e) During the six months ended 30 September 2011, an aggregate of 1,049,933,434 new ordinary shares of HK\$0.0533 each were issued upon the conversion of 5,599,644,991 convertible preference share of HK\$0.01 each.
- (f) During the six months ended 30 September 2011, 190,000 options were exercised to subscribe for 190,000 new ordinary shares of the Company at a consideration of HK\$72,000 of which HK\$10,000 was credited to share capital and the balance of HK\$84,000 was credited to share premium account. HK\$22,000 has been transferred from share option reserve to the share premium account.
- (g) On 2 August 2011, the Company allotted and issued 100,000,000 first tranche ordinary shares with par value of HK\$0.0533 each at HK\$0.42 per share as part of the consideration for the acquisition of Originate Tech pursuant to the acquisition agreement dated 21 March 2011 entered into between the Company, Amplewell as the purchaser, and Mr. Li Zhixiong as the Vendor (Note 28). On the same date, the Company allotted and issued 280,000,000 second tranche ordinary shares with par value of HK\$0.0533 each at HK\$0.42 per share as part of the consideration for the acquisition of Originate Tech.

The fair value of the 380,000,000 ordinary consideration shares issued of HK\$159,600,000 is based on the published price of the shares of the Company at 2 August 2011 of HK\$0.42 per share. The premium of HK\$139,333,000 upon issuance of the ordinary consideration shares was credited to the share premium account.

26. 股本(續)

- (e) 截至二零一一年九月三十日止六個月，於兌換5,599,644,991股每股面值0.01港元之可換股優先股份後發行合共1,049,933,434股每股面值港幣0.0533元之新普通股。
- (f) 截至二零一一年九月三十日止六個月，190,000份購股權已獲行使以認購本公司190,000股新普通股，代價為港幣72,000元，其中港幣10,000元計入股本，餘額港幣84,000元則計入股份溢價賬。港幣22,000元已由購股權儲備轉撥至股份溢價賬。
- (g) 根據本公司與沛源(作為買方)及李志雄先生(作為賣方)所訂立日期為二零一一年三月二十一日之收購協議，於二零一一年八月二日，本公司按每股港幣0.42元配發及發行100,000,000股每股面值港幣0.0533元之第一批普通股，作為收購創科之部分代價(附註28)。同日，本公司按每股港幣0.42元配發及發行280,000,000股每股面值港幣0.0533元之第二批普通股，作為收購創科之部分代價。

公平值為港幣159,600,000元之380,000,000股普通股代價股份乃根據本公司股份於二零一一年八月二日之公開價格每股港幣0.42元而釐定，發行普通股代價股份之溢價港幣139,333,000元已計入股份溢價賬。

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27. SHARE OPTIONS

The Company terminated the share option scheme adopted by the Company on 9 September 2002 ("Old Scheme") and adopted a new share option scheme ("New Scheme") pursuant to an ordinary resolution passed by the shareholders of the Company at the special general meeting held on 27 November 2009. There was no share option granted under the old scheme.

Movements of the share options for the six months ended 30 September 2011 are as below.

27. 購股權計劃

本公司終止本公司於二零零二年九月九日採納之購股權計劃(「舊計劃」)，並根據於二零零九年十一月二十七日舉行之股東特別大會獲本公司股東通過之普通決議案採納新購股權計劃(「新計劃」)。並無根據舊計劃授出任何購股權。

截至二零一一年九月三十日止六個月之購股權變動如下：

Date of Grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價	Outstanding at 1 April 2011 於二零一一年 四月一日 尚未行使	Number of share options 購股權數目			Outstanding at 30 September 2011 於二零一一年 九月三十日 尚未行使	Exercisable 30 September 2011 於二零一一年 九月三十日 可行使
				Granted 已授出	Exercised 已行使	Lapsed 已失效		
13 January 2010 二零一零年一月十三日	13 January 2011 to 12 January 2020 二零一一年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	9,223,587	—	—	—	9,223,587	9,223,587
13 January 2010 二零一零年一月十三日	13 January 2012 to 12 January 2020 二零一二年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	9,223,592	—	—	—	9,223,592	—
13 January 2010 二零一零年一月十三日	13 January 2013 to 12 January 2020 二零一三年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	9,223,596	—	—	—	9,223,596	—
13 January 2010 二零一零年一月十三日	15 July 2010 to 12 January 2020 二零一零年七月十五日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	5,105,428	—	—	—	5,105,428	5,105,428
13 January 2010 二零一零年一月十三日	15 July 2011 to 12 January 2020 二零一一年七月十五日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	5,105,427	—	—	—	5,105,427	5,105,427
7 May 2010 二零一零年五月七日	15 July 2010 to 6 May 2020 二零一零年七月十五日至 二零二零年五月六日	HK\$0.710 港幣0.710元	5,105,427	—	—	—	5,105,427	5,105,427
7 May 2010 二零一零年五月七日	7 November 2010 to 6 May 2020 二零一零年十一月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元	2,000,000	—	—	—	2,000,000	2,000,000
7 May 2010 二零一零年五月七日	13 January 2011 to 6 May 2020 二零一一年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元	3,681,412	—	—	(1,701,809)	1,979,603	1,979,603
7 May 2010 二零一零年五月七日	7 May 2011 to 6 May 2020 二零一一年五月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元	2,872,411	—	—	(46,753)	2,825,658	2,825,658
7 May 2010 二零一零年五月七日	15 July 2011 to 6 May 2020 二零一一年七月十五日至 二零二零年五月六日	HK\$0.710 港幣0.710元	5,105,428	—	—	—	5,105,428	5,105,428

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27. SHARE OPTIONS (continued)

27. 購股權計劃 (續)

Date of Grant	Exercise period	Exercise price per share	Outstanding at 1 April 2011 於二零一一年四月一日尚未行使	Number of share options 購股權數目			Outstanding at 30 September 2011 於二零一一年九月三十日尚未行使	Exercisable 30 September 2011 於二零一一年九月三十日可行使
				Granted	Exercised	Lapsed		
授出日期	行使期	每股行使價		已授出	已行使	已失效		
7 May 2010 二零一零年五月七日	13 January 2012 to 6 May 2020 二零一二年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元	1,979,604	—	—	—	1,979,604	—
7 May 2010 二零一零年五月七日	7 May 2012 to 6 May 2020 二零一二年五月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元	2,872,412	—	—	(46,753)	2,825,659	—
7 May 2010 二零一零年五月七日	13 January 2013 to 6 May 2020 二零一三年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元	1,979,611	—	—	—	1,979,611	—
7 May 2010 二零一零年五月七日	7 May 2013 to 6 May 2020 二零一三年五月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元	2,872,414	—	—	(46,755)	2,825,659	—
14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至 二零一九年十一月二十七日	HK\$0.375 港幣0.375元	69,842,500	—	(190,000)	—	69,652,500	69,652,500
18 February 2011 二零一一年二月十八日	30 June 2011 to 17 February 2021 二零一一年六月三十日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	1,701,809	—	—	(1,701,809)	—	—
18 February 2011 二零一一年二月十八日	31 July 2011 to 17 February 2021 二零一一年七月三十一日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	273,529	—	—	—	273,529	273,529
18 February 2011 二零一一年二月十八日	5 December 2011 to 17 February 2021 二零一一年十二月五日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	266,666	—	—	—	266,666	—
18 February 2011 二零一一年二月十八日	16 December 2011 to 17 February 2021 二零一一年十二月十六日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	1,433,333	—	—	—	1,433,333	—
18 February 2011 二零一一年二月十八日	2 January 2012 to 17 February 2021 二零一二年一月二日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	333,333	—	—	(333,333)	—	—
18 February 2011 二零一一年二月十八日	9 January 2012 to 17 February 2021 二零一二年一月九日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	433,333	—	—	(433,333)	—	—
18 February 2011 二零一一年二月十八日	30 June 2012 to 17 February 2021 二零一二年六月三十日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	1,701,809	—	—	(1,701,809)	—	—

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27. SHARE OPTIONS (continued)

27. 購股權計劃(續)

Date of Grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價	Outstanding at 1 April 2011 於二零一一年 四月一日 尚未行使	Number of share options 購股權數目			Outstanding at 30 September 2011 於二零一一年 九月三十日 尚未行使	Exercisable 30 September 2011 於二零一一年 九月三十日 可行使
				Granted 已授出	Exercised 已行使	Lapsed 已失效		
18 February 2011 二零一一年二月十八日	31 July 2012 to 17 February 2021 二零一二年七月三十一日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	273,529	—	—	—	273,529	—
18 February 2011 二零一一年二月十八日	5 December 2012 to 17 February 2021 二零一二年十二月五日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	266,667	—	—	—	266,667	—
18 February 2011 二零一一年二月十八日	16 December 2012 to 17 February 2021 二零一二年十二月十六日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	1,433,333	—	—	—	1,433,333	—
18 February 2011 二零一一年二月十八日	2 January 2013 to 17 February 2021 二零一三年一月二日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	333,333	—	—	(333,333)	—	—
18 February 2011 二零一一年二月十八日	9 January 2013 to 17 February 2021 二零一三年一月九日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	433,333	—	—	(433,333)	—	—
18 February 2011 二零一一年二月十八日	30 June 2013 to 17 February 2021 二零一三年六月三十日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	1,701,810	—	—	(1,701,810)	—	—
18 February 2011 二零一一年二月十八日	31 July 2013 to 17 February 2021 二零一三年七月三十一日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	273,530	—	—	—	273,530	—
18 February 2011 二零一一年二月十八日	5 December 2013 to 17 February 2021 二零一三年十二月五日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	266,667	—	—	—	266,667	—
18 February 2011 二零一一年二月十八日	16 December 2013 to 17 February 2021 二零一三年十二月十六日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	1,433,334	—	—	—	1,433,334	—
18 February 2011 二零一一年二月十八日	2 January 2014 to 17 February 2021 二零一四年一月二日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	333,334	—	—	(333,334)	—	—
18 February 2011 二零一一年二月十八日	9 January 2014 to 17 February 2021 二零一四年一月九日至 二零二一年二月十七日	HK\$0.42 港幣0.42元	433,334	—	—	(433,334)	—	—
			149,518,865	—	(190,000)	(9,247,498)	140,081,367	106,376,587
Weighted average exercise price:	加權平均行使價:	HK\$0.496 港幣0.496元	—	HK\$0.375 港幣0.375元	HK\$0.425 港幣0.425元	HK\$0.595 港幣0.595元	HK\$0.535 港幣0.535元	—

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27. SHARE OPTIONS (continued)

(b) The vesting period for the share options is as below.

