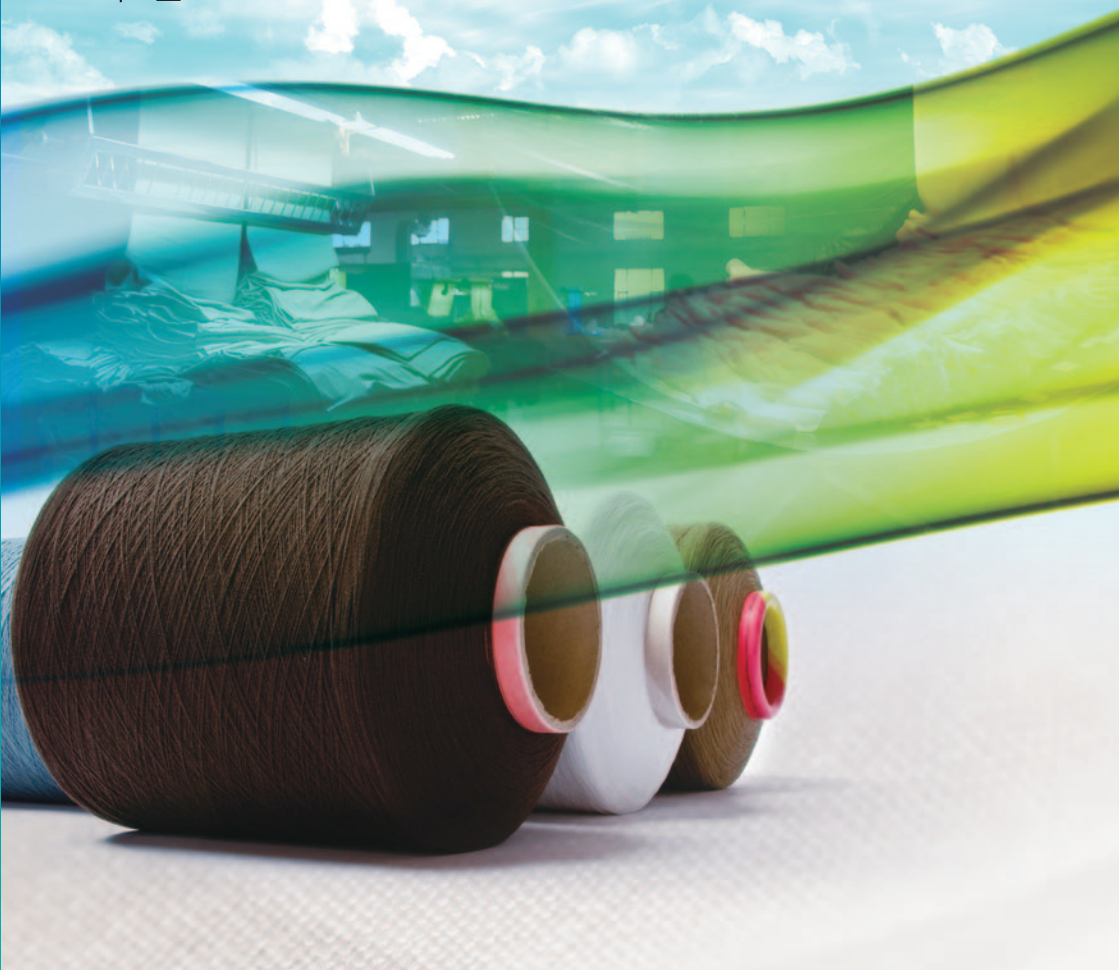




**HUAFENG GROUP HOLDINGS LIMITED**

**華豐集團控股有限公司**

Stock Code 股份代號: 364



# CONTENTS

## 目錄

<b>CORPORATE INFORMATION</b>	公司資料	2
<b>INTERIM RESULTS</b>	中期業績	5
<b>CONDENSED CONSOLIDATED FINANCIAL STATEMENTS:</b>	簡明綜合財務報表：	
Condensed consolidated income statement	簡明綜合收益表	6
Condensed consolidated statement of comprehensive income	簡明綜合全面收入報表	7
Condensed consolidated statement of financial position	簡明綜合財務狀況表	8
Condensed consolidated statement of changes in equity	簡明綜合權益變動表	10
Condensed consolidated statement of cash flows	簡明綜合現金流量表	11
Notes to the condensed financial statements	簡明財務報表附註	12
<b>MANAGEMENT DISCUSSION AND ANALYSIS</b>	管理層討論與分析	30
<b>DISCLOSURE OF ADDITIONAL INFORMATION</b>	附加資料披露	40

# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Cai Zhenrong (*Chairman*)  
Mr. Cai Zhenyao  
Mr. Cai Zhenying  
Mr. Cai Yangbo (*Managing Director*)  
Mr. Choi Wing Toon

#### Independent Non-executive Directors

Mr. Lawrence Gonzaga  
Ms. Choy So Yuk, *JP*  
Mr. Wong Siu Hong

### AUDIT COMMITTEE

Mr. Lawrence Gonzaga (*Chairman*)  
Ms. Choy So Yuk, *JP*  
Mr. Wong Siu Hong

### REMUNERATION COMMITTEE

Mr. Lawrence Gonzaga (*Chairman*)  
Ms. Choy So Yuk, *JP*  
Mr. Wong Siu Hong

### NOMINATION COMMITTEE

Mr. Lawrence Gonzaga (*Chairman*)  
Ms. Choy So Yuk, *JP*  
Mr. Wong Siu Hong

### AUTHORIZED REPRESENTATIVES

#### Under the Stock Exchange:

Mr. Cai Yangbo  
Mr. Choi Wing Toon

### 董事會

#### 執行董事

蔡振榮先生 (*主席*)  
蔡振耀先生  
蔡振英先生  
蔡揚波先生 (*董事總經理*)  
蔡永團先生

#### 獨立非執行董事

Lawrence Gonzaga先生  
蔡素玉女士·*太平紳士*  
黃兆康先生

### 審核委員會

Lawrence Gonzaga先生 (*主席*)  
蔡素玉女士·*太平紳士*  
黃兆康先生

### 薪酬委員會

Lawrence Gonzaga先生 (*主席*)  
蔡素玉女士·*太平紳士*  
黃兆康先生

### 提名委員會

Lawrence Gonzaga先生 (*主席*)  
蔡素玉女士·*太平紳士*  
黃兆康先生

### 授權代表

#### 於聯交所：

蔡揚波先生  
蔡永團先生

## CORPORATE INFORMATION

### 公司資料

#### Under the Companies Registry:

Mr. Cai Zhenrong  
Mr. Choi Wing Toon

#### 於公司註冊處：

蔡振榮先生  
蔡永團先生

#### COMPANY SECRETARY

Mr. Chai Chung Wai *FCCA, FCPA, ACA,*  
*MBA, MAcc(PRC)*

#### 公司秘書

齊忠偉先生 *FCCA, FCPA, ACA,*  
*MBA, MAcc(PRC)*

#### REGISTERED OFFICE

Cricket Square  
Hutchins Drive, P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

#### 註冊辦事處

Cricket Square  
Hutchins Drive, P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

#### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 2105, West Tower  
Shun Tak Centre  
200 Connaught Road Central  
Hong Kong

#### 總辦事處暨香港 主要營業地點

香港  
干諾道中200號  
信德中心  
西翼2105室

#### REGISTRARS

##### Principal Share Registrar and Transfer Office

HSBC Trustee (Cayman) Limited  
P.O. Box 484  
HSBC House  
68 West Bay Road  
Grand Cayman KY1-1106  
Cayman Islands

#### 股份過戶登記處

##### 股份過戶登記總處

HSBC Trustee (Cayman) Limited  
P.O. Box 484  
HSBC House  
68 West Bay Road  
Grand Cayman KY1-1106  
Cayman Islands

## CORPORATE INFORMATION

### 公司資料

Hong Kong Branch Share Registrar and Transfer Office

Union Registrars Limited  
18/F, Fook Lee Commercial Centre  
Town Place, 33 Lockhart Road  
Wanchai, Hong Kong

香港股份過戶登記分處

聯合證券登記有限公司  
香港灣仔  
駱克道33號中央廣場  
福利商業中心18樓

### AUDITOR

RSM Nelson Wheeler  
Certified Public Accountants  
29th Floor, Caroline Centre  
Lee Gardens Two  
28 Yun Ping Road  
Hong Kong

### 核數師

中瑞岳華(香港)會計師事務所  
執業會計師  
香港  
恩平道28號  
利園2期  
嘉蘭中心29字樓

### LEGAL ADVISERS

As to Cayman Islands laws:

Conyers Dill & Pearman

As to Hong Kong laws:

Patrick Mak & Tse

### 法律顧問

開曼群島法律方面：

Conyers Dill & Pearman

香港法律方面：

麥家榮律師行

### PRINCIPAL BANKERS

China Minsheng Banking Corp., Ltd  
Hang Seng Bank Limited

### 主要往來銀行

中國民生銀行股份有限公司  
恒生銀行有限公司

### WEBSITE

[www.huafeng.com.hk](http://www.huafeng.com.hk)

### 網址

[www.huafeng.com.hk](http://www.huafeng.com.hk)

### STOCK CODE

364

### 股份代號

364

## INTERIM RESULTS

### 中期業績

The board (the “Board”) of directors (the “Directors”) of Huafeng Group Holdings Limited (the “Company”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 31 March 2012 (the “Period”). The interim results for the Period are unaudited, but have been reviewed by the audit committee of the Company (the “Audit Committee”).