Date of grant 授出日期	No. of share options granted 已授出購股權數目	Vesting conditions 歸屬條件	
		No. of shares options vested 已歸屬購股權數目	Vesting date 歸屬日期
13 January 2010 二零一零年一月十三日	10,210,855	5,105,428	15 July 2010 二零一零年七月十五日
		5,105,427	15 July 2011 二零一一年七月十五日
	45,040,069	18,398,633	13 January 2011 二零一一年一月十三日
		13,320,716	13 January 2012 二零一二年一月十三日
		13,320,720	13 January 2013 二零一三年一月十三日
7 May 2010 二零一零年五月七日	10,210,855	5,105,427	15 July 2010 二零一零年七月十五日
		5,105,428	15 July 2011 二零一一年七月十五日
	8,000,000	2,000,000	7 November 2010 二零一零年十一月七日
		2,000,000	7 May 2011 二零一一年五月七日
		2,000,000	7 May 2012 二零一二年五月七日
		2,000,000	7 May 2013 二零一三年五月七日
	6,488,035	2,162,677	7 May 2011 二零一一年五月七日
		2,162,678	7 May 2012 二零一二年五月七日
		2,162,680	7 May 2013 二零一三年五月七日
	28,144,944	9,381,644	13 January 2011 二零一一年一月十三日
	9,381,646	13 January 2012 二零一二年一月十三日	
	9,381,654	13 January 2013 二零一三年一月十三日	
14 September 2010 二零一零年九月十四日	79,350,000	79,350,000	14 September 2010 二零一零年九月十四日
18 February 2011 二零一一年二月十八日	5,105,428	1,701,809	30 June 2011 二零一一年六月三十日
		1,701,809	30 June 2012 二零一二年六月三十日
		1,701,810	30 June 2013 二零一三年六月三十日
	820,588	273,529	31 July 2011 二零一一年七月三十一日
		273,529	31 July 2012 二零一二年七月三十一日
		273,530	31 July 2013 二零一三年七月三十一日
	1,000,000	333,333	6 September 2011 二零一一年九月六日
		333,333	6 September 2012 二零一二年九月六日
		333,334	6 September 2013 二零一三年九月六日
	800,000	266,666	5 December 2011 二零一一年十二月五日
		266,667	5 December 2012 二零一二年十二月五日
		266,667	5 December 2013 二零一三年十二月五日
	4,300,000	1,433,333	16 December 2011 二零一一年十二月十六日
	1,433,333	16 December 2012 二零一二年十二月十六日	
	1,433,334	16 December 2013 二零一三年十二月十六日	
1,000,000	333,333	2 January 2012 二零一二年一月二日	
	333,333	2 January 2013 二零一三年一月二日	
	333,334	2 January 2014 二零一四年一月二日	
1,300,000	433,333	9 January 2012 二零一二年一月九日	
	433,333	9 January 2013 二零一三年一月九日	
	433,334	9 January 2014 二零一四年一月九日	
Total share option granted 已授出購股權總數	201,770,774		
Less: Lapsed 減：已失效	(52,591,907)		
Exercised 已行使	(9,097,500)		
Outstanding at 30 September 2011 於二零一一年九月三十日 尚未行使	140,081,367		

27. 購股權計劃 (續)

(b) 購股權之歸屬期如下：

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27. SHARE OPTIONS (continued)

(b) (Continued)

The option outstanding as at 30 September 2011 have a weighted average remaining contractual life of 8.28 years (31 March 2011: 9.25 years).

The weighted average share price at the date of exercise for share options exercised during the period was HK\$0.54 (year ended 31 March 2011: HK\$0.428).

No other share options granted under the New Scheme were cancelled during the period ended 30 September 2011 (year ended 31 March 2011: Nil). The Group had no legal or constructive obligation to repurchase or settle the options in cash.

(c) The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on binomial option pricing model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the binomial option pricing.

27. 購股權計劃(續)

(b) (續)

於二零一一年九月三十日尚未行使購股權之加權平均餘下合約年期為8.28年(二零一一年三月三十一日: 9.25年)。

期內已行使購股權於行使日期之加權平均股價為港幣0.54元(截至二零一一年三月三十一日止年度: 港幣0.428元)。

截至二零一一年九月三十日止期間(截至二零一一年三月三十一日止年度: 無), 概無其他根據新計劃授出之購股權獲註銷。本集團並無法律或推定責任須以現金購回或支付購股權。

(c) 以授出購股權換取之服務公平值乃參考已授出購股權之公平值計量。已授出購股權之估計公平值按二項式期權定價模式計量。購股權之合約年期作為輸入該模式之數據, 而預期提早行使已計入二項式期權定價模式之中。

		Date of grant 授出日期			
		18/2/2011 二零一一年 二月十八日	14/9/2010 二零一零年 九月十四日	7/5/2010 二零一零年 五月七日	13/1/2010 二零一零年 一月十三日
Fair value of share options and assumptions	購股權之公平值及假設				
Share price	股價	HK\$0.415 港幣0.415元	HK\$0.375 港幣0.375元	HK\$0.65 港幣0.65元	HK\$0.94 港幣0.94元
Exercise price	行使價	HK\$0.42 港幣0.42元	HK\$0.375 港幣0.375元	HK\$0.71 港幣0.71元	HK\$0.94 港幣0.94元
Expected volatility (expressed as weighted average volatility used in the modeling under binomial option pricing)	預期波幅(根據二項式期權定價模式模擬時所用加權平均波幅)	55.67%	70.650%	70.53%	70.572%
Option life (expressed as weighted average life used in the modeling under binomial option pricing model)	購股權年期(根據二項式期權定價模式模擬時所使用加權平均年期)	10 years年	10 years年	10 years年	10 years年
Expected dividends	預期股息	HK\$Nil 港幣零元	HK\$Nil 港幣零元	HK\$Nil 港幣零元	HK\$Nil 港幣零元
Risk-free interest rate (based on 10-year Hong Kong Exchange Fund Notes)	無風險利率(以十年期香港外匯基金票據為準)	2.868%	2.017%	2.670%	2.799%

The expected volatility is based on annualized standard deviations of the continuously compounded rates of return on the share prices of five comparable companies in Hong Kong and Brazil Exchange with similar business operations. No dividends are expected as the Company had no history of payment of dividends.

Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There were no market conditions associated with the share option grants.

預期波幅乃以於香港及巴西證券交易所從事同類業務營運之五家可資比較公司之股價回報持續複合比率之年度標準差為基準。由於本公司過往並無派付股息記錄, 故預期不會派付任何股息。

購股權乃根據服務條件而授出。此條件並無計入所獲取服務於授出日期之公平值。授出購股權並無附帶市場條件。

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

28. ACQUISITION OF SUBSIDIARIES

On 2 August 2011, the Group obtained control of Originate Tech Group by acquiring 100% equity interest and voting rights in Originate Tech. Originate Tech is an investment holding company and its subsidiaries are engaged in manufacturing and sale of timber products including but not limited to wooden door, furniture and wooden floor panels.

The Group is optimistic about the prospect of the timber and wood processing and timber sales in the PRC having taking into consideration the continuous growth of gross domestic products and sales of floor panels in the PRC in recent years. Based on the increasing sales of floor panels in the PRC and as the Group has been seeking suitable investment opportunities to expand the business of the Group, the Group considers that the acquisition represents an attractive opportunity for the Group to diversify its business scope and income stream and is in line with its business strategy.

The following summarises the acquisition-date provisional fair value of consideration transferred and the acquisition-date provisional fair value of each major class of consideration:

		Note 附註	HK\$'000 港幣千元
Fair value of first tranche ordinary consideration shares issued	已發行第一批普通代價股份之公平值		42,000
Fair value of second tranche ordinary consideration shares issued	已發行第二批普通代價股份之公平值		117,600
Fair value of third tranche ordinary consideration shares to be issued	將予發行第三批普通代價股份之公平值	23	163,477
			<u>323,077</u>

The fair value of ordinary consideration shares are based on the published share price of HK\$0.42 revised per share as at 2 August 2011.

28. 收購附屬公司

於二零一一年八月二日，本集團透過收購創科全部股本權益及投票權而取得創科集團之控制權。創科為一家投資控股公司，其附屬公司從事製造及銷售木材產品，包括(但不限於)木門、傢具及木地板。

有見中國國內生產總值及木地板銷售於近年持續增長，本集團對中國木材與木加工以及木材銷售之前景感樂觀。基於中國之地板銷量不斷增長，加上本集團一直致力物色合適投資機會以擴充旗下業務，本集團認為收購可為其提供多元化擴展業務範疇及收入來源之優厚機會，故符合其業務策略。

以下概述已轉讓代價於收購日期之暫定公平值及各主要類別代價於收購日期之暫定公平值：

普通代價股份之公平值乃根據於二零一一年八月二日已公佈經修訂股價每股港幣0.42元計算。

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28. ACQUISITION OF SUBSIDIARIES (continued)

The following summarized the recognised amounts of identifiable assets acquired and liabilities assumed as at 2 August 2011.

28. 收購附屬公司(續)

所收購可識別資產及所承擔負債於二零一一年八月二日之已確認金額概列如下。

		Acquiree's carrying amount before combination	Fair value adjustments	Provisional fair value
		合併前被 收購方之 賬面值 HK\$'000 港幣千元	公平值調整 HK\$'000 港幣千元	暫定公平值 HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	165	—	165
Intangible assets (Note 14)	無形資產(附註14)	—	199,967	199,967
Cash and cash equivalent	現金及現金等價物	897	—	897
Inventories	存貨	567	—	567
Other receivables	其他應收款項	179	—	179
Trade and other payables	應付貿易款項及其他應付款項	(2,273)	—	(2,273)
Deferred tax liabilities	遞延稅項負債	—	(49,992)	(49,992)
Total net identifiable assets	可識別淨資產總額	(465)	149,975	149,510
Goodwill (Note 16)	商譽(附註16)			173,567
Total consideration	總代價			323,077

Goodwill arising on acquisition

收購產生之商譽

		HK\$'000 港幣千元
Consideration transferred	已轉讓代價	323,077
Less: provisional fair value of identifiable net assets acquired	減：所收購可識別淨資產之 暫定公平值	(149,510)
Goodwill arising on acquisition	收購產生之商譽	173,567
Cash and cash equivalents acquired of	所收購之現金及現金等價物	897

None of the goodwill recognised is expected to be deductible for income tax purposes.

預期概無已確認商譽可用作扣除所得稅。

The Group incurred acquisition-related costs of HK\$330,000 relating to legal and professional fees and other charges which have been excluded from the cost of acquisition. The acquisition related costs have been recognised as expenses in the six months ended 30 September 2011, within the 'other operating expenses' line item in the condensed consolidated income statement.

本集團就法律及專業費用以及其他收費涉及之收購相關成本港幣330,000元並無計入收購成本內。截至二零一一年九月三十日止六個月，收購相關成本已確認為開支，並於簡明綜合收益表中列入「其他營運開支」一項。

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29. COMMITMENTS

(a) Commitments in respect of capital expenditure

At the end of reporting period, the Group had commitments in respect of capital expenditure outstanding but not provided for in the condensed consolidated financial statements were as follows:

29. 承擔

(a) 有關資本開支之承擔

本集團於報告期間結算日就資本開支有下列未償還但並無於簡明綜合財務報告撥備之承擔：

		At 30 September 2011 於二零一一年 九月三十日	At 31 March 2011 於二零一一年 三月三十一日
	Note 附註	HK\$'000 港幣千元 (Unaudited) (未經審核)	HK\$'000 港幣千元 (Audited) (經審核)
Contracted, but not provided for			
— Acquisition of forest, forest concession rights, a wood processing plant, investment in a flooring company and exclusive production rights	(i)	298,725	331,800
— Acquisition of forest, sawmill and fibreboard processing facilities	(ii)	341,400	379,200
— Acquisition of subsidiaries	28	—	380,000
		640,125	1,091,000

Notes:

- (i) On 12 February 2010, the Group entered into a term sheet (the "Term Sheet") to acquire the entire equity interests in a company (an independent third party) incorporated in Brazil holding among others approximately 98,000 hectares of forest are in Brazil, up to 800,000 hectares of forest concession rights in Bolivia, a wood processing plant, investment interests in a flooring company and exclusive production rights. The Term Sheet is legally binding and pursuant to its terms, the consideration of the acquisition shall be R\$70,000,000 (equivalent to approximately HK\$298,725,000 (31 March 2011: HK\$331,800,000)). The consideration shall be payable by instalments as follows: (i) R\$45,000,000 (equivalent to approximately HK\$192,038,000 (31 March 2011: HK\$213,300,000)) to be satisfied upon completion of the acquisition and (ii) R\$25,000,000 (equivalent to approximately HK\$106,687,000 (31 March 2011: HK\$118,500,000)) to be satisfied by payment in cash in United State dollars on a date falling within three years after completion. According to the terms of the Term Sheet, the consideration may be reduced, if the net profit after tax for each of the three years after completion shall be less than R\$10,000,000.

附註：

- (i) 於二零一零年二月十二日，本集團訂立條款表（「條款表」），收購一家於巴西註冊成立之公司（為獨立第三方）全部股本權益，該公司持有（其中包括）巴西約98,000公頃之森林區、達800,000公頃之玻利維亞森林特許權、一家木材加工廠、於一家地板公司之投資權益及獨家生產權。條款表具法律約束力，根據其條款，收購代價將為70,000,000雷亞爾（約相當於港幣298,725,000元（二零一一年三月三十一日：港幣331,800,000元））。代價須以下列方式分期支付：(i) 45,000,000雷亞爾（約相當於港幣192,038,000元（二零一一年三月三十一日：港幣213,300,000元））將於收購完成時支付；及(ii) 25,000,000雷亞爾（約相當於港幣106,687,000元（二零一一年三月三十一日：港幣118,500,000元））將於交易完成後三年內以美元現金支付。根據條款表之條款，倘於完成後三個年度各年之除稅後純利少於10,000,000雷亞爾，則代價或會減少。

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29. COMMITMENTS (continued)

(a) Commitments in respect of capital expenditure (continued)

Notes: (continued)

- (ii) On 1 November 2009, the Group entered into a legally binding Memorandum of Intent ("MOU") to acquire the entire equity interests in a company (an independent third party) incorporated in Brazil holding freehold forest area of approximately 137,000 hectares in Brazil, a sawmill and a fibreboard processing facility. Pursuant to the terms of the MOU, the consideration of the acquisition should be R\$80,000,000 (equivalent to approximately HK\$341,400,000 (31 March 2011: HK\$379,200,000)). The consideration shall be payable as follows: (i) R\$27,000,000 (equivalent to approximately HK\$115,223,000 (31 March 2011: HK\$127,980,000)) to be satisfied by cash on the completion date of the acquisition; (ii) R\$26,000,000 (equivalent to approximately HK\$110,954,000 (31 March 2011: HK\$123,240,000)) to be satisfied by the allotment and issue of new shares of the Company on the completion date of the acquisition and (iii) R\$27,000,000 (equivalent to approximately HK\$115,223,000 (31 March 2011: HK\$127,980,000)) to be paid in 6 instalments, falling due on a half-yearly basis, with the first instalment falling due after 12 months from the completion date of the acquisition.

(b) Operating lease commitment

The Group leases certain of its office premises under operating leases. Leases for these properties are negotiated for terms ranging one to two years. At the end of reporting period, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

29. 承擔(續)

(a) 有關資本開支之承擔(續)

附註：(續)

- (ii) 於二零零九年十一月一日，本集團訂立具法律約束力之意向諒解備忘錄(「諒解備忘錄」)，收購一家於巴西註冊成立之公司(為獨立第三方)全部股本權益，該公司於巴西永久持有約137,000公頃之森林區、一家鋸木廠及一家纖維板加工廠。根據諒解備忘錄之條款，收購代價為80,000,000雷亞爾(約相當於港幣341,400,000元(二零一一年三月三十一日：港幣379,200,000元))。代價須以下列方式支付：(i) 27,000,000雷亞爾(約相當於港幣115,223,000元(二零一一年三月三十一日：港幣127,980,000元))於收購完成日期以現金支付；(ii) 26,000,000雷亞爾(約相當於港幣110,954,000元(二零一一年三月三十一日：港幣123,240,000元))於收購完成日期以配發及發行本公司新股份支付；及(iii) 27,000,000雷亞爾(約相當於港幣115,223,000元(二零一一年三月三十一日：港幣127,980,000元))分六期支付，每半年到期付款，首期將於收購完成日期起計12個月後到期支付。

(b) 經營租約承擔

本集團根據經營租約租用若干辦公室物業。該等物業之租約經磋商後為期一至兩年。於報告期間結算日，根據不可撤銷經營租約應付之日後最低租金總額如下：

		At 30 September 2011 於二零一一年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2011 於二零一一年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
Within one year	一年內	1,040	2,495
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	—	—
		1,040	2,495

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29. COMMITMENTS (continued)

(c) Minimum royalty payments

The total future minimum royalty payments payable under the terms of the timber concession licenses are as follows:

Within one year	一年內	2,648	3,028
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	10,442	11,704
After five years	五年後	25,648	30,209
		38,738	44,941

The terms of the timber concession licences ranging from 3 to 23 years.

30. CONTINGENT LIABILITIES

(a) Litigations

- (i) On 9 August 2010, the Arbitration Court of Zabaykalsky region of Russia (the "Court") initiated a procedure of observation (bankruptcy) (the "Observation") for ZLK. Within the period for the Observation, the Court received certain claims from the several creditors against ZLK to repay approximately 24 million Russian rubles (approximately HK\$5.8 million) of liabilities. These liabilities were included in the liabilities associated with assets held for sale. The Directors represented that the ZLK and the Purchaser are at the stage of negotiations with the creditors about the conclusion of the settlement agreements for the liabilities. According to the legal opinion issued by a legal advisor, the Directors is in the opinion that the risk of negative consequences of the Observation is low because the Directors believe that the settlement agreements with the creditors can be concluded.