華豐集團控股有限公司(「本公司」)董事(「董事」)會(「董事會」)欣然公佈本公司及其附屬公司(統稱為「本集團」)截至二零一二年三月三十一日止六個月(「本期間」)之未經審核簡明綜合業績。本期間之中期業績未經審核，惟已由本公司審核委員會(「審核委員會」)審閱。

# CONDENSED CONSOLIDATED INCOME STATEMENT

## 簡明綜合收益表

For the six months ended 31 March 2012

截至二零一二年三月三十一日止六個月

		Note 附註	Six months ended 31 March 截至三月三十一日止六個月	
			2012 二零一二年 HK\$'000 千港元 (unaudited) (未經審核)	2011 二零一一年 HK\$'000 千港元 (unaudited) (未經審核)
<b>REVENUE</b>	收入	3	<b>254,645</b>	328,563
Cost of services provided and cost of sales	提供服務成本及銷售成本		<b>(213,293)</b>	(271,580)
<b>GROSS PROFIT</b>	毛利		<b>41,352</b>	56,983
Other income	其他收入	4	<b>2,887</b>	4,274
Selling and distribution expenses	銷售及分銷開支		<b>(10,403)</b>	(10,583)
Administrative expenses	行政開支		<b>(20,751)</b>	(21,569)
Other operating expenses	其他經營開支		-	(6,993)
<b>PROFIT FROM OPERATIONS</b>	經營業務溢利		<b>13,085</b>	22,112
Finance costs	財務成本	5	<b>(6,526)</b>	(8,723)
Loss on disposal of investment properties	出售投資物業之虧損		<b>(46,656)</b>	-
Loss on disposal of subsidiaries	出售附屬公司之虧損	14	<b>(2,386)</b>	-
<b>(LOSS)/PROFIT BEFORE TAX</b>	除稅前(虧損)/溢利		<b>(42,483)</b>	13,389
Income tax credit/(expense)	所得稅抵免/(開支)	6	<b>6,432</b>	(2,441)
<b>(LOSS)/PROFIT FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	本公司擁有人應佔期間(虧損)/溢利	7	<b>(36,051)</b>	10,948
<b>(LOSS)/EARNINGS PER SHARE</b>	每股(虧損)/盈利	9		
Basic	基本		<b>HK(2.5) cents</b> 港仙	HK0.8 cents 港仙
Diluted	攤薄		<b>N/A</b> 不適用	HK0.7 cents 港仙

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 簡明綜合全面收入報表

For the six months ended 31 March 2012

截至二零一二年三月三十一日止六個月

		Six months ended 31 March	
		截至三月三十一日止六個月	
		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
(LOSS)/PROFIT FOR THE PERIOD	期間(虧損)/溢利	(36,051)	10,948
<b>Other comprehensive income:</b>	<b>其他全面收入：</b>		
Exchange differences on translating foreign operations	換算海外業務之匯兌差額	9,296	66,049
Exchange differences reclassified to profit or loss on disposal of subsidiaries	出售附屬公司時將匯兌差額重新分類至損益	(5,631)	-
	14		
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>	<b>除稅後期間其他全面收入</b>	<b>3,665</b>	<b>66,049</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>本公司擁有人應佔期間全面收入總額</b>	<b>(32,386)</b>	<b>76,997</b>



# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 簡明綜合財務狀況表

At 31 March 2012

於二零一二年三月三十一日

			31 March 2012 二零一二年 三月三十一日 HK\$'000 千港元 (unaudited) (未經審核)	30 September 2011 二零一一年 九月三十日 HK\$'000 千港元 (audited) (經審核)
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	10	889,124	909,591
Investment properties	投資物業		-	51,606
Intangible assets	無形資產		6,816	7,398
Available-for-sale financial assets	可供出售之金融資產		1,290	1,281
Deposits paid for acquisition of long-term assets	收購長期資產已付之按金		68,724	68,232
Other long term receivable	其他長期應收款項		53,200	53,200
			<b>1,019,154</b>	<b>1,091,308</b>
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨		55,741	56,208
Trade receivables	應收貿易賬款	11	148,737	152,147
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		97,453	109,947
Fixed bank deposits	定期銀行存款		155,262	154,901
Bank and cash balances	銀行及現金結餘		389,146	357,432
			<b>846,339</b>	<b>830,635</b>
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade payables	應付貿易賬款	12	28,820	30,243
Other payables and accruals	其他應付款項及應計費用		201,084	194,626
Interest-bearing borrowings	計息借貸		24,000	48,000
Current tax liabilities	即期稅項負債		13,895	14,416
Convertible bonds	可換股債券	13	56,917	-
			<b>324,716</b>	<b>287,285</b>
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>		<b>521,623</b>	<b>543,350</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>		<b>1,540,777</b>	<b>1,634,658</b>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

## 簡明綜合財務狀況表（續）

At 31 March 2012

於二零一二年三月三十一日

			31 March 2012 二零一二年 三月三十一日 HK\$'000 千港元 (unaudited) (未經審核)	30 September 2011 二零一一年 九月三十日 HK\$'000 千港元 (audited) (經審核)
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Convertible bonds	可換股債券	13	84,787	137,328
Deferred tax liabilities	遞延稅項負債		16,551	25,505
			<b>101,338</b>	162,833
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>1,439,439</b>	1,471,825
<b>CAPITAL AND RESERVES</b>	<b>股本及儲備</b>			
Share capital	股本		14,468	14,468
Reserves	儲備		1,424,971	1,457,357
<b>TOTAL EQUITY</b>	<b>總權益</b>		<b>1,439,439</b>	1,471,825

Approved by the Board of Directors on 30 May 2012

於二零一二年五月三十日經董事會批准

**Cai Yangbo**

蔡揚波

Director

董事

**Choi Wing Toon**

蔡永團

Director

董事

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 簡明綜合權益變動表

For the six months ended 31 March 2012

截至二零一二年三月三十一日止六個月

		(Unaudited) (未經審核)								
		Attributable to owners of the Company 本公司擁有人應佔								
		Share capital	Share premium	Properties revaluation reserve	Warrants reserve	Share- based payment reserve	Convertible bonds reserve	Translation reserve	Retained profits	Total equity
		股本	股份溢價	物業重估 儲備	認股權證 儲備	以股份 支付之 款項儲備	可換股 債券儲備 (note 13) (附註13)	換算儲備	保留溢利	總權益
	Note 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 October 2010	於二零一零年十月一日	14,468	500,524	45,123	2,149	28,057	21,383	144,298	731,066	1,487,068
Total comprehensive income for the period	期間全面收入總額	-	-	-	-	-	-	66,049	10,948	76,997
Disposal of properties	出售物業	-	-	(739)	-	-	-	-	739	-
Changes in equity for the period	期間權益變動	-	-	(739)	-	-	-	66,049	11,687	76,997
At 31 March 2011	於二零一一年三月三十一日	14,468	500,524	44,384	2,149	28,057	21,383	210,347	742,753	1,564,065
Representing:	代表:									
At 31 March 2011 after proposed interim dividend	於二零一一年三月三十一日 (擬派中期股息後)									1,564,065
Proposed interim dividend	擬派中期股息	8								-
Equity attributable to owners of the Company	本公司擁有人應佔權益									<u>1,564,065</u>
At 1 October 2011	於二零一一年十月一日	14,468	500,524	62,897	2,149	50,173	21,383	226,527	593,704	1,471,825
Total comprehensive income for the period	期間全面收入總額	-	-	-	-	-	-	3,665	(36,051)	(32,386)
Lapse of share options granted in prior years	過往年度授出之購股權失效	-	-	-	-	(1,618)	-	-	1,618	-
Lapse of warrants issued in prior years	過往年度發行之認股權證失效	-	-	-	(2,149)	-	-	-	2,149	-
Disposal of subsidiaries	出售附屬公司	-	-	(5,521)	-	-	-	-	5,521	-
Changes in equity for the period	期間權益變動	-	-	(5,521)	(2,149)	(1,618)	-	3,665	(26,763)	(32,386)
At 31 March 2012	於二零一二年三月三十一日	14,468	500,524	57,376	-	48,555	21,383	230,192	566,941	1,439,439
Representing:	代表:									
At 31 March 2012 after proposed interim dividend	於二零一二年三月三十一日 (擬派中期股息後)									1,439,439
Proposed interim dividend	擬派中期股息	8								-
Equity attributable to owners of the Company	本公司擁有人應佔權益									<u>1,439,439</u>

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

## 簡明綜合現金流量表

For the six months ended 31 March 2012

截至二零一二年三月三十一日止六個月

		Six months ended 31 March	
		截至三月三十一日止六個月	
		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
NET CASH GENERATED FROM OPERATING ACTIVITIES	經營業務產生之現金淨額	68,279	157,843
Purchases of property, plant and equipment	購買物業、廠房及設備	(20,914)	(65,786)
Interest received	已收利息	803	494
Proceeds from disposal of investment properties	出售投資物業所得款項	3,679	-
Disposal of subsidiaries	出售附屬公司	3,220	-
Increase in fixed bank deposits	定期銀行存款增加	(361)	-
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額	(13,573)	(65,292)
Bank loans raised	新造銀行貸款	-	28,875
Repayment of bank loans	償還銀行貸款	(24,000)	(54,542)
Finance costs paid	已付財務成本	(1,398)	(3,713)
NET CASH USED IN FINANCING ACTIVITIES	融資活動所用之現金淨額	(25,398)	(29,380)
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值增加淨值	29,308	63,171
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	期初之現金及現金等值	357,432	243,810
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外幣匯率變動影響	2,406	13,390
CASH AND CASH EQUIVALENTS AT END OF PERIOD, REPRESENTED BY	期終之現金及現金等值，代表	389,146	320,371
Bank and cash balances	銀行及現金結餘	389,146	320,371

# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 簡明財務報表附註

*For the six months ended 31 March 2012*

截至二零一二年三月三十一日止六個月

### 1. BASIS OF PREPARATION

These condensed financial statements have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” issued by the International Accounting Standards Board and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

These condensed financial statements should be read in conjunction with the 2011 annual financial statements. The accounting policies and methods of computation used in the preparation of these condensed financial statements are consistent with those used in the annual financial statements for the year ended 30 September 2011.

### 2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

These condensed financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain buildings and investment properties which are carried at their fair values.

### 1. 編製基準

本簡明財務報表乃根據國際會計準則委員會頒佈之國際會計準則第34號「中期財務報告」及《香港聯合交易所有限公司證券上市規則》之適用披露規定編製。

本簡明財務報表應與二零一一年之年度財務報表一併閱讀。編製本簡明財務報表時採用之會計政策及計算方法與截至二零一一年九月三十日止年度之年度財務報表所用者一致。

### 2. 採納新增及經修訂國際財務報告準則

本簡明財務報表乃按照歷史成本慣例編製，並就重估按公平值入賬之若干樓宇及投資物業作出修訂。

# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 簡明財務報表附註

For the six months ended 31 March 2012

截至二零一二年三月三十一日止六個月

### 2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

In the current period, the Group has adopted all the new and revised International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board that are relevant to its operations and effective for its accounting period beginning on 1 October 2011. IFRSs comprise International Financial Reporting Standards; International Accounting Standards (“IAS”); and Interpretations. The adoption of these new and revised IFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current period and prior periods.

The Group has not applied the new IFRSs that have been issued but are not effective. The Group has already commenced an assessment of the impact of these new IFRSs but is not yet in a position to state whether these new IFRSs would have a material impact on its results of operations and financial position.

### 2. 採納新增及經修訂國際財務報告準則 (續)

於本期間，本集團已採納由國際會計準則委員會頒佈而與本集團業務有關及於二零一一年十月一日開始之會計期間生效之所有新增及經修訂國際財務報告準則（「國際財務報告準則」）。國際財務報告準則包括國際財務報告準則、國際會計準則（「國際會計準則」）及詮釋。採納此等新增及經修訂國際財務報告準則不會令本集團之會計政策、本集團財務報表之呈列方式及本期間與過往期間呈報之金額出現重大變動。

本集團並未採用已頒佈但尚未生效之新增國際財務報告準則。本集團已開始評估該等新增國際財務報告準則之影響，惟暫未能說明該等新增國際財務報告準則是否會對其經營業績及財務狀況構成重大影響。

# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 簡明財務報表附註

For the six months ended 31 March 2012

截至二零一二年三月三十一日止六個月

### 3. SEGMENT INFORMATION

The Group has two reportable segments as follows:

- Provision of fabric processing services and manufacture and sale of fabrics
- Manufacture and sale of yarns and blankets

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

The accounting policies of the operating segments are the same as those described in the Group's financial statements for the year ended 30 September 2011. Segment profits or losses do not include unallocated other income, unallocated corporate expenses, finance costs, loss on disposal of investment properties and loss on disposal of subsidiaries. Segment assets do not include investment properties, fixed bank deposits, bank and cash balances and unallocated corporate assets.

### 3. 分部資料

本集團之兩個可予報告分部如下：

- 提供布料加工服務以及布料製造及銷售
- 紡紗及毛毯之製造及銷售

本集團之可予報告分部為提供不同產品及服務之策略性業務單位。該等分部因各業務所需技術及市場推廣策略不同而獨立管理。

經營分部之會計政策與本集團截至二零一一年九月三十日止年度之財務報表所述者相同。分部溢利或虧損並不包括未分配其他收入、未分配企業開支、財務成本、出售投資物業之虧損及出售附屬公司之虧損。分部資產並不包括投資物業、定期銀行存款、銀行及現金結餘以及未分配企業資產。

# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 簡明財務報表附註

For the six months ended 31 March 2012

截至二零一二年三月三十一日止六個月

### 3. SEGMENT INFORMATION (Continued)

### 3. 分部資料(續)

		Provision of fabric processing services and manufacture and sale of fabrics 提供布料加工服務以及布料製造及銷售		Manufacture and sale of yarns and blankets 紡紗及毛毯之製造及銷售		Consolidated 綜合	
		Six months ended 31 March 截至三月三十一日止六個月		Six months ended 31 March 截至三月三十一日止六個月		Six months ended 31 March 截至三月三十一日止六個月	
		2012 二零一二年	2011 二零一一年	2012 二零一二年	2011 二零一一年	2012 二零一二年	2011 二零一一年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
		(unaudited) (未經審核)	(unaudited) (未經審核)	(unaudited) (未經審核)	(unaudited) (未經審核)	(unaudited) (未經審核)	(unaudited) (未經審核)
REVENUE	收入						
Revenue from external customers	來自外部客戶之收入	213,269	273,360	41,376	55,203	254,645	328,563
Segment profit/(loss)	分部溢利/(虧損)	31,509	29,326	(15,440)	(5,503)	16,069	23,823
Unallocated other income	未分配其他收入					2,887	4,274
Unallocated corporate expenses	未分配企業開支					(5,871)	(5,985)
Profit from operations	經營業務溢利					13,085	22,112
Finance costs	財務成本					(6,526)	(8,723)
Loss on disposal of investment properties	出售投資物業之虧損					(46,656)	-
Loss on disposal of subsidiaries	出售附屬公司之虧損					(2,386)	-
(Loss)/profit before tax	除稅前(虧損)/溢利					(42,483)	13,389
Income tax credit/(expense)	所得稅抵免/(開支)					6,432	(2,441)
(Loss)/profit for the period	期間(虧損)/溢利					(36,051)	10,948



# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 簡明財務報表附註

For the six months ended 31 March 2012  
截至二零一二年三月三十一日止六個月

### 3. SEGMENT INFORMATION (Continued)

### 3. 分部資料 (續)

		Provision of fabric processing services and manufacture and sale of fabrics 提供布料加工服務以及布料製造及銷售		Manufacture and sale of yarns and blankets 紡紗及毛毯之製造及銷售	
		31 March 2012 二零一二年 三月三十一日 HK\$'000 千港元 (unaudited) (未經審核)	30 September 2011 二零一一年 九月三十日 HK\$'000 千港元 (audited) (經審核)	31 March 2012 二零一二年 三月三十一日 HK\$'000 千港元 (unaudited) (未經審核)	30 September 2011 二零一一年 九月三十日 HK\$'000 千港元 (audited) (經審核)
ASSET	資產				
Segment assets	分部資產	<b>728,549</b>	743,143	<b>537,698</b>	560,379

### 4. OTHER INCOME

### 4. 其他收入

		Six months ended 31 March 截至三月三十一日止六個月	
		2012 二零一二年 HK\$'000 千港元 (unaudited) (未經審核)	2011 二零一一年 HK\$'000 千港元 (unaudited) (未經審核)
Bank interest income	銀行利息收入	<b>1,113</b>	1,458
Government grants	政府補助金	-	248
Rental income	租金收入	<b>767</b>	1,414
Subcontracting income	分包收入	<b>515</b>	970
Others	其他	<b>492</b>	184
		<b>2,887</b>	4,274

# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 簡明財務報表附註

For the six months ended 31 March 2012

截至二零一二年三月三十一日止六個月

### 5. FINANCE COSTS

### 5. 財務成本

		Six months ended 31 March	
		截至三月三十一日止六個月	
		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Interest on bank loans and overdraft	銀行貸款及透支之利息	498	3,008
Interest on convertible bonds	可換股債券之利息	5,128	4,815
Bank charges	銀行費用	900	900
		<b>6,526</b>	<b>8,723</b>

### 6. INCOME TAX (CREDIT)/EXPENSE

### 6. 所得稅(抵免)/開支

		Six months ended 31 March	
		截至三月三十一日止六個月	
		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Current tax – the People's Republic of China (the "PRC") enterprise income tax	即期稅項－中華人民共和國(「中國」)企業所得稅	1,131	2,441
Deferred tax	遞延稅項	(7,563)	–
		<b>(6,432)</b>	<b>2,441</b>

No provision for Hong Kong Profits Tax is required since the Group has no assessable profit during the period (2011: HK\$Nil).

本集團於期內並無任何應課稅溢利，故無須就香港利得稅作出撥備(二零一一年：零港元)。

# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 簡明財務報表附註

For the six months ended 31 March 2012

截至二零一二年三月三十一日止六個月

### 6. INCOME TAX (CREDIT)/EXPENSE (Continued)

Tax charge on profits assessable in the PRC had been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

### 7. (LOSS)/PROFIT FOR THE PERIOD

The Group's (loss)/profit for the period is arrived at after charging:

### 6. 所得稅(抵免)/開支(續)

中國之應課稅溢利之稅項支出乃按本集團經營所在司法權區適用之稅率及根據有關司法權區之現行法例、詮釋及慣例計算。

### 7. 期間(虧損)/溢利

本集團之期間(虧損)/溢利乃於扣除以下各項後達致：

		<b>Six months ended 31 March</b>	
		<b>截至三月三十一日止六個月</b>	
		<b>2012</b>	<b>2011</b>
		<b>二零一二年</b>	<b>二零一一年</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>千港元</b>	<b>千港元</b>
		<b>(unaudited)</b>	<b>(unaudited)</b>
		<b>(未經審核)</b>	<b>(未經審核)</b>
Amortisation of technical know-how	技術知識攤銷	<b>613</b>	578
Depreciation	折舊	<b>34,744</b>	40,742
Directors' remuneration	董事酬金		
Fees	袍金	<b>180</b>	180
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	<b>1,588</b>	1,630
Retirement benefit scheme contributions	退休福利計劃供款	<b>6</b>	6
		<b>1,774</b>	1,816
Write off of property, plant and equipment	撇銷物業、廠房及設備	-	6,993

# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 簡明財務報表附註

For the six months ended 31 March 2012

截至二零一二年三月三十一日止六個月

### 8. DIVIDENDS

No dividend has been paid or declared by the Company during the period (2011: HK\$Nil).

### 8. 股息

本公司於期內並無派付或宣派股息（二零一一年：零港元）。

### 9. (LOSS)/EARNINGS PER SHARE

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

### 9. 每股（虧損）／盈利

每股基本及攤薄（虧損）／盈利之計算基準如下：

		<b>Six months ended 31 March</b>	
		<b>截至三月三十一日止六個月</b>	
		<b>2012</b>	<b>2011</b>
		<b>二零一二年</b>	<b>二零一一年</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>千港元</b>	<b>千港元</b>
		<b>(unaudited)</b>	<b>(unaudited)</b>
		<b>(未經審核)</b>	<b>(未經審核)</b>
<b>(Loss)/earnings</b>	<b>(虧損)／盈利</b>		
(Loss)/earnings for the purpose of calculating 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	<b>(36,051)</b>	10,948
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of ordinary shares for the purpose of calculating basic (loss)/earnings per share	用以計算每股基本（虧損）／盈利之加權平均普通股數目	<b>1,446,838,580</b>	1,446,838,580
Effect of dilutive potential ordinary shares arising from warrants	因認股權證而產生之潛在攤薄普通股影響	-	23,542,925
Effect of dilutive potential ordinary shares arising from share options	因購股權而產生之潛在攤薄普通股影響	-	74,635,938
Weighted average number of ordinary shares for the purpose of calculating diluted (loss)/earnings per share	用以計算每股攤薄（虧損）／盈利之加權平均普通股數目	<b>1,446,838,580</b>	1,545,017,443

# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 簡明財務報表附註

For the six months ended 31 March 2012

截至二零一二年三月三十一日止六個月

### 9. (LOSS)/EARNINGS PER SHARE (Continued)

The effects of all potential ordinary shares are anti-dilutive for the six months ended 31 March 2012.