29. 承擔(續)

(c) 最低專利權費付款

根據木材特許權證之條款於日後應付之最低專利權費付款總額如下:

At 30 September 2011 於二零一一年 九月三十日 HK\$'000 港幣千元 (Unaudited) (未經審核)	At 31 March 2011 於二零一一年 三月三十一日 HK\$'000 港幣千元 (Audited) (經審核)
2,648	3,028
10,442	11,704
25,648	30,209
38,738	44,941

木材特許權證之年期介乎3至23年不等。

30. 或然負債

(a) 訴訟

- (i) 於二零一零年八月九日，俄羅斯Zabaykalsky仲裁法院(「法院」)向ZLK展開觀察(破產)程序(「觀察」)。於觀察期間，法院收到多名債權人入稟追討ZLK償還約24,000,000俄羅斯盧布(約港幣5,800,000元)之負債。此等負債已列作與持待售資產有關之負債。董事指ZLK及買方正就有關負債與債權人磋商達成和解協議。根據法律顧問之法律意見，董事認為觀察帶來不利後果之風險甚低，因董事相信能與債權人達成和解協議。

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30. CONTINGENT LIABILITIES (continued)

(a) Litigations (continued)

- (ii) On 11 February 2011, a lender (the "Lender") of loans submitted a claim to the Court against ZLK to repay the alleged defaulted loan principal, interests with penalties of approximately 40 million Russian rubles (approximately HK\$9.8 million) (the "Claim"), which is different from the balance of approximately 21 million Russian rubles (approximately HK\$5.1 million) in the records of the Company. According to the legal opinion issued by a legal advisor, the Court would probably validate the total loan principal with interests of approximately 21 million Russian rubles (approximately HK\$5.1 million) which is the same as the records of the Company. These amounts were included in the liabilities associated with assets held for sale. Subsequent to the end of the reporting period, the Claim was suspended by the Court. Court would appoint the date of review of the Claim from Lender after 14 December 2011.

(b) Claims against the Company

A third party (the "Plaintiff") asserted claims against the Company for salaries in amount equivalent in the aggregate to US\$901,539, together with certain other employment benefits, by reason of the alleged breach by the Company of two separate but concurrent contracts of employment that the Plaintiff asserted were entered into between the Plaintiff and the Company in April 2009. The Company disputed the existence of any contracts, whether of employment or otherwise, between itself and the Plaintiff. Arbitration proceedings commenced on 30 October 2009 and hearing was scheduled for the week of 19 September 2011. The Company is defending itself vigorously in those proceedings. In the opinion of the Directors of the claims were at a preliminary stage and no provision has been made in respect of such claims.

30. 或然負債(續)

(a) 訴訟(續)

- (ii) 於二零一一年二月十一日，一名借出多筆貸款之貸款方(「貸款方」)入稟法院追討ZLK償還聲稱拖欠之貸款本金、利息連罰款，金額約為40,000,000俄羅斯盧布(約港幣9,800,000元)(「申索」)，有別於本公司記錄所列約21,000,000俄羅斯盧布(約港幣5,100,000元)之結餘。根據法律顧問之法律意見，法院將可能承認貸款本金連利息約21,000,000俄羅斯盧布(約港幣5,100,000元)為有效，與本公司之記錄相符。此等款項已列作與持作待售資產相關之負債。於報告期間結算日之後，法院暫緩申索。法院將於二零一一年十二月十四日後確定覆核貸款方申索日期。

(b) 對本公司提出之申索

第三方(「原告」)以本公司涉嫌違反兩份原告聲稱是由原告與本公司於二零零九年四月分開簽訂但同時生效之僱傭合約為理由，向本公司提出申索，涉及相當於合共901,539美元之薪金連同若干其他僱員福利。本公司對本公司與原告之間存在任何合約(不論為僱傭或其他性質之合約)提出爭議。仲裁程序於二零零九年十月三十日展開，並排期於二零一一年九月十九日之一週內進行聆訊。本公司將於聆訊過程中積極抗辯。董事認為，申索尚處於初步階段，故並無就有關申索作出撥備。

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31. SUBSEQUENT EVENTS

- (i) On 10 October 2011, UTRB filed a police report with the Policia Civil do Estado de Sao Paulo (Sao Paulo State Police Department) of Brazil in connection with possible threats and extortion against the Group. The details were disclosed in note 7.
- (ii) On 6 October 2011, the Group entered into a disposal agreement with Source Bright Limited, an independent third party, pursuant to which, the Group has agreed to sell and vendor agreed to purchase the entire issued share capital of Ally Rise Limited at a consideration of HK\$208,000,000, of which HK\$10,400,000 shall be payable as part consideration to the vendor upon completion and the balance of HK\$197,600,000 shall be payable to the vendor within 9 months upon completion. The expected completion date for disposal is before March 2012.

32. MATERIAL RELATED PARTY TRANSACTIONS

The Group had the following transactions with related parties during the six months ended 30 September 2011.

(a) Key management personnel remuneration

The key management personnel of the Group are the Directors of the Company. The remuneration of Directors was as follows:

31. 結算日後事項

- (i) 於二零一一年十月十日，UTRB就本集團可能面對之威脅及勒索向巴西 Policia Civil do Estado de Sao Paulo (聖保羅警處) 報案。詳情於附註7披露。
- (ii) 於二零一一年十月六日，本集團與獨立第三方燁源有限公司訂立出售協議，據此，本集團同意出售而賣方同意購買合昇有限公司全部已發行股本，代價為港幣208,000,000元，其中港幣10,400,000元須於完成時支付予賣方作為部分代價，而餘下港幣197,600,000元則須於完成後九個月內支付予賣方。出售之預計完成日期為於二零一二年三月前。

32. 重大關連人士交易

截至二零一一年九月三十日止六個月，本集團曾與關連人士進行以下交易。

(a) 主要管理人員之薪酬

本集團之主要管理人員為本公司董事。董事薪酬如下：

For the six months ended
30 September
截至九月三十日止六個月

		2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	450	2,130
Retirement scheme contributions	退休計劃供款	12	11
Share based payment	以股份支付	3,004	11,889
		3,466	14,030

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32. MATERIAL RELATED PARTY TRANSACTIONS

(continued)

(b) Other related party transactions

32. 重大關連人士交易(續)

(b) 其他關連人士交易

For the six months ended
30 September

截至九月三十日止六個月

			2011 二零一一年 HK\$'000 港幣千元 (Unaudited) (未經審核)	2010 二零一零年 HK\$'000 港幣千元 (Unaudited) (未經審核)
Interest on amounts due to shareholders	應付股東款項之利息	(i)	3,301	2,176
Interest on amounts due to related companies	應付關連公司款項之利息	(ii)	—	690
Interest on promissory notes	承付票據之利息	(iii)	64	520

Notes:

- (i) The interest expensed charged on amounts due to shareholders were calculated at 5% per annum.
- (ii) The interest expenses charged on amounts due to related companies were calculated at 5% per annum.
- (iii) This represent interest on promissory notes issued to Winner Global Holdings Limited was calculated at a coupon rate of 2% per annum (effective interest rate: 15.74%). The outstanding balance at the end of the reporting period is disclosed in Note 25.

附註:

- (i) 應付股東款項之利息開支乃按年利率5厘計算。
- (ii) 應付關連公司款項之利息開支乃按年利率5厘計算。
- (iii) 此乃發行予Winner Global Holdings Limited之承付票據之利息，乃按承付票據票面息率每年2厘(實際利率: 15.74厘)計算之利息。於報告期間結算日之尚未償還結餘於附註25披露。

INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the six months ended 30 September 2011 (2010: Nil).

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 September 2011, the interests and short positions of the Directors and the chief executive in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong, "SFO") which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to Divisions 7 and 8 of the SFO; as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules"), were as follows:

中期股息

董事不建議派發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)。

董事及最高行政人員於股份及相關股份之權益及淡倉

於二零一一年九月三十日，董事及最高行政人員於本公司或其相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中，擁有根據證券及期貨條例第7及8分部知會本公司及香港聯合交易所有限公司(「聯交所」)之權益及淡倉；或已記錄於本公司根據證券及期貨條例第352條規定所存置之登記冊，或根據聯交所證券上市規則(「上市規則」)附錄10所載上市公司董事進行證券交易的標準守則(「標準守則」)另行知會本公司及聯交所之權益及淡倉如下：

Name of Directors 董事姓名	Nature of interest 權益性質	Number and class of shares and underlying shares held	Approximate percentage of issued shares
		所持股份及相關股份之數目及類別	佔已發行股份概約百分比 (Note 1) (附註1)
Ms. Loh Jiah Yee, Katherine ("Ms. Loh") (Note 2) 樂家宜女士(「樂女士」)(附註2)	Beneficial owner 實益擁有人	4,300,000	0.072%
	Interest of controlled corporation 受控制法團之權益	2,368,137,025	39.81%
Ms. Fletcher Yurk Nam, Sandy ("Ms. Fletcher") (Note 3) 姜若男女士(「姜女士」)(附註3)	Interest of controlled corporation 受控制法團之權益	31,421,710	0.53%
Mr. Shih Chiu, David ("Mr. Shih") (Note 4) 施秋先生(「施先生」)(附註4)	Beneficial owner 實益擁有人	3,000,000	0.05%
Mr. Li Zhixiong ("Mr. Li") (Note 5) 李志雄先(「李先生」)(附註5)	Beneficial owner 實益擁有人	769,230,769	12.93%

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DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

董事及最高行政人員於股份及相關股份之權益及淡倉(續)