The computation of diluted earnings per share for the six months ended 31 March 2011 did not assume the conversion of the outstanding convertible bonds as the impact of the conversion of the convertible bonds was anti-dilutive.

### 10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 31 March 2012, the Group acquired property, plant and equipment of approximately HK\$20,914,000 (2011: HK\$65,786,000).

### 11. TRADE RECEIVABLES

The Group normally allows credit terms to well-established customers ranging from 30 to 120 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the directors.

### 9. 每股(虧損)/盈利(續)

於截至二零一二年三月三十一日止六個月，所有潛在普通股具反攤薄影響。

於截至二零一一年三月三十一日止六個月，由於轉換可換股債券具反攤薄影響，故每股攤薄盈利之計算並無假設未獲轉換之可換股債券獲轉換。

### 10. 物業、廠房及設備

於截至二零一二年三月三十一日止六個月，本集團購買之物業、廠房及設備約值20,914,000港元(二零一一年：65,786,000港元)。

### 11. 應收貿易賬款

本集團一般對有穩定關係之顧客給予30天至120天之信貸期。本集團力求對其未收取之應收款項保持嚴格控制。董事會定期檢討逾期賬項結餘。

# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 簡明財務報表附註

For the six months ended 31 March 2012

截至二零一二年三月三十一日止六個月

### 11. TRADE RECEIVABLES (Continued)

An aging analysis of trade receivables at the end of reporting period, based on the date of recognition of the service income or goods sold, is as follows:

### 11. 應收貿易賬款 (續)

根據確認服務收入或已售貨品之日期計算，應收貿易賬款於報告期末之賬齡分析如下：

		<b>31 March 2012 二零一二年 三月三十一日 HK\$'000 千港元 (unaudited) (未經審核)</b>	<b>30 September 2011 二零一一年 九月三十日 HK\$'000 千港元 (audited) (經審核)</b>
0 – 30 days	0 – 30天	<b>49,353</b>	51,146
31 – 60 days	31 – 60天	<b>36,005</b>	42,507
61 – 90 days	61 – 90天	<b>18,732</b>	35,401
Over 90 days	90天以上	<b>44,647</b>	23,093
		<b>148,737</b>	152,147

### 12. TRADE PAYABLES

The Group normally obtains credit terms ranging from 30 to 90 days from its suppliers.

### 12. 應付貿易賬款

本集團一般獲供應商授予30天至90天之信貸期。

# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 簡明財務報表附註

For the six months ended 31 March 2012

截至二零一二年三月三十一日止六個月

### 12. TRADE PAYABLES (Continued)

An aging analysis of the trade payables at the end of reporting period, based on the date of receipt of consumables or goods purchased, is as follows:

		<b>31 March</b>	30 September
		<b>2012</b>	2011
		二零一二年	二零一一年
		三月三十一日	九月三十日
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
		<b>(unaudited)</b>	(audited)
		<b>(未經審核)</b>	(經審核)
0 – 30 days	0 – 30天	<b>14,759</b>	13,645
31 – 60 days	31 – 60天	<b>8,989</b>	6,549
61 – 90 days	61 – 90天	<b>2,750</b>	6,231
Over 90 days	90天以上	<b>2,322</b>	3,818
		<b>28,820</b>	30,243

### 13. CONVERTIBLE BONDS

On 9 October 2009, the Company and Tanrich Capital Limited (the “Placing Agent”) entered into a placing agreement in relation to the placing of convertible bonds (the “Placing Agreement”). Pursuant to the Placing Agreement, the Company issued the three-year 1% coupon convertible bonds (the “Convertible Bonds”) up to an aggregate principal amount of HK\$150 million. Based upon the initial conversion price of HK\$0.28 per conversion share, a total of 535,714,277 shares (with an aggregate nominal value of approximately HK\$5,357,000) would be allotted and issued upon the exercise of all the conversion rights attached to the Convertible Bonds.

### 12. 應付貿易賬款 (續)

根據收取所購買之消耗品或貨品日期計算，應付貿易賬款於報告期末之賬齡分析如下：

### 13. 可換股債券

於二零零九年十月九日，本公司與敦沛融資有限公司（「配售代理」）就配售可換股債券訂立配售協議（「配售協議」）。根據配售協議，本公司發行本金總額最多為150,000,000港元之三年期一厘可換股債券（「可換股債券」）。根據初步換股價每股換股股份0.28港元計算，於可換股債券隨附之換股權獲悉數行使後，將會配發及發行合共535,714,277股股份（總面值約為5,357,000港元）。

# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 簡明財務報表附註

For the six months ended 31 March 2012  
截至二零一二年三月三十一日止六個月

### 13. CONVERTIBLE BONDS (Continued)

The placing of the Convertible Bonds (the “First Tranche Bonds”) in the principal amount of HK\$60,000,000 under the Placing Agreement was completed on 11 February 2010. Based on the conversion price of HK\$0.28, a maximum number of 214,285,710 conversion shares will be allotted and issued upon exercise of the conversion rights attached to the First Tranche Bonds in full.

The placing of the Convertible Bonds (the “Last Tranche Bonds”) in the principal amount of HK\$90,000,000 under the Placing Agreement was completed on 20 April 2010. Based on the conversion price of HK\$0.28, a maximum number of 321,428,567 conversion shares will be allotted and issued upon exercise of the conversion rights attached to the Last Tranche Bonds in full.

Any outstanding amount of the Convertible Bonds can be converted at any time after the date of issue of the Convertible Bonds at a conversion price of HK\$0.28.

### 13. 可換股債券 (續)

於二零一零年二月十一日，本公司完成根據配售協議配售本金額為60,000,000港元之可換股債券（「第一批債券」）。根據換股價0.28港元計算，於第一批債券隨附之換股權獲悉數行使後，將會配發及發行最多214,285,710股換股股份。

於二零一零年四月二十日，本公司完成根據配售協議配售本金額為90,000,000港元之可換股債券（「最後一批債券」）。根據換股價0.28港元計算，於最後一批債券隨附之換股權獲悉數行使後，將會配發及發行最多321,428,567股換股股份。

於可換股債券發行日期後，可換股債券之任何未償還金額可隨時按換股價0.28港元轉換。



# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 簡明財務報表附註

For the six months ended 31 March 2012

截至二零一二年三月三十一日止六個月

### 13. CONVERTIBLE BONDS (Continued)

The proceeds received from the issue of the Convertible Bonds have been split into the liability component and equity component as follows:

### 13. 可換股債券(續)

發行可換股債券之所得款項已按下列方式分為負債部分及權益部分：

		First Tranche Bonds 第一批債券 HK\$'000 千港元	Last Tranche Bonds 最後一批債券 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Liability component at 1 October 2010	於二零一零年 十月一日之 負債部分	51,583	77,387	128,970
Interest charged	已扣除之利息	4,092	5,719	9,811
Interest paid	已付之利息	(600)	(853)	(1,453)
Liability component at 30 September 2011 (audited) and 1 October 2011	於二零一一年 九月三十日 (經審核)及 二零一一年 十月一日之 負債部分	55,075	82,253	137,328
Interest charged	已扣除之利息	2,143	2,985	5,128
Interest paid	已付之利息	(301)	(451)	(752)
Liability component at 31 March 2012 (unaudited)	於二零一二年 三月三十一日 (未經審核) 之負債部分	56,917	84,787	141,704

# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 簡明財務報表附註

For the six months ended 31 March 2012

截至二零一二年三月三十一日止六個月

### 13. CONVERTIBLE BONDS (Continued)

### 13. 可換股債券 (續)

		<b>31 March 2012</b>	30 September 2011	
		二零一二年 三月三十一日	二零一一年 九月三十日	
		<b>HK\$'000</b>	HK\$'000	
		千港元	千港元	
		<b>(unaudited)</b>	(audited)	
		<b>(未經審核)</b>	(經審核)	
Analysed as:	分類為:			
Current liabilities	流動負債	<b>56,917</b>	–	
Non-current liabilities	非流動負債	<b>84,787</b>	137,328	
		<b>141,704</b>	137,328	
		<b>First Tranche Bonds</b>	<b>Last Tranche Bonds</b>	<b>Total</b>
		第一批債券	最後一批債券	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Equity component at the date of issue	於發行日期之權益部分	9,286	12,759	22,045
Transaction cost related to equity component	與權益部分相關之交易成本	(279)	(383)	(662)
Equity component at 1 October 2010, 30 September 2011 (audited), 1 October 2011 and 31 March 2012 (unaudited)	於二零一零年十月一日、二零一一年九月三十日(經審核)、二零一一年十月一日及二零一二年三月三十一日(未經審核)之權益部分	9,007	12,376	21,383

# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 簡明財務報表附註

For the six months ended 31 March 2012

截至二零一二年三月三十一日止六個月

### 14. NOTE TO THE CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

#### (a) Disposal of subsidiaries

On 28 February 2012, the Group disposed of its two subsidiaries, Wealth Key Investments Ltd. and its subsidiary, Huafeng Textile (Lianyungang) Co., Ltd.

Net assets at the date of disposal were as follows:

### 14. 簡明綜合現金流量表附註

#### (a) 出售附屬公司

於二零一二年二月二十八日，本集團出售其兩間附屬公司Wealth Key Investments Ltd.及其附屬公司華豐紡織(連雲港)有限公司。

出售日期之淨資產如下：

		HK\$'000
		千港元
Property, plant and equipment	物業、廠房及設備	13,003
Bank and cash balances	銀行及現金結餘	230
Trade payables	應付貿易賬款	(62)
Accruals and other payables	應計費用及其他應付款項	(145)
Deferred tax liabilities	遞延稅項負債	(1,559)
Net assets disposed of	已出售淨資產	11,467
Release of foreign currency translation reserve	解除外幣換算儲備	(5,631)
Direct cost to the disposal	出售之直接成本	50
Loss on disposal of subsidiaries	出售附屬公司之虧損	(2,386)
Total consideration	總代價	
– satisfied by cash	– 以現金支付	3,500

# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 簡明財務報表附註

For the six months ended 31 March 2012

截至二零一二年三月三十一日止六個月

### 14. NOTE TO THE CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

### 14. 簡明綜合現金流量表附註(續)

#### (a) Disposal of subsidiaries (Continued)

#### (a) 出售附屬公司(續)

		HK\$'000
		千港元
Net cash inflow arising on disposal:	出售事項所產生之現金流入淨額：	
Cash consideration received	已收現金代價	3,500
Cash paid for direct cost	已就直接成本支付之現金	(50)
Cash and cash equivalents disposed of	出售之現金及現金等值	(230)
		<hr/> 3,220

#### (b) Major non-cash transaction

#### (b) 主要非現金交易

During the period, the Group disposed of its investment properties. According to the agreement, the Group does not need to refund to the buyer the rental deposits received in advance from the tenants in the previous financial period amounted to approximately HK\$1,534,000. The Group recognised such amount directly in profit or loss at the date of disposal.

於期內，本集團出售其投資物業。根據有關協議，本集團毋須向買方退還於過往財政期間預先向租戶收取之租金按金約1,534,000港元。本集團已於出售日期直接在損益確認有關金額。

# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 簡明財務報表附註

For the six months ended 31 March 2012

截至二零一二年三月三十一日止六個月

### 15. CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities at 31 March 2012.

At 30 September 2011, the Group had issued a guarantee of approximately HK\$12,200,000 jointly with an executive director of the Company and two independent third parties to a bank in respect of a banking facility granted to a former subsidiary. The guarantee had expired during the six months ended 31 March 2012.

At 30 September 2011, the directors did not consider it probable that a claim would be made against the Group under the above guarantee. The maximum liability of the Group at 30 September 2011 under the guarantee was the outstanding amount of the bank loan to the former subsidiary at that date of approximately HK\$12,200,000.

The fair value of the guarantee at date of inception was not material and was not recognised in the financial statements.

### 15. 或然負債

於二零一二年三月三十一日，本集團並無任何重大或然負債。

於二零一一年九月三十日，本集團與本公司一名執行董事及兩名獨立第三方共同就一間前附屬公司獲授之銀行融資向一間銀行發出約12,200,000港元之擔保。擔保已於截至二零一二年三月三十一日止六個月期內屆滿。

於二零一一年九月三十日，董事認為本集團根據上述擔保而被提出申索之機會不大。本集團於二零一一年九月三十日根據該擔保所承擔之最高責任為於當日已給予該前附屬公司之未償還銀行貸款約12,200,000港元。

該擔保於發出當日之公平值並不重大，故未有於財務報表確認。

# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## 簡明財務報表附註

For the six months ended 31 March 2012

截至二零一二年三月三十一日止六個月

### 16. COMMITMENTS

The Group had the following commitments:

### 16. 承擔

本集團之承擔如下：

		<b>31 March</b>	30 September
		<b>2012</b>	2011
		二零一二年	二零一一年
		三月三十一日	九月三十日
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
		<b>(unaudited)</b>	(audited)
		<b>(未經審核)</b>	(經審核)
Contracted but not provided for:	已訂約但未撥備：		
Construction of buildings	樓宇建築	<b>4,115</b>	4,781
Purchase of plant and machinery	購買廠房及機器	<b>8,651</b>	7,601
Purchase of a parcel of land	購買一幅土地	<b>1,317</b>	1,308
		<b>14,083</b>	13,690

### 17. EVENTS AFTER THE REPORTING PERIOD

The resolution proposed in relation to proposed amendments to certain terms and conditions of convertible bonds was duly passed by way of poll at the extraordinary general meeting of the Company held on 4 May 2012 (the "EGM"). The full text of the resolution is set out in the announcement of the Company for the Notice of EGM dated 17 April 2012.

### 17. 報告期後事項

就建議修訂可換股債券若干條款及條件而提呈之決議案已在本公司於二零一二年五月四日舉行之股東特別大會（「股東特別大會」）上以投票方式獲正式通過。決議案全文載於本公司在二零一二年四月十七日就股東特別大會通告刊發之公告。

### 18. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 30 May 2012.

### 18. 批准財務報表

董事會已於二零一二年五月三十日批准及授權刊發本財務報表。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### FINANCIAL REVIEW

For the six months ended 31 March 2012, the Group's revenue decreased by 22.5% as compared to the corresponding period last year to approximately HK\$254.6 million (2011: approximately HK\$328.6 million). Gross profit for the Period decreased by 27.4% as compared to the corresponding period last year to approximately HK\$41.4 million (2011: approximately HK\$57.0 million). Gross profit margin was approximately 16.2% (2011: approximately 17.3%). The decrease in revenue was mainly attributable to the decrease in market demand and more intensive competition in the textiles industry, leading to a decrease in both sales orders and average selling prices. Besides, the disposal of Lingfeng Dyeing & Weaving Co., Ltd. ("Lingfeng") last year led to a decrease in overall revenue of the Group. During the Period, loss attributable to owners of the Company was approximately HK\$36.1 million (2011: Profit of approximately HK\$10.9 million). The loss was mainly attributable to a loss of approximately HK\$46.7 million resulting from the disposal of investment properties during the Period. Excluding this one-off loss, profit attributable to owners of the Company was approximately HK\$10.6 million representing a decrease of approximately 3.1% as compared to the corresponding period last year.

### 財務回顧

於截至二零一二年三月三十一日止六個月，本集團收入較去年同期減少22.5%至約254,600,000港元（二零一一年：約328,600,000港元）。本期間毛利較去年同期減少27.4%至約41,400,000港元（二零一一年：約57,000,000港元）。毛利率約為16.2%（二零一一年：約17.3%）。收入減少主要是由於紡織業市場需求下降及競爭日趨激烈，致使銷售訂單及平均售價均有所下跌。此外，去年出售石獅市凌峰漂染織造有限公司（「凌峰」）導致本集團整體收入減少。於本期間，本公司擁有人應佔虧損約為36,100,000港元（二零一一年：溢利約10,900,000港元）。虧損主要源自本期間出售投資物業所產生之虧損約46,700,000港元。倘撇除此項一次性虧損，則本公司擁有人應佔溢利約為10,600,000港元，較去年同期減少約3.1%。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### BUSINESS REVIEW

During the Period, constant growth in production costs including raw material costs and labor wages, as well as the economic slowdown in China undermined market demand and aggravated competition among China's textile enterprises, adding difficulties for textile enterprises to pass on the rising costs to its customers. Meanwhile, the consistent appreciation of the Renminbi ("RMB") against the US dollars ("USD") and the uncertainties in the global economic outlook caused slowdown in overseas market demand, bringing greater challenges to China's textile industry. Despite the challenges from the market and operating environment, the Group maintained its overall business competitiveness through strict cost control measures, flexible marketing strategies, as well as consolidation of long-term cooperation with customers.

### 業務回顧

於本期間，生產成本（包括原材料成本及工資）持續上漲，加上中國經濟放緩削弱市場需求並使國內紡織企業間之競爭加劇，令紡織企業更難將成本升幅轉嫁予客戶。與此同時，人民幣兌美元持續升值以及全球經濟前景不明朗導致海外市場需求不振，均使中國紡織業面對更多挑戰。儘管市場及經營環境困難重重，惟本集團仍能透過嚴格成本控制措施、靈活市場推廣策略以及深化與客戶之長期合作關係，維持其整體業務之競爭力。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

During the Period, the Group's newly established premises in Jiangxi went into full operation in production of blankets and contributed to revenue of approximately HK\$23.6 million during the Period, representing an increase of 40.5% as compared to the corresponding period last year (2011: approximately HK\$16.8 million). As domestic demand for blankets steadily rises, it is estimated that income from the Group's new premises in Jiangxi will increase correspondingly to contribute more profit to the Group. The Group believes that the growing market economy, accelerative urbanization and rising household income will push up blanket demand, which is favourable for the Group's blanket production and relevant business development. On the other hand, due to the constant loss and uncertain future of the fabric processing services segment, the Group disposed Lingfeng and other relevant businesses to maintain its competitive edge.

On 21 April 2010, the Group signed a memorandum of understanding ("MOU") in relation to the proposed acquisition of 67.5% equity interest in a gold mine in Liaoning Province of the People's Republic of China ("PRC"). Subsequently, the Company had terminated the proposed acquisition and the MOU lapsed on 20 January 2012.

本集團於江西之新建廠房已於本期間全面投入生產毛毯，於本期間貢獻收入約23,600,000港元，較去年同期（二零一一年：約16,800,000港元）增加40.5%。由於境內毛毯需求穩步增長，故來自本集團江西新廠房之收益估計將相應增加，擴大對本集團之溢利貢獻。本集團相信，隨著市場經濟發展、城市化速度加快及家庭收入日益增加，毛毯需求將會上升，有利於本集團之毛毯生產及相關業務發展。另一方面，由於布料加工服務分部持續虧損且前景不明朗，故本集團已出售凌峰及其他相關業務，以保持競爭優勢。

於二零一零年四月二十一日，本集團就建議收購中華人民共和國（「中國」）遼寧省一個金礦67.5%股權簽署諒解備忘錄（「諒解備忘錄」）。本公司其後已終止建議收購事項，而諒解備忘錄已於二零一二年一月二十日失效。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### BUSINESS PROSPECTS

In 2012, as there are still many uncertainties in the global economy, the international demand for textile exports will be weakened and therefore bring a more critical textile market condition. At the same time, the decrease in domestic market demand due to slowdown of China's economy will add pressure to the garment enterprises' inventory consumption, suppressing the fabric production and processing demand, posing immense challenges to the development of the domestic textile industry. Besides, the fluctuations in raw material prices, the consistent appreciation of the RMB, the increasing labor wages and other production costs caused by inflation will generate tremendous operating pressures to China's textile industry. In addition, competition in the textile exports market becomes increasingly intensive as other countries (such as India and Vietnam) enjoy stronger export competitiveness due to lower raw material costs and labor wages.