Name of Directors 董事姓名	Nature of interest 權益性質	Number and class of shares and underlying shares held 所持股份及相關股份之數目及類別	Approximate percentage of issued shares 佔已發行股份概約百分比 (Note 1) (附註1)
Mr. Leung Siu Hung, Joel ("Mr. Joel Leung") (Note 6) 梁紹雄先生(「梁紹雄先生」)(附註6)	Beneficial owner 實益擁有人	2,042,171	0.03%
Mr. Leung Chau Ping, Paul ("Mr. Paul Leung") (Note 7) 梁秋平先生(「梁秋平先生」)(附註7)	Beneficial owner 實益擁有人	26,421,710	0.44%
Mr. John Tewksbury Banigan ("Mr. Banigan") (Note 8) John Tewksbury Banigan先生 (「Banigan先生」)(附註8)	Beneficial owner 實益擁有人	2,042,171	0.03%
Mr. Keung Paul Hinsum ("Mr. Keung") (Note 9) 姜顯森先生(「姜先生」)(附註9)	Interest of controlled corporation 受控制法團之權益	15,334,820	0.26%
Mr. Donald Smith Worthley ("Mr. Worthley") (Note 10) Donald Smith Worthley先生 (「Worthley先生」)(附註10)	Beneficial owner 實益擁有人	15,334,820	0.26%

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

Notes:

- The percentage figures are calculated based on 5,949,197,255 ordinary shares of the Company ("Shares") having a par value of HK\$0.0533 each in issue as of 30 September 2011.
- Ms. Loh was beneficially interested in 100% of the issued share capital of Assure Gain International Limited ("Assure Gain"), which held 100% of the issued share capital of Splendid Asset Holdings Limited ("Splendid Asset") and 90.06% of the issued share capital of Winner Global Holdings Limited ("Winner Global"). Ms. Loh was also beneficially interested in 50% of the issued share capital of Corp Insights Holdings Inc. ("Corp Insights") held through Corporate Insights Limited. Assure Gain was the registered holder of 492,762,347 Shares and 4,111,966,650 convertible preferred shares of the Company ("CPS") convertible into 770,993,746 underlying Shares; Splendid Asset was the registered holder of 622,017,963 Shares; Winner Global was the registered holder of 320,041,100 Shares and 557,089,213 CPS convertible into 104,454,227 underlying Shares and Corp Insights was the registered holder of 308,627,424 CPS convertible into 57,867,642 underlying Shares. Under Part XV of the SFO, Ms. Loh was therefore deemed to have interests in 1,434,821,410 Shares and 933,315,615 underlying Shares upon conversion of the CPS in which Assure Gain, Winner Global and Corp Insights were interested. Ms. Loh was also entitled to share options to subscribe for a maximum of 4,300,000 Shares upon exercise of the options in full.
- Ms. Fletcher was beneficially interested in 100% of the issued share capital of AMF Vietnam Investments Limited ("AMF"). AMF was entitled to share options to subscribe for a maximum of 31,421,710 Shares upon exercise of the options in full. Ms. Fletcher was therefore deemed to have an interest in 31,421,710 Shares in which AMF was interested under Part XV of the SFO.
- Mr. Shih was entitled to share options to subscribe for a maximum of 3,000,000 Shares upon exercise of the options in full.
- Mr. Li was the registered holder of 380,000,000 Shares. He was also beneficially interested in an additional 389,230,769 underlying Shares which may be allotted and issued by the Company to Mr. Li subject to the terms and conditions of an acquisition agreement entered into between, among other party, the Company and Mr. Li on 21 March 2011 (details of which are set out in a circular of the Company dated 23 May 2011).
- Mr. Joel Leung was entitled to share options to subscribe for a maximum of 2,042,171 Shares upon exercise of the options in full.
- Mr. Paul Leung was entitled to share options to subscribe for a maximum of 26,421,710 Shares upon exercise of the options in full.
- Mr. Banigan was entitled to share options to subscriber for a maximum of 2,042,171 Shares upon exercise of the options in full.
- Mr. Keung was beneficially interested in 80% of the issued share capital of Million Great Investment Limited ("Million Great"), Million Great was the registered holder of 81,785,711 CPS convertible into 15,334,820 underlying Shares. Mr. Keung was therefore deemed to have an interest in 15,334,820 underlying Shares in which Million Great was interested under Part XV of the SFO.
- Mr. Worthley was the registered holder of 81,785,711 CPS carrying rights to convert into 15,334,820 underlying Shares.
- All interests stated above represent long positions.

Save as disclosed above, as at 30 September 2011, none of the Directors and chief executive had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of the SFO or which were required to be entered in the register required to be kept pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

董事及最高行政人員於股份及相關股份之權益及淡倉 (續)

附註:

- 該等百分比數字乃根據本公司於二零一一年九月三十日已發行5,949,197,255股每股面值港幣0.0533元之普通股(「股份」)計算。
- 樂女士實益擁有Assure Gain International Limited(「Assure Gain」)已發行股本之全部權益,Assure Gain持有Splendid Asset Holdings Limited(「Splendid Asset」)已發行股本之全部權益及Winner Global Holdings Limited(「Winner Global」)已發行股本之90.06%權益。樂女士亦通過Corporate Insights Limited持有Corp Insights Holdings Inc.(「Corp Insights」)已發行股本之50%權益。Assure Gain登記持有492,762,347股股份及可兌換為770,993,746股相關股份之4,111,966,650股本公司可換股優先股份(「可換股優先股份」);Splendid Asset登記持有622,017,963股股份;Winner Global登記持有320,041,100股股份及可兌換為104,454,227股相關股份之557,089,213股可換股優先股份;而Corp Insights則登記持有可兌換為57,867,642股相關股份之308,627,424股可換股優先股份。根據證券及期貨條例第XV部,樂女士因此被視為於Assure Gain, Winner Global及Corp Insights所擁有之1,434,821,410股股份及可換股優先股份獲兌換而產生之933,315,615股相關股份中擁有權益。樂女士亦享有可於悉數行使時認購最多4,300,000股股份之購股權。
- 姜女士實益擁有AMF Vietnam Investments Limited(「AMF」)已發行股本之全部權益。AMF享有可於悉數行使時認購最多31,421,710股股份之購股權。根據證券及期貨條例第XV部,姜女士因此被視為於AMF所擁有之31,421,710股股份中擁有權益。
- 施先生享有可於悉數行使時認購最多3,000,000股股份之購股權。
- 李先生登記持有380,000,000股股份,並實益擁有另外389,230,769股相關股份權益,本公司可能按本公司與(其中包括)李先生於二零一一年三月二十一日訂立之收購協議之條款及條件,向李先生配發及發行該等相關股份。協議詳情載於本公司日期為二零一一年五月二十三日之通函。
- 梁紹雄先生享有可於悉數行使時認購最多2,042,171股股份之購股權。
- 梁秋平先生享有可於悉數行使時認購最多26,421,710股股份之購股權。
- Banigan先生享有可於悉數行使時認購最多2,042,171股股份之購股權。
- 姜先生實益擁有萬偉投資有限公司(「萬偉」)已發行股本之80%權益。萬偉登記持有可兌換為15,334,820股相關股份之81,785,711股可換股優先股份。根據證券及期貨條例第XV部,姜先生因此被視為於萬偉所擁有之15,334,820股相關股份中擁有權益。
- Worthley先生登記持有可兌換為15,334,820股相關股份之81,785,711股可換股優先股份。
- 上列全部權益均為好倉。

除上文披露者外,於二零一一年九月三十日,各董事及最高行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之任何股份、相關股份或債券中,擁有根據證券及期貨條例第7及第8分部須知會本公司及聯交所,或須記錄於根據證券及期貨條例第352條規定存置之登記冊,或根據標準守則須知會本公司及聯交所之任何權益或淡倉。

Supplementary Information

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INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHERS PERSONS IN SHARES AND UNDERLYING SHARES

As at 30 September 2011, the following persons, other than a Director or chief executive of the Company, had interests or short positions in the Shares or underlying Shares of the Company which would be required 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:

主要股東及其他人士於股份及相關股份之權益

於二零一一年九月三十日，除董事及本公司最高行政人員外，以下人士於本公司股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露，或登記在本公司根據證券及期貨條例第336條須存置之登記冊之權益或淡倉如下：

Name of Shareholders 股東姓名／名稱	Nature of interest 權益性質	Number and class of Shares and underlying Shares held 所持股份及相關股份之數目及類別	Approximate percentage of issued Shares 佔已發行股本概約百分比 (Note 1) (附註1)
Mr. Lau Jack ("Mr. Lau") (Note 2) 廖家俊先生(「廖先生」)(附註2)	Interest of spouse 配偶權益	2,372,437,025	39.88%
Assure Gain (Note 3) Assure Gain (附註3)	Beneficial owner/ Interest of Controlled Corporation 實益擁有人／ 受控制法團之權益	2,310,269,383	38.83%
Splendid Asset Splendid Asset	Beneficial owner 實益擁有人	622,017,963	10.46%
Winner Global (Note 4) Winner Global (附註4)	Beneficial owner 實益擁有人	424,495,327	7.14%
Ms. Wu Guanwen ("Ms. Wu") (Note 5) 吳觀文女士(「吳女士」)(附註5)	Interest of spouse 配偶權益	769,230,769	12.93%
NWS Financial Management Services Limited ("NWS Financial") (Note 6) NWS Financial Management Services Limited (「NWS Financial」)(附註6)	Beneficial owner 實益擁有人	412,000,000	6.93%
Integrated Asset Management (Asia) Limited ("IAM") (Note 7) Integrated Asset Management (Asia) Limited (「IAM」)(附註7)	Beneficial owner 實益擁有人	302,636,405	5.09%

**INTERESTS OF SUBSTANTIAL SHAREHOLDERS
AND OTHERS PERSONS IN SHARES AND
UNDERLYING SHARES (continued)**

Notes:

1. The percentage figures are calculated based on 5,949,197,255 Shares in issue as of 30 September 2011.
2. Mr. Lau, being the spouse of Ms. Loh, was therefore deemed to have an interest in the same parcel of the Shares and underlying Shares in which Ms. Loh was interested under Part XV of the SFO.
3. Assure Gain held 100% of the issued share capital of Splendid Asset and 90.06% of the issued share capital of Winner Global. Assure Gain was the registered holder of 492,762,347 Shares and 4,111,966,650 CPS convertible into 770,993,746 underlying Shares; Splendid Asset was the registered holder of 622,017,963 Shares and Winner Global was the registered holder of 320,041,100 Shares and 557,089,213 CPS convertible into 104,454,227 underlying Shares. Under Part XV of the SFO, Assure Gain was therefore interested and deemed to have interests in 1,434,821,410 Shares and 875,447,973 underlying Shares in which itself, Splendid Asset and Winner Global were interested.
4. Winner Global was the registered holder of 320,041,100 Shares and 557,089,213 CPS convertible into 104,454,227 underlying Shares.
5. Ms. Wu, being the spouse of Mr. Li, was therefore deemed to have an interest in the same parcel of the Shares and underlying Shares in which Mr. Li was interested under Part XV of the SFO.
6. (i) NWS Service Management Limited (incorporated in the British Virgin Islands) ("NWS Service (BVI)") owned 100% interest in the issued share capital of NWS Financial, and was therefore deemed to have an interest in the Shares in which NWS Financial was interested.
- (ii) NWS Service Management Limited (incorporated in Cayman Islands) ("NWS Service (Cayman)") owned 100% interest in the issued share capital of NWS Service (BVI), and was therefore deemed to have an interest in the Shares in which NWS Service (BVI) was interested.
- (iii) NWS Holdings Limited ("NWS Holdings") owned 100% interest in the issued share capital of NWS Service (Cayman), and was therefore deemed to have an interest in the Shares in which NWS Service (Cayman) was interested.
- (iv) New World Development Company Limited ("New World") owned 59.79% interest in the issued share capital of NWS Holdings, and was therefore deemed to have an interest in the Shares in which NWS Holdings was interested.
- (v) Chow Tai Fook Enterprises Limited ("Chow Tai Fook") owned 40.51% interest in the issued share capital of New World, and was therefore deemed to have an interest in the Shares in which New World was interested.
- (vi) Chow Tai Fook (Holding) Limited ("CTF Holding") (formerly known as "Centennial Success Limited") owned 100% interest in the issued share capital of Chow Tai Fook, and was therefore deemed to have an interest in the Shares in which Chow Tai Fook was interested.
- (vii) Cheng Yu Tung Family (Holdings) Limited owned 51% interest in the issued share capital of CTF Holding, and was therefore deemed to have an interest in the Shares in which CTF Holding was interested.
7. Mr. Yam Tak Cheung owned 100% interested in the issued share capital of IAM, and was therefore deemed to have an interest in the Shares in which IAM was interested.
8. All interests stated above as at 30 September 2011 represent long positions.

**主要股東及其他人士於股份及相關股份
之權益(續)**

附註:

1. 該等百分比數字乃根據於二零一一年九月三十日已發行5,949,197,255股股份計算。
2. 廖先生為樂女士之配偶，因此根據證券及期貨條例第XV部被視為於樂女士所擁有之同一批股份及相關股份中擁有權益。
3. Assure Gain擁有Splendid Asset已發行股本之全部權益及Winner Global已發行股本之90.06%權益。Assure Gain登記持有492,762,347股股份及可兌換為770,993,746股相關股份之4,111,966,650股可換股優先股份；Splendid Asset登記持有622,017,963股股份，Winner Global登記持有320,041,100股股份及可兌換為104,454,227股相關股份之557,089,213股可換股優先股份。因此，根據證券及期貨條例第XV部，Assure Gain因此自身擁有及被視為於Splendid Asset及Winner Global所擁有的上述1,434,821,410股股份及875,447,973股相關股份中擁有權益。
4. Winner Global登記持有320,041,100股股份及可兌換為104,454,227股相關股份之557,089,213股可換股優先股份。
5. 吳女士為李先生之配偶，因此根據證券及期貨條例第XV部被視為於李先生擁有權益之同一批股份及相關股份中擁有權益。
6. (i) NWS Service Management Limited (「NWS Service (BVI)」，於英屬處女群島註冊成立) 擁有NWS Financial已發行股本之全部權益，因此被視為於NWS Financial擁有權益之股份擁有權益。
- (ii) NWS Service Management Limited (「NWS Service (Cayman)」，於開曼群島註冊成立) 擁有NWS Service (BVI)已發行股本之全部權益，因此被視為於NWS Service (BVI)擁有權益之股份擁有權益。
- (iii) 新創建集團有限公司(「新創建集團」) 擁有NWS Service (Cayman)已發行股本之全部權益，因此被視為於NWS Service (Cayman)擁有權益之股份擁有權益。
- (iv) 新世界發展有限公司(「新世界」) 擁有新創建集團已發行股本之59.79%權益，因此被視為於新創建集團擁有權益之股份擁有權益。
- (v) 周大福企業有限公司(「周大福」) 擁有新世界已發行股本之40.51%權益，因此被視為於新世界擁有權益之股份擁有權益。
- (vi) Chow Tai Fook (Holding) Limited (「CTF Holding」) (前稱為「Centennial Success Limited」) 擁有周大福已發行股本之全部權益，因此被視為於周大福擁有權益之股份擁有權益。
- (vii) Cheng Yu Tung Family (Holdings) Limited 擁有CTF Holding已發行股本之51%權益，因此被視為於CTF Holding擁有權益之股份擁有權益。
7. 任德章先生擁有IAM已發行股本之全部權益，因此被視為於IAM擁有之股份中擁有權益。
8. 於二零一一年九月三十日，上列全部權益均為好倉。

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHERS PERSONS IN SHARES AND UNDERLYING SHARES (continued)

Save as disclosed above, as at 30 September 2011, the Company had not been notified of any other persons (other than the Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares of the Company which would be required 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.

DIRECTORS' RIGHT TO ACQUIRE SECURITIES

Save as disclosed in the paragraph headed "Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares" above, during the six months ended 30 September 2011, none of the Director nor the chief executive of the Company had been granted any right to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and none of the Directors, their respective spouses nor their respective children under the age of 18 had any right to subscribe for the securities of the Company or had exercised any such rights.

SHARE OPTION SCHEME

Pursuant to the share option scheme adopted by the shareholders on 27 November 2009 ("Share Option Scheme"), the Company may grant share options to the directors, employees, executive or officers, managers, consultants, any customers, suppliers of goods or services to any member of the Group or any entity in which any member of the Group holds any equity interests who, in the sole discretion of the Board have contributed or will contribute to the growth and development of the Group, to provide incentives or rewards for their contribution to the success of the Group's operation.

主要股東及其他人士於股份及相關股份之權益(續)

除上文披露者外，於二零一一年九月三十日，本公司並無獲悉任何其他人士(董事或本公司最高行政人員除外)於本公司之股份或相關股份中，擁有根據證券及期貨條例第XV部第2及3分部之條文須向本公司披露，或記錄於本公司根據證券及期貨條例第336條規定所存置之登記冊之權益或淡倉。

董事購買證券之權利

除上文「董事及最高行政人員於股份及相關股份之權益及淡倉」一節所披露外，於截至二零一一年九月三十日止六個月，董事及本公司最高行政人員並無獲授予任何權利可藉收購本公司或任何其他法團之股份或債券而獲益，且董事或彼等各自之配偶或彼等各自未滿18歲之子女概無擁有任何認購本公司證券之權利亦無行使任何該等權利。

購股權計劃

根據股東於二零零九年十一月二十七日採納之購股權計劃(「購股權計劃」)，本公司可向董事會全權認為曾經或將會對本集團之增長及發展作出貢獻之本集團任何成員或本集團任何成員持有其股本權益之實體之董事、僱員、行政人員或職員、經理、顧問、任何客戶、提供貨品或服務之供應商授出購股權，以獎勵或回饋彼等對本集團成功營運所作出之貢獻。

SHARE OPTION SCHEME (continued)

購股權計劃 (續)

During the period, the movements in the share options under the Share Option Scheme were as follows: 於期內，根據購股權計劃之購股權變動如下：

Name 姓名	Nature of interest 權益性質	Number of share options 購股權數目				Outstanding at 30 September 2011 於二零一一年 九月三十日 尚未行使	Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價 (HK\$) (港幣)
		Outstanding at 1 April 2011 於二零一一年 四月一日 尚未行使	Granted 已授出	Exercised 已行使	Lapsed 已失效				
Director 董事									
Ms Loh Jiah Yee, Katherine 樂家宜女士	Personal 個人	1,433,333	—	—	—	1,433,333	18 February 2011 二零一一年二月十八日	16 December 2011 to 17 February 2021 二零一一年十二月十六日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
	Personal 個人	1,433,333	—	—	—	1,433,333	18 February 2011 二零一一年二月十八日	16 December 2012 to 17 February 2021 二零一二年十二月十六日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
	Personal 個人	1,433,334	—	—	—	1,433,334	18 February 2011 二零一一年二月十八日	16 December 2013 to 17 February 2021 二零一三年十二月十六日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
Ms Fletcher Yurk Nam, Sandy 姜若男女士	Interest of controlled corporation 受控制法團之權益	5,105,428	—	—	—	5,105,428	13 January 2010 二零一零年一月十三日	15 July 2010 to 12 January 2020 二零一零年七月十五日至 二零二零年一月十二日	HK\$0.940 港幣0.940元
	Interest of controlled corporation 受控制法團之權益	5,105,427	—	—	—	5,105,427	13 January 2010 二零一零年一月十三日	15 July 2011 to 12 January 2020 二零一一年七月十五日至 二零二零年一月十二日	HK\$0.940 港幣0.940元
	Interest of controlled corporation 受控制法團之權益	5,105,427	—	—	—	5,105,427	7 May 2010 二零一零年五月七日	15 July 2010 to 6 May 2020 二零一零年七月十五日至 二零二零年五月六日	HK\$0.710 港幣0.710元
	Interest of controlled corporation 受控制法團之權益	5,105,428	—	—	—	5,105,428	7 May 2010 二零一零年五月七日	15 July 2011 to 6 May 2020 二零一一年七月十五日至 二零二零年五月六日	HK\$0.710 港幣0.710元
	Interest of controlled corporation 受控制法團之權益	11,000,000	—	—	—	11,000,000	14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至 二零一九年十一月二十七日	HK\$0.375 港幣0.375元