### 業務展望

於二零一二年，全球經濟仍充滿不穩定因素，國際紡織品出口需求將受打擊，從而使紡織業營商環境更為嚴峻。同時，中國經濟放緩使國內市場需求下跌，將加重成衣企業於消耗存貨方面之壓力，遏抑布料生產及加工需求，對國內紡織業發展帶來巨大挑戰。再者，原材料價格波動、人民幣持續升值以及通脹使勞工工資及其他生產成本上升，均對中國紡織業構成沉重營運壓力。此外，鑑於其他國家（如印度及越南）原材料成本及勞工工資成本較低，出口競爭力較高，故紡織品出口市場競爭日益熾熱。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

To tackle the difficulties, the Group will dedicate efforts to deploy flexible market strategies and diversify the business component, steadily expand its client base and continue to implement its strict cost control measures, in order to maintain the Group's overall business competitiveness, pushing ahead its long-term stable development. The Group will continue to develop the blanket production business with high growth potential to capture business opportunities arising from surging market demand. In the meantime, the Group will proactively search for potential favorable expansion, merger and acquisition opportunities, so as to realize the long-term business diversification strategy, and to further enhance its revenue sources and profitability, bringing maximized returns to the shareholders.

為應付挑戰，本集團將致力運用靈活之市場策略及使業務架構多元化，穩步擴充客戶群，並繼續推行其嚴格成本控制措施，從而維持本集團整體業務競爭力，推動長遠穩定發展。本集團將繼續發展具高增長潛力之毛毯生產業務，藉此把握市場需求增長所帶來之商機。與此同時，本集團將積極尋找具潛力之理想擴充、合併及收購機會，冀能實現使業務多元化之長遠策略，並進一步擴闊收入來源及提升盈利能力，為股東帶來最高回報。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### LIQUIDITY AND FINANCIAL RESOURCES

At 31 March 2012, the Group had current assets of approximately HK\$846.3 million (30 September 2011: approximately HK\$830.6 million) and current liabilities of approximately HK\$324.7 million (30 September 2011: approximately HK\$287.3 million). The current ratio (calculated as current assets to current liabilities) decreased from 2.89 as at 30 September 2011 to 2.61 as at 31 March 2012. The gearing ratio (calculated as the total bank borrowings and the convertible bonds to total shareholders' equity) had slightly dropped from 0.13 as at 30 September 2011 to 0.12 as at 31 March 2012. These ratios were at reasonably adequate levels as at 31 March 2012 while the Group had sufficient resources in meeting its short-term and long-term obligations.

### 流動資金及財務資源

於二零一二年三月三十一日，本集團之流動資產約為846,300,000港元（二零一一年九月三十日：約830,600,000港元），流動負債約為324,700,000港元（二零一一年九月三十日：約287,300,000港元）。流動比率（按流動資產對流動負債計算）由二零一一年九月三十日之2.89下降至二零一二年三月三十一日之2.61。資本負債比率（按銀行借貸及可換股債券總額對股東權益總額計算）由二零一一年九月三十日之0.13微跌至二零一二年三月三十一日之0.12。於二零一二年三月三十一日，有關比率乃處於合理充足水平，而本集團備有足夠資源應付其短期及長期責任。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

The Group principally met its funding requirements by cash flows from operations. During the Period, the net cash inflow from operating activities and net cash used in financing activities were approximately HK\$68.3 million and approximately HK\$25.4 million. The total bank borrowings decreased by 50% to approximately HK\$24 million (30 September 2011: approximately HK\$48.0 million). At 31 March 2012, the Group had total bank borrowings of approximately HK\$24 million (30 September 2011: HK\$48 million) repayable within one year and HK\$Nil (30 September 2011: HK\$Nil) repayable more than one year. The bank borrowings were subjected to fixed interest rate and floating interest rates, which were 0% and 100% respectively. The Group's bank borrowings were denominated in Hong Kong dollars ("HKD"). There are no seasonal adjustments with respect to the Group's borrowings.

At 31 March 2012, the Group's bank borrowings were secured by corporate guarantees given by the Company.

本集團主要以經營業務之現金流量應付其資金需要。於本期間，經營業務現金流入淨額及融資活動所用之現金淨額分別約為68,300,000港元及25,400,000港元。銀行借貸總額下降50%至約24,000,000港元（二零一一年九月三十日：約48,000,000港元）。於二零一二年三月三十一日，本集團須於一年內償還之銀行借貸總額約為24,000,000港元（二零一一年九月三十日：約48,000,000港元），須於一年後償還者為零港元（二零一一年九月三十日：零港元）。分別0%及100%之銀行借貸以固定息率及浮動息率計算。本集團之銀行借貸以港元列值。本集團之借貸並無季節性調整。

於二零一二年三月三十一日，本集團之銀行借貸以本公司提供之公司擔保作抵押。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### CAPITAL STRUCTURE

The total number of issued share capital of the Company as at 31 March 2012 was 1,446,838,580 shares.

### FOREIGN EXCHANGE EXPOSURE

Most assets, liabilities and transactions of the Group are denominated in RMB and HKD, except overseas sales which are denominated in USD. In view of the currency peg between HKD and USD and a relatively strong RMB at HK\$1.00 equal to RMB0.81 (as at 31 March 2012), the fluctuations of foreign currencies did not have a significant impact on the performance of the Group.

### CAPITAL EXPENDITURE

During the Period, the total capital expenditure of the Group for the expansion of various plants and erection of new buildings was approximately HK\$20.9 million (2011: approximately HK\$65.8 million).

### 股本架構

本公司於二零一二年三月三十一日之已發行股本總數為1,446,838,580股股份。

### 外匯風險

本集團大部分資產、負債及交易均以人民幣及港元列值，惟海外銷售則以美元列值。鑒於港元與美元掛鈎，而人民幣相對強勁（1.00港元兌人民幣0.81元（於二零一二年三月三十一日）），外幣波動對本集團之表現並無重大影響。

### 資本開支

於本期間，本集團用於擴建多間廠房及新建大樓之資本開支總額約為20,900,000港元（二零一一年：約65,800,000港元）。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### CHARGES ON ASSETS

The Group's bank borrowing is secured by corporate guarantees given by the Company.

### 資產抵押

本集團之銀行借貸以本公司提供之公司擔保作抵押。

### CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 31 March 2012 (30 September 2011: approximately HK\$12,200,000).

### 或然負債

於二零一二年三月三十一日，本集團並無任何重大或然負債（二零一一年九月三十日：約12,200,000港元）。

### MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES

The Group had no material acquisition or disposal of subsidiaries during the Period.

### 附屬公司之重大收購或出售

於本期間，本集團並無進行附屬公司之重大收購或出售。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### EMPLOYMENT INFORMATION

At 31 March 2012, the Group had a total of 1,533 (2011: 2,221) employees in Hong Kong, Macau and the PRC. The Group's emoluments policies are based on the performance of individual employees and on the basis of the salary trends in various regions, and are reviewed periodically.

For the Period, the total staff costs including directors' emoluments amounted to approximately HK\$29.0 million (2011: approximately HK\$36.3 million). During the Period, the amount of the equity-settled share-based payment included in the staff cost is HK\$Nil (2011: HK\$Nil). The Company maintains a share option scheme for the purpose of providing incentives and rewards to the eligible participants for their contributions to the Group.

### 僱傭資料

於二零一二年三月三十一日，本集團於香港、澳門及中國共有1,533名（二零一一年：2,221名）僱員。本集團根據個別僱員之表現及有關地區之薪酬趨勢制定薪酬政策，並作定期檢討。

於本期間，員工成本總額（包括董事酬金）約為29,000,000港元（二零一一年：約36,300,000港元）。於本期間，計入員工成本之以股權結算並以股份支付之款項金額為零港元（二零一一年：零港元）。本公司設立購股權計劃，旨在鼓勵及回饋對本集團有所貢獻之合資格參與者。



# DISCLOSURE OF ADDITIONAL INFORMATION

## 附加資料披露

### INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the Period (2011: HK\$Nil).

### 中期股息

董事會不建議派付本期間之中期股息（二零一一年：零港元）。

### MEMORANDUM OF UNDERSTANDING

On 21 April 2010, the Company entered into the MOU with a vendor (the “Vendor”), an independent third party, in relation to a proposed acquisition of an entire registered capital in a company (the “Target Company”). The Target Company is incorporated in the British Virgin Islands and is principally engaged in investment holding and is expected to hold 67.5% effective interest in a gold mine in Liaoning Province of the PRC. The consideration of the acquisition was RMB400 million. Further details are set out in the Company’s announcement dated 21 April 2010.

### 諒解備忘錄

於二零一零年四月二十一日，本公司與屬獨立第三方之賣方（「賣方」）訂立有關建議收購一間公司（「目標公司」）全部註冊資本之諒解備忘錄。目標公司於英屬處女群島註冊成立，主要業務為投資控股，並預期持有中國遼寧省一個金礦之67.5%實際權益。收購事項之代價為人民幣400,000,000元。其他詳情載於本公司日期為二零一零年四月二十一日之公告。

On 19 January 2012, the Company had decided not to proceed with the proposed acquisition and the MOU had been lapsed on 20 January 2012. The lapse of the MOU did not have any significant adverse effect on the financial position and business of the Group.

於二零一二年一月十九日，本公司決定不再進行建議收購事項，故諒解備忘錄已於二零一二年一月二十日失效。諒解備忘錄失效不會對本集團之財務狀況及業務構成任何重大不利影響。

# DISCLOSURE OF ADDITIONAL INFORMATION

## 附加資料披露

### DUAL LISTING

On 28 December 2006, the Company made a pre-application to the Korea Exchange (the “KRX”) for the establishment of the Korea Depository Receipts Programme (the “KDR”) on the KRX and the Company applied to the relevant authorities for the listing of not more than 300 million new shares (equivalent to 6 million KDRs) under the KDR, by way of public offering in KRX on 16 February 2007. The offering was approved by the Financial Supervisory Service of Korea on 9 November 2007. Subsequently the Company was successfully dual listing in both Hong Kong and Korea on 26 November 2007. For further details, please refer to the Company’s announcements dated 27 December 2006, 16 February 2007, 27 June 2007, 23 October 2007 and 9 November 2007 together with the Company’s circular dated 28 February 2007. The disclosure agent in Korea is Value C&I Consulting Co., Ltd..