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SHARE OPTION SCHEME (continued)

購股權計劃(續)

Name 姓名	Nature of interest 權益性質	Number of share options 購股權數目				Outstanding at 30 September 2011 於二零一一年 九月三十日 尚未行使		Date of grant 授出日期	Exercise period 行使期	Exercise price 每股行使價 (HK\$) (港幣)
		Outstanding at 1 April 2011 於二零一一年 四月一日 尚未行使	Granted 已授出	Exercised 已行使	Lapsed 已失效	Outstanding at 30 September 2011 於二零一一年 九月三十日 尚未行使				
Director (Continued) 董事(續) Mr Shin Chiu, David 施秋先生	Personal 個人	333,333	—	—	—	333,333	13 January 2010 二零一零年一月十三日	13 January 2011 to 12 January 2020 二零一一年一月十三日至 二零一二年一月十二日	HK\$0.940 港幣0.940元	
	Personal 個人	333,333	—	—	—	333,333	13 January 2010 二零一零年一月十三日	13 January 2012 to 12 January 2020 二零一二年一月十三日至 二零一三年一月十二日	HK\$0.940 港幣0.940元	
	Personal 個人	333,334	—	—	—	333,334	13 January 2010 二零一零年一月十三日	13 January 2013 to 12 January 2020 二零一三年一月十三日至 二零一四年一月十二日	HK\$0.940 港幣0.940元	
	Personal 個人	333,333	—	—	—	333,333	7 May 2010 二零一零年五月七日	13 January 2011 to 6 May 2020 二零一一年一月十三日至 二零一二年五月六日	HK\$0.710 港幣0.710元	
	Personal 個人	333,333	—	—	—	333,333	7 May 2010 二零一零年五月七日	13 January 2012 to 6 May 2020 二零一二年一月十三日至 二零一三年五月六日	HK\$0.710 港幣0.710元	
	Personal 個人	333,334	—	—	—	333,334	7 May 2010 二零一零年五月七日	13 January 2013 to 6 May 2020 二零一三年一月十三日至 二零一四年五月六日	HK\$0.710 港幣0.710元	
	Personal 個人	1,000,000	—	—	—	1,000,000	14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至 二零一一年十一月二十七日	HK\$0.375 港幣0.375元	
Mr Leung Siu Hung, Joel 梁紹雄先生	Personal 個人	680,723	—	—	—	680,723	7 May 2010 二零一零年五月七日	7 May 2011 to 6 May 2020 二零一一年五月七日至 二零一二年五月六日	HK\$0.710 港幣0.710元	
	Personal 個人	680,724	—	—	—	680,724	7 May 2010 二零一零年五月七日	7 May 2012 to 6 May 2020 二零一二年五月七日至 二零一三年五月六日	HK\$0.710 港幣0.710元	
	Personal 個人	680,724	—	—	—	680,724	7 May 2010 二零一零年五月七日	7 May 2013 to 6 May 2020 二零一三年五月七日至 二零一四年五月六日	HK\$0.710 港幣0.710元	

SHARE OPTION SCHEME (continued)

購股權計劃 (續)

Name 姓名	Nature of interest 權益性質	Number of share options 購股權數目					Outstanding at 30 September 2011 於二零一一年 九月三十日 尚未行使	Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價 (HK\$) (港幣)
		Outstanding at 1 April 2011 於二零一一年 四月一日 尚未行使	Granted 已授出	Exercised 已行使	Lapsed 已失效	Outstanding at 1 April 2011 於二零一一年 四月一日 尚未行使				
Director (Continued) 董事 (續)										
Mr Leung Chau Ping, Paul 梁秋平先生	Personal 個人	6,807,236	—	—	—	6,807,236	13 January 2010 二零一零年一月十三日	13 January 2011 to 12 January 2020 二零一一年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	
	Personal 個人	6,807,237	—	—	—	6,807,237	13 January 2010 二零一零年一月十三日	13 January 2012 to 12 January 2020 二零一二年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	
	Personal 個人	6,807,237	—	—	—	6,807,237	13 January 2010 二零一零年一月十三日	13 January 2013 to 12 January 2020 二零一三年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	
	Personal 個人	6,000,000	—	—	—	6,000,000	14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至 二零一九年十一月二十七日	HK\$0.375 港幣0.375元	
Mr John Tewksbury Banigan John Tewksbury Banigan 先生	Personal 個人	680,723	—	—	—	680,723	13 January 2010 二零一零年一月十三日	13 January 2011 to 12 January 2020 二零一一年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	
	Personal 個人	680,724	—	—	—	680,724	13 January 2010 二零一零年一月十三日	13 January 2012 to 12 January 2020 二零一二年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	
	Personal 個人	680,724	—	—	—	680,724	13 January 2010 二零一零年一月十三日	13 January 2013 to 12 January 2020 二零一三年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	
Sub-total 小計		69,227,762	—	—	—	69,227,762				
Employees and other participants (Note) 僱員及其他參與者 (附註)										
		1,402,295	—	—	—	1,402,295	13 January 2010 二零一零年一月十三日	13 January 2011 to 12 January 2020 二零一一年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	
		1,402,298	—	—	—	1,402,298	13 January 2010 二零一零年一月十三日	13 January 2012 to 12 January 2020 二零一二年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	
		1,402,301	—	—	—	1,402,301	13 January 2010 二零一零年一月十三日	13 January 2013 to 12 January 2020 二零一三年一月十三日至 二零二零年一月十二日	HK\$0.940 港幣0.940元	
		2,000,000	—	—	—	2,000,000	7 May 2010 二零一零年五月七日	7 November 2010 to 6 May 2020 二零一零年十一月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元	

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SHARE OPTION SCHEME (continued)

購股權計劃(續)

Name 姓名	Nature of interest 權益性質	Number of share options 購股權數目			Number of share options 購股權數目		Date of grant 授出日期	Exercise period 行使期	Exercise price 每股行使價 (HK\$) (港幣)
		Outstanding at 1 April 2011 於二零一一年四月一日尚未行使	Granted 已授出	Exercised 已行使	Lapsed 已失效	Outstanding at 30 September 2011 於二零一一年九月三十日尚未行使			
Employees and other participants (Note) (Continued) 僱員及其他參與者(附註)(續)		3,348,079	—	—	(1,701,809)	1,646,270	7 May 2010 二零一零年五月七日	13 January 2011 to 6 May 2020 二零一一年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元
		2,191,688	—	—	(46,753)	2,144,935	7 May 2010 二零一零年五月七日	7 May 2011 to 6 May 2020 二零一一年五月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元
		1,646,271	—	—	—	1,646,271	7 May 2010 二零一零年五月七日	13 January 2012 to 6 May 2020 二零一二年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元
		2,191,688	—	—	(46,753)	2,144,935	7 May 2010 二零一零年五月七日	7 May 2012 to 6 May 2020 二零一二年五月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元
		1,646,277	—	—	—	1,646,277	7 May 2010 二零一零年五月七日	13 January 2013 to 6 May 2020 二零一三年一月十三日至 二零二零年五月六日	HK\$0.710 港幣0.710元
		2,191,690	—	—	(46,755)	2,144,935	7 May 2010 二零一零年五月七日	7 May 2013 to 6 May 2020 二零一三年五月七日至 二零二零年五月六日	HK\$0.710 港幣0.710元
		51,842,500	—	(190,000)	—	51,652,500	14 September 2010 二零一零年九月十四日	14 September 2010 to 27 November 2019 二零一零年九月十四日至 二零一九年十一月二十七日	HK\$0.375 港幣0.375元
		1,701,809	—	—	(1,701,809)	—	18 February 2011 二零一一年二月十八日	30 June 2011 to 17 February 2021 二零一一年六月三十日至 二零二一年二月十七日	HK\$0.420 港幣0.420元
		273,529	—	—	—	273,529	18 February 2011 二零一一年二月十八日	31 July 2011 to 17 February 2021 二零一一年七月三十一日至 二零二一年二月十七日	HK\$0.420 港幣0.420元
		266,666	—	—	—	266,666	18 February 2011 二零一一年二月十八日	5 December 2011 to 17 February 2021 二零一一年十二月五日至 二零二一年二月十七日	HK\$0.420 港幣0.420元
		333,333	—	—	(333,333)	—	18 February 2011 二零一一年二月十八日	2 January 2012 to 17 February 2021 二零一二年一月二日至 二零二一年二月十七日	HK\$0.420 港幣0.420元
		433,333	—	—	(433,333)	—	18 February 2011 二零一一年二月十八日	9 January 2012 to 17 February 2021 二零一二年一月九日至 二零二一年二月十七日	HK\$0.420 港幣0.420元
		1,701,809	—	—	(1,701,809)	—	18 February 2011 二零一一年二月十八日	30 June 2012 to 17 February 2021 二零一二年六月三十日至 二零二一年二月十七日	HK\$0.420 港幣0.420元

SHARE OPTION SCHEME (continued)

購股權計劃 (續)