### 兩地上市

於二零零六年十二月二十八日，本公司就於韓國證券交易所（「韓交所」）設立韓國預託證券計劃（「韓國預託證券」）向韓交所遞交預審申請書，而本公司於二零零七年二月十六日向有關當局申請於韓交所以公開發售韓國預託證券之方式，將上限不超過300,000,000股新股（相等於6,000,000份韓國預託證券）上市。該項發售已於二零零七年十一月九日獲韓國金融監督局批准。因此，本公司成功於二零零七年十一月二十六日在香港及韓國兩地上市。有關進一步詳情，請參閱本公司日期為二零零六年十二月二十七日、二零零七年二月十六日、二零零七年六月二十七日、二零零七年十月二十三日及二零零七年十一月九日之公佈，以及本公司日期為二零零七年二月二十八日之通函。於韓國之披露代理人為Value C&I Consulting Co., Ltd.。

## DISCLOSURE OF ADDITIONAL INFORMATION

### 附加資料披露

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

As at 31 March 2012, the interests and short positions of the director(s) of the Company (the “Director(s)”) and chief executives of the Company or their respective associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) (the “SFO”)) which are required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or as recorded in the register of interests required to be maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company or the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) were as follows:

#### 董事及行政總裁於股份、相關股份及債權證之權益及淡倉

於二零一二年三月三十一日，本公司董事（「董事」）及本公司行政總裁或彼等各自之聯繫人於本公司或其任何相聯法團（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、相關股份及債權證中擁有依據證券及期貨條例第XV部第7及8分部須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉（包括根據證券及期貨條例有關條文彼等被當作或視作擁有之權益或淡倉）；或記錄於本公司依據證券及期貨條例第352條須存置之權益登記冊之權益及淡倉；或依據聯交所證券上市規則（「上市規則」）附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司或聯交所之權益及淡倉如下：

## DISCLOSURE OF ADDITIONAL INFORMATION

### 附加資料披露

Long positions

好倉

Ordinary Shares of HK\$0.01 each of the Company

本公司每股面值0.01港元之普通股

Name of Director	Capacity	Type of interest	Number of shares held	Approximate percentage of shareholding in the Company
董事姓名	身份	權益類型	所持股份數目	概約持股百分比
Mr. Cai Zhenrong 蔡振榮先生	Beneficial owner 實益擁有人	Personal 個人	463,041,000	32.00%
Mr. Cai Zhenyao 蔡振耀先生	Beneficial owner 實益擁有人	Personal 個人	58,472,000 (Note 1) (附註1)	4.04%
Mr. Cai Zhenying 蔡振英先生	Beneficial owner 實益擁有人	Personal 個人	13,220,000 (Note 2) (附註2)	0.91%
Mr. Cai Yangbo 蔡揚波先生	Beneficial owner 實益擁有人	Personal 個人	14,270,000	0.99%
Mr. Choi Wing Toon 蔡永團先生	Beneficial owner 實益擁有人	Personal 個人	2,000,000	0.14%

## DISCLOSURE OF ADDITIONAL INFORMATION

### 附加資料披露

Name of Director	Capacity	Type of interest	Number of shares held	Approximate percentage of shareholding in the Company 於本公司之 概約持股百分比
董事姓名	身份	權益類型	所持股份數目	
Ms. Choy So Yuk, JP 蔡素玉女士，太平紳士	Beneficial owner 實益擁有人	Personal 個人	1,200,000 (Note 2) (附註2)	0.08%
Mr. Wong Siu Hong 黃兆康先生	Beneficial owner 實益擁有人	Personal 個人	1,200,000	0.08%

Notes:

附註：

- These shares include 13,220,000 shares which are the share options granted to Mr. Cai Zhenyao under the share option scheme adopted by the Company on 30 August 2002 and terminated on 24 February 2012 (the "Terminated Scheme").
  - These shares are the share options granted to the Directors by the Company under the Terminated Scheme.
- 該等股份包括13,220,000股股份，乃根據本公司於二零零二年八月三十日採納並於二零一二年二月二十四日終止之購股權計劃（「已終止計劃」）授予蔡振耀先生之購股權。
  - 該等股份乃本公司根據已終止計劃授予董事之購股權。

## DISCLOSURE OF ADDITIONAL INFORMATION

### 附加資料披露

Save as disclosed above, as at 31 March 2012, none of the Directors and chief executives of the Company or their respective associates had any interest or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or as recorded in the register of interests required to be maintained pursuant to Section 352 of the SFO, or as otherwise to be notified to the Company or the Stock Exchange pursuant to the Model Code of the Listing Rules.

除上文所披露者外，於二零一二年三月三十一日，董事及本公司行政總裁或彼等各自之聯繫人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）之股份、相關股份或債權證中擁有依據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益或淡倉（包括根據證券及期貨條例有關條文彼等被當作或視作擁有之權益或淡倉）；或記錄於本公司依據證券及期貨條例第352條須存置之權益登記冊之權益或淡倉；或依據上市規則標準守則須知會本公司或聯交所之權益或淡倉。

## DISCLOSURE OF ADDITIONAL INFORMATION 附加資料披露

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

As at 31 March 2012, to the best knowledge of the Directors, the following person (other than a Director and chief executives of the Company) who had interests or short positions in the shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provision of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

#### Long positions

*Ordinary Shares of HK\$0.01 each of the Company*

### 主要股東於股份、相關股份及債權證之權益及淡倉

於二零一二年三月三十一日，據董事所深知，以下人士（董事及本公司行政總裁除外）於本公司股份、相關股份及債權證擁有須根據證券及期貨條例第XV部第2及3分部條文向本公司披露之權益或淡倉；或記錄於本公司根據證券及期貨條例第336條規定存置之權益登記冊之權益或淡倉：

#### 好倉

本公司每股面值0.01港元之普通股

Name of shareholder	Capacity	Number of shares held	Approximate percentage of shareholding in the Company 於本公司之概約持股百分比
主要股東姓名	身份	所持股份數目	
Ms. Su Liyuan 蘇麗鴛女士	Interest of spouse 配偶權益	463,041,000 (Note) (附註)	32.00%

## DISCLOSURE OF ADDITIONAL INFORMATION

### 附加資料披露

Note: These 463,041,000 shares are held and beneficially owned by Mr. Cai Zhenrong, an executive Director. Ms. Su Liyuan, is the wife of Mr. Cai Zhenrong and is deemed to be interested in these 463,041,000 shares under the SFO.

附註：此等463,041,000股股份由執行董事蔡振榮先生持有及實益擁有。根據證券及期貨條例，蘇麗鴛女士為蔡振榮先生之妻子，故被視為擁有此等463,041,000股股份之權益。

Save as disclosed above, as at 31 March 2012, no person, other than the Directors and chief executives of the Company whose interests are set out in the section “Directors’ and chief executives’ interests and short positions in shares, underlying shares and debentures”, had any interest or short positions in the shares, underlying shares or debentures of the Company which are required to be notified to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO.

除上文所披露者外，於二零一二年三月三十一日，董事及本公司行政總裁（彼等之權益載於「董事及行政總裁於股份、相關股份及債權證之權益及淡倉」一節）以外之人士概無於本公司股份、相關股份或債權證擁有須根據證券及期貨條例第XV部第2及3分部條文知會本公司及聯交所之權益或淡倉；或記錄於本公司根據證券及期貨條例第336條規定存置之權益登記冊之權益或淡倉。



## DISCLOSURE OF ADDITIONAL INFORMATION

### 附加資料披露

#### DIRECTOR'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the sections “Directors’ and chief executives’ interests in and short positions in shares, underlying shares and debentures” and “Share Option Scheme”, at no time during the Period was the Company, its subsidiaries or any of its associated corporations (within the meaning of Part XV of the SFO) a party to any arrangements to enable the Directors or their associates (as defined in the Listing Rules) to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

#### SHARE OPTION SCHEME

On 24 February 2012, the Company has passed the resolutions in a shareholders’ meeting for the termination of the share option scheme adopted on 30 August 2002 (the “Terminated Scheme”) and the adoption of a new share option scheme (the “New Scheme”). Outstanding share options granted under the Terminated Scheme prior to such termination shall continue to be valid and, subject to the vesting schedule, exercisable in accordance with the Terminated Scheme.

The following table discloses details of the Company’s share options held by the Directors and employees of the Group and other participants pursuant to the Terminated Scheme and the New Scheme and movements in such holdings during the Period:

#### 董事購買股份或債權證之權利

除「董事及行政總裁於股份、相關股份及債權證之權益及淡倉」以及「購股權計劃」兩節所披露者外，本公司、其附屬公司或其任何相聯法團（定義見證券及期貨條例第XV部）於本期間內概無訂立任何安排，以使董事或彼等之聯繫人（定義見上市規則）可透過購入本公司或任何其他法人團體之股份或債權證而獲取利益。

#### 購股權計劃

於二零一二年二月二十四日，本公司於股東大會上通過決議案終止於二零零二年八月三十日採納之購股權計劃（「已終止計劃」），並採納新購股權計劃（「新計劃」）。根據已終止計劃已授出而於其終止前尚未行使之購股權將繼續有效，並可（視乎歸屬時間表）根據已終止計劃予以行使。

下表披露本集團各董事及僱員及其他參與者根據已終止計劃及新計劃持有之本公司購股權詳情，以及該等購股權於本期間之變動：

# DISCLOSURE OF ADDITIONAL INFORMATION

## 附加資料披露

Name or category of participant	Date of grant	Exercise period	Exercise price (HK\$)	Outstanding as at 1.10.2011	Number of share option 購股權數目			Outstanding as at 31.3.2012
					Granted during the Period	Lapsed during the Period	Exercised during the Period	
參與者姓名或類別	授出日期	行使期	行使價(港元)	於二零一一年十月一日尚未行使	於本期間授出	於本期間失效	於本期間行使	於二零一二年三月三十一日尚未行使
<b>Directors</b>								
<b>董事</b>								
Mr. Cai Zhenyao 蔡振耀先生	1.3.2010	1.3.2010-28.2.2015	0.520	13,220,000	-	-	-	13,220,000
Mr. Cai Zhenying 蔡振英先生	1.3.2010	1.3.2010-28.2.2015	0.520	13,220,000	-	-	-	13,220,000
Ms. Choy So Yuk, JP 蔡素玉女士·太平紳士	1.3.2010	1.3.2010-28.2.2015	0.520	1,200,000	-	-	-	1,200,000
Subtotal 小計				27,640,000	-	-	-	27,640,000
Employees 僱員	5.12.2008	5.12.2008-4.12.2011	0.125	35,400,000	-	35,400,000	-	-
Employees 僱員	11.5.2009	11.5.2009-10.5.2014	0.255	123,920,000	-	-	-	123,920,000
Employees 僱員	1.3.2010	1.3.2010-28.2.2015	0.520	66,100,000	-	-	-	66,100,000
Employees 僱員	4.4.2011	4.4.2011-3.4.2016	0.400	3,400,000	-	-	-	3,400,000
Other participants 其他參與者	4.4.2011	4.4.2011-3.4.2016	0.400	141,200,000	-	-	-	141,200,000
<b>Total</b> <b>總計</b>				<b>397,660,000</b>	<b>-</b>	<b>35,400,000</b>	<b>-</b>	<b>362,260,000</b>

## DISCLOSURE OF ADDITIONAL INFORMATION

### 附加資料披露

During the Period, no options were exercised under the Terminated Scheme and New Scheme.

於本期間，概無購股權根據已終止計劃及新計劃獲行使。

Details of the specific categories of options are as follows:

特定類別之購股權詳情如下：

Year 年份	Date of grant 授出日期	Exercise period 行使期	Exercise price 行使價 HK\$ 港元
2008	5.12.2008	5.12.2008-4.12.2011	0.125
2009	11.5.2009	11.5.2009-10.5.2014	0.255
2010	1.3.2010	1.3.2010-28.2.2015	0.520
2011	4.4.2011	4.4.2011-3.4.2016	0.400

If the options remain unexercised after the exercise period from the date of grant, the options will expire. Options are forfeited if the employee leaves the Group before the options vest.

倘購股權於授出日期起計之行使期後仍未行使，則購股權將會到期。倘僱員於購股權歸屬前離開本集團，則購股權將被收回。

## DISCLOSURE OF ADDITIONAL INFORMATION

### 附加資料披露

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Period.

#### 購買、出售或贖回本公司上市證券

本公司或其任何附屬公司概無於本期間購買、出售或贖回本公司任何上市證券。

#### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Rules Governing the Listing of securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiry by the Company, all Directors have confirmed their compliance with the required standard set out in the Model Code during the Period.

#### 董事進行證券交易的標準守則

本公司已採納香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十所載列之上市發行人董事進行證券交易的標準守則（「標準守則」），作為本公司規管董事進行證券交易之行為守則。全體董事經本公司作出特定查詢後確認，彼等於本期間一直遵守標準守則所要求之準則。

#### CORPORATE GOVERNANCE

The Company has adopted most of the code provisions as stated in the Corporate Governance Code and Corporate Governance Report (the "CG Code") contained in Appendix 14 to the Listing Rules and the Board is committed to complying with the CG Code to the extent that the Directors consider it to be practical and applicable to the Company.

#### 企業管治

本公司已採納上市規則附錄十四所載列企業管治守則及企業管治報告（「企業管治守則」）之大部分守則條文。董事會承諾，在董事認為切實可行及適用於本公司之前提下，遵從企業管治守則行事。

## DISCLOSURE OF ADDITIONAL INFORMATION

### 附加資料披露

The corporate governance principles of the Company emphasize an effective Board, sound internal control, appropriate independence policy, transparency and accountability to the shareholders of the Company. The Board will continue to monitor and revise the Company's corporate governance policies in order to ensure that such policies may meet the general rules and standards required by the Listing Rules. The Company had complied with the CG Code throughout the Period with the following deviations:

#### Code Provision A.2.1

Up to the date of this report, no individual was appointed as chief executive of the Company. The role of the chief executive has been performed collectively by all the executive Directors, including the chairman of the Company. The Board considers that this arrangement allows contributions from all executive Directors with different expertise and is beneficial to the continuity of the Company's policies and strategies and the interest of the shareholders of the Company as a whole.

本公司企業管治原則着重有效之董事會、良好的內部監控及恰當的獨立政策，並為本公司股東提供透明度及問責制度。董事會將繼續監察及修訂本公司之企業管治政策，以確保此等政策符合上市規則規定之一般規則及標準。於本期間，本公司一直遵守企業管治守則，惟有下列偏離：

#### 守則條文第A.2.1條

截至本報告日期，並無任何人士獲委任為本公司行政總裁。行政總裁之職責由全體執行董事（包括本公司主席）共同履行。董事會認為，此項安排可讓具備不同專業知識之全體執行董事作出貢獻，且對維持本公司政策和策略之持續性及本公司股東之整體利益有利。

## DISCLOSURE OF ADDITIONAL INFORMATION

### 附加資料披露

#### Code Provision E.1.2

The chairman of the Board was not able to attend the annual general meeting of the Company held on 24 February 2012 due to other important business engagement. And the chairman of the Board had delegated the Managing Director to chair the annual general meeting.

#### 守則條文第E.1.2條

董事會主席因其他重要業務關係，未克出席本公司於二零一二年二月二十四日舉行之股東週年大會，而董事會主席已委派董事總經理擔任股東週年大會主席。

#### NOMINATION COMMITTEE

On 28 March 2012, the Company has established a nomination committee (the "Nomination Committee") which consists of three independent non-executive Directors.

#### 提名委員會

於二零一二年三月二十八日，本公司已成立提名委員會（「提名委員會」），由三名獨立非執行董事組成。

#### Composition of the Nomination Committee

Mr. Lawrence Gonzaga (*Chairman*)  
Ms. Choy So Yuk, *JP*  
Mr. Wong Siu Hong

#### 提名委員會之組成

Lawrence Gonzaga先生（主席）  
蔡素玉女士，太平紳士  
黃兆康先生

## DISCLOSURE OF ADDITIONAL INFORMATION

### 附加資料披露

#### *Role and Function*

The Nomination Committee is mainly responsible for:

- i. reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- ii. identifying individuals suitably qualified to become members of the Board and selecting or making recommendations to the Board on the selection of individuals nominated for directorships;
- iii. assessing the independence of independent non-executive Directors; and
- iv. making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman of the Board and the chief executive.

#### *角色及職能*

提名委員會主要負責：

- i. 檢討董事會之架構、人數及組成（包括技能、知識及經驗方面），並就任何為配合本公司之企業策略而擬對董事會作出之變動提出建議；
- ii. 物色具備合適資格可擔任董事會成員之人士，並挑選獲提名人士出任董事或就此向董事會提出建議；
- iii. 評核獨立非執行董事之獨立性；及
- iv. 就董事委任或重新委任以及董事（尤其是董事會主席及行政總裁）繼任計劃向董事會提出建議。

## DISCLOSURE OF ADDITIONAL INFORMATION

### 附加資料披露

#### AMENDMENTS TO CERTAIN TERMS AND CONDITIONS OF THE CONVERTIBLE BONDS

At the extraordinary general meeting of the Company held on 4 May 2012, the resolution proposed in relation to the proposed amendments to certain terms and conditions of the convertible bonds due in 2013 of aggregate principal amounts of HK\$150,000,000 created and issued by the Company on 11 February 2010 and 20 April 2010, was duly passed by way of poll.

For further details, please refer to the Company's announcements dated 5 March 2012, 15 March 2012, 30 March 2012, 17 April 2012 and 4 May 2012 together with the Company's circular dated 17 April 2012.

#### DISCLOSURE OF INFORMATION ON DIRECTORS

Pursuant to rule 13.51B of the Listing Rules, the changes of information on Directors are as follows:

Mr. Lawrence Gonzaga, an independent non-executive Director, has been appointed as the member and chairman of the Nomination Committee with effect from 28 March 2012.

#### 修訂可換股債券若干條款及條件

就建議修訂由本公司於二零一零年二月十一日及二零一零年四月二十日增設並發行，且於二零一三年到期、本金總額為150,000,000港元之可換股債券若干條款及條件而提呈之決議案，已在本公司於二零一二年五月四日舉行之股東特別大會上以投票方式獲正式通過。

進一步詳情請參閱本公司在二零一二年三月五日、二零一二年三月十五日、二零一二年三月三十日、二零一二年四月十七日及二零一二年五月四日刊發之公告，以及本公司在二零一二年四月十七日刊發之通函。

#### 董事資料披露

根據上市規則第13.51B條，董事資料之變動如下：

獨立非執行董事Lawrence Gonzaga先生已獲委任為提名委員會成員兼主席，由二零一二年三月二十八日起生效。



## DISCLOSURE OF ADDITIONAL INFORMATION

### 附加資料披露

Ms. Choy So Yuk, JP and Mr. Wong Siu Hong, both are independent non-executive Directors, have been appointed as the members of the Nomination Committee with effect from 28 March 2012.

### AUDIT COMMITTEE

The Company has established the Audit Committee in accordance with the requirements of the CG Code for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal control. The Audit Committee comprises three independent non-executive Directors. The interim results for the Period are unaudited, but have been reviewed and approved by the Audit Committee. During the Period, a regular meeting of the Audit Committee has been held.

On behalf of the Board

**Cai Zhenrong**

*Chairman*

Hong Kong, 30 May 2012

獨立非執行董事蔡素玉女士，太平紳士及黃兆康先生已獲委任為提名委員會成員，由二零一二年三月二十八日起生效。

### 審核委員會

本公司根據企業管治守則之規定設有審核委員會，其職責為對本集團之財務報告程序及內部監控進行審閱及提供監督。審核委員會由三名獨立非執行董事組成。本期間之中期業績未經審核，惟已由審核委員會審閱及批准。於本期間，審核委員會已舉行一次定期會議。

代表董事會

主席

蔡振榮

香港，二零一二年五月三十日