Name 姓名	Nature of interest 權益性質	Number of share options 購股權數目				Outstanding at 30 September 2011 於二零一一年 九月三十日 尚未行使	Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價 (HK\$) (港幣)
		Outstanding at 1 April 2011 於二零一一年 四月一日 尚未行使	Granted 已授出	Exercised 已行使	Lapsed 已失效				
Employees and other participants (Note) (Continued) 僱員及其他參與者 (附註)(續)		273,529	—	—	—	273,529	18 February 2011 二零一一年二月十八日	31 July 2012 to 17 February 2021 二零一二年七月三十一日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
		266,667	—	—	—	266,667	18 February 2011 二零一一年二月十八日	5 December 2012 to 17 February 2021 二零一二年十二月五日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
		333,333	—	—	(333,333)	—	18 February 2011 二零一一年二月十八日	2 January 2013 to 17 February 2021 二零一三年一月二日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
		433,333	—	—	(433,333)	—	18 February 2011 二零一一年二月十八日	9 January 2013 to 17 February 2021 二零一三年一月九日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
		1,701,810	—	—	(1,701,810)	—	18 February 2011 二零一一年二月十八日	30 June 2013 to 17 February 2021 二零一三年六月三十日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
		273,530	—	—	—	273,530	18 February 2011 二零一一年二月十八日	31 July 2013 to 17 February 2021 二零一三年七月三十一日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
		266,667	—	—	—	266,667	18 February 2011 二零一一年二月十八日	5 December 2013 to 17 February 2021 二零一三年十二月五日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
		333,334	—	—	(333,334)	—	18 February 2011 二零一一年二月十八日	2 January 2014 to 17 February 2021 二零一四年一月二日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
		433,334	—	—	(433,334)	—	18 February 2011 二零一一年二月十八日	9 January 2014 to 17 February 2021 二零一四年一月九日至 二零一二年二月十七日	HK\$0.420 港幣0.420元
	Sub-total 小計		80,291,103	—	(190,000)	(9,247,498)	70,853,605		
Total 總計		149,518,865	—	(190,000)	(9,247,498)	140,081,367			

Note:

Mr. Shih Chiu, David ("Mr. Shih") was appointed as a Director of the Company on 12 July 2011. The details of the outstanding options under the Share Option Scheme of the Company held by Mr. Shih during the period ended 30 September 2011 were accounted for and described under the heading "Director" as shown above.

附註:

施秋先生(「施先生」)於二零一一年七月十二日獲委任為本公司董事。施先生於截至二零一一年九月三十日止期間根據本公司購股權計劃所持尚未行使購股權之詳情已納入及概列於上表「董事」一欄。

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

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

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard set out in the Model Code during the six months period ended 30 September 2011.

CORPORATE GOVERNANCE PRACTICES

During the six months ended 30 September 2011, the Company has applied the principles of, and complied with, the applicable code provisions set out in the Code on Corporate Governance Practices ("Code Provisions") as set out in Appendix 14 to the Listing Rules, except for deviation mentioned below:

Code Provision A.2.1

Under Code Provision A.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The roles of the chairman ("Chairman") and the chief executive officer ("CEO") of the Company are segregated and are clearly defined to ensure their respective independence, accountability and responsibilities. The Chairman is responsible for the formulation of the Group's overall business development policies while the CEO is responsible for the implementation of major decisions of the Board and overall management of the Group's business.

During the period under review, the role of the Chairman has been performed by Ms. Loh Jiah Yee Katherine. On 6 April 2011, Mr. Leung Chau Ping, Paul re-designated from the position as an executive director of the Company to a non-executive director and resigned as the CEO. Since 6 April 2011 to up the date of this report, the position of the CEO has not been appointed. During such period, the functions of the CEO have been performed by the executive directors of the Company with the assistance of the senior management of the Company. The Board considers that such structure does not impair the balance of power and authority between the Board and the management of the Company. The Board will however regularly review the effectiveness of this structure to ensure that such structure is appropriate in view of the Group's prevailing circumstances.

購買、出售或贖回本公司上市證券

於截至二零一一年九月三十日止六個月內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

董事進行證券交易之標準守則

本公司已採納標準守則，作為其本身董事買賣本公司證券之操守守則。經向全體董事作出特定查詢後，全體董事確認，於截至二零一一年九月三十日止六個月期間內一直遵守標準守則所載規定準則。

企業管治常規

於截至二零一一年九月三十日止六個月內，本公司已應用其原則並一直遵守上市規則附錄十四企業管治常規守則所載適用守則條文（「守則條文」），惟下文所述若干偏離情況除外：

守則條文 A.2.1

根據守則條文 A.2.1，主席及行政總裁之職責應有所區分，且不應由同一人擔任。本公司設有主席（「主席」）及行政總裁（「行政總裁」）兩個獨立職位，且已清楚界定兩者角色，以確保彼等各自之獨立身分、問責性與職責。主席負責制訂本集團整體業務發展政策，而行政總裁則負責實行董事會之重要決策，以及整體管理本集團業務。

回顧期內，主席之職務由樂家宜女士履行。於二零一一年四月六日，梁秋平先生由本公司執行董事重新調任為非執行董事，並辭任行政總裁職務。自二零一一年四月六日起至本報告日期，行政總裁一職尚未委任。於有關期間，行政總裁之職務於本公司高級管理層之協助下由本公司執行董事履行。董事會認為，此架構並未影響董事會與本公司管理層之權力及授權平衡。然而，董事會將定期檢討此架構之成效，以確保此架構適用於本集團當前情況。

CORPORATE GOVERNANCE PRACTICES (continued)

Code Provision E.1.2

Code Provision E.1.2 stipulates among others, that the chairman of the board should attend the annual general meeting.

Due to another business engagement, Ms. Loh Jiah Yee, Katherine, the Chairman, was unable to attend the annual general meeting of the Company held on 25 August 2011. However, Ms. Fletcher Yurk Nam, Sandy, an executive director, took the chair of that meeting. The non-executive director, namely Mr. Leung Chau Ping, Paul and one of the then-independent non-executive directors, namely, Mr. Leung Siu Hung, Joel (who was also the then chairman of the audit committee and a member of the remuneration committee of the Board) were also present at that meeting who were available to answer questions from the shareholders.

CHANGES IN DIRECTORSHIP AND OTHER CHANGES IN DIRECTORS' INFORMATION

Changes in directorship during the six months ended 30 September 2011 are as follows:

1. Mr. Ng Tik Hong resigned as a non-executive director of the Company on 11 July 2011.
2. Mr. Shih Chiu, David was appointed as an executive director of the Company on 12 July 2011.
3. Mr. Li Zhixiong was appointed as an executive director of the Company on 2 September 2011.
4. Mr. Leung Siu Hung, Joel, an independent non-executive director of the Company prior to such re-designation, was re-designated as an executive director of the Company and resigned as a member of each of the remuneration committee and the audit committee of the Board both on 4 November 2011.
5. Mr. Donald Smith Worthley was appointed as an independent non-executive director of the Company on 4 November 2011.

企業管治常規(續)

守則條文 E.1.2

守則條文 E.1.2 訂明(其中包括), 董事會主席應出席股東週年大會。

主席樂家宜女士因另有公務, 未能出席本公司於二零一一年八月二十五日舉行之股東週年大會。然而, 執行董事姜若男女士擔任該大會之主席, 非執行董事梁秋平先生及當時其中一名獨立非執行董事梁紹雄先生(當時亦分別為董事會審核委員會之主席及薪酬委員會之成員)亦有出席該大會回應股東提問。

董事變動及董事資料其他變動

於截至二零一一年九月三十日止六個月內, 董事於變動如下:

1. 吳迪康先生於二零一一年七月十一日辭任本公司非執行董事。
2. 施秋先生於二零一一年七月十二日獲委任為本公司執行董事。
3. 李志雄先生於二零一一年九月二日獲委任為本公司執行董事。
4. 於是次調任前為本公司獨立非執行董事之梁紹雄先生於二零一一年十一月四日調任為執行董事, 並辭任董事會薪酬委員會及審核委員會成員職務。
5. Donald Smith Worthley 先生於二零一一年十一月四日獲委任為本公司獨立非執行董事。

Supplementary Information

補充資料

Sustainable Forest Holdings Limited 永保林業控股有限公司 • Interim Report 2011 二零一一年中期報告

AUDIT COMMITTEE

During the six months ended 30 September 2011, the audit committee of the Board comprised three independent non-executive directors of the Company, namely Mr. Leung Siu Hung, Joel, Mr. John Tewksbury Banigan and Mr. Keung Paul Hinsum. On 4 November 2011, Mr. Leung Siu Hung, Joel was re-designated as an executive director and resigned as a member of the audit committee and Mr. Donald Smith-Worthley was appointed as an independent non-executive director and a member of the audit committee. The audit committee has reviewed the unaudited condensed consolidated financial statements and the interim report for the six months ended 30 September 2011. After review and discussions, the audit committee recommended the Board to approve the unaudited condensed consolidated interim financial statements for the six months ended 30 September 2011.

By order of the Board

Loh Jiah Yee, Katherine

Chairman

Hong Kong, 28 November 2011

審核委員會

截至二零一一年九月三十日止六個月內，董事會審核委員會由三名獨立非執行董事梁紹雄先生、John Tewksbury Banigan先生及姜顯森先生組成。於二零一一年十一月四日，梁紹雄先生調任為執行董事，並辭任審核委員會成員，Donald Smith Worthley先生則獲委任為獨立非執行董事及審核委員會成員。審核委員會已審閱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報告及中期報告。審核委員會於審閱及磋商後，建議董事會批准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中期財務報告。

承董事會命

主席

樂家宜

香港，二零一一年十一月二十八日

SUSTAINABLE FOREST HOLDINGS LIMITED

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